

FINAL

**LEBANON CITY COUNCIL
REGULAR SESSION MINUTES
Wednesday, June 21, 2023, 7:00 p.m.
Council Chambers**

Remote Via Microsoft Teams: LebanonNH.gov/Live

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

MEMBERS ABSENT: Erling Heistad

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, City Clerk Jaseya Ewing, Deputy Director of Planning & Development Tim Corwin, DPW Administrative Services Manager Kelly Crate, Chief Innovation Officer Melanie McDonough

1. CALL TO ORDER: Mayor McNamara called the meeting to order at 7:00 p.m.

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

- City Manager Shaun Mulholland announced the meeting criteria for the public.
- Councilor Zook attended the meeting remote because of health reasons.

3. PUBLIC FORUM: Mayor McNamara made the Public Forum announcement.

4. OPEN TO PUBLIC: No one came forth

5. RECOGNITIONS:

- **RESOLUTION HONORING EAGLE SCOUT NICHOLAS B. LAMONTAGNE**

WHEREAS, the City of Lebanon takes pride in recognizing and honoring the achievements and contributions of its residents, particularly those who have demonstrated exceptional dedication to community service; and

WHEREAS, the Boy Scouts of America, through its time-honored program, encourages young individuals to develop leadership skills, engage in meaningful community projects, and uphold the values of citizenship and service; and

WHEREAS, Nicholas Lamontagne, a distinguished resident of West Lebanon, has displayed an exemplary commitment to these principles, successfully earning his Eagle Scout rank through tireless efforts and commendable dedication; and

WHEREAS, throughout his journey to achieve the esteemed Eagle Scout rank, Nicholas has devoted countless hours of service to our community, undertaking various activities that have greatly benefited our citizens. He actively participated in community parades, showcasing his commitment to our city's traditions, and fostering a sense of unity and pride among its residents; and

WHEREAS, as part of his notable Eagle Scout project, Nicholas conceived and executed the creation of workout stations on the Mascoma River Greenway, providing a valuable resource for our citizens to

engage in physical fitness activities while enjoying the natural beauty of our city.

NOW, THEREFORE BE IT RESOLVED, that the Lebanon City Council, on behalf of the City of Lebanon, extends its heartfelt congratulations and deepest appreciation to Nicholas B. Lamontagne for achieving the rank of Eagle Scout and for his outstanding community service, dedication, and leadership. He serves an inspiration to other young individuals within our city to pursue excellence, service, and the pursuit of their dreams.

Dated this 21st day of June 2023.

Timothy J. McNamara, Mayor
on behalf of the Lebanon City Council

6. ACCEPTANCE OF MINUTES: June 7, 2023 (Regular Meeting)

Councilor Whittlesey MOVED to approve the June 7, 2023 minutes as written and presented in the June 21, 2023 City Council agenda packet.

Seconded by Councilor Simon.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilor Heistad; Councilor Zook was not present at the time of this vote.

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

7. APPOINTMENTS:

A. Swearing in of Jaseya Ewing as City Clerk was done by Mayor McNamara

- City Clerk Jaseya Ewing spoke about her background history

Councilor Zook arrived at approximately 7:12 PM.

B. - Lebanon Housing Authority, Matthew Brown (Reappointment)

Assistant Mayor Below MOVED to NOMINATE Matthew Brown for Re-appointment as a member of the Lebanon Housing Authority for a five-year term as recommended by D. Alonso.

Term: (6/23-6/28)

Seconded by Councilor Liot Hill.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilor Heistad

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

- Pedestrian & Bicyclist Advisory Committee, M. Jared Toon (Alternate Member)

Councilor Sykes MOVED to NOMINATE M. Jared Toon for appointment as an alternate member of the Pedestrian & Bicyclist Advisory Committee for a three-year term.

Term: (6/23-6/26)

No Second needed.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilor Heistad

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

8. PUBLIC HEARING ITEMS:

A. COMMUNITY REVITALIZATION TAX RELIEF PROGRAM APPLICATION – A
public hearing for the purpose of receiving public input and taking action on a Community Revitalization Tax Relief Program Application (per NH RSA 79-E) by Your Best Day, LLC for rehabilitation of property at 3 Main Street, West Lebanon

Included in the agenda packet: *(Pages 39-56, Council agenda packet.)*

1. May 25, 2023 Memorandum from Deputy Planning & Development Director Tim Corwin re: Community Revitalization Tax Relief Incentive Program (RSA 79-E) Application of Foremost Builders/Your Best Day, LLC – 3 Main Street; M/L 86-22, including a Sample Resolution
2. 79-E Application & Supporting Documentation: Foremost Builders/Your Best Day, LLC

Mr. Tim Corwin, Deputy Director of Planning and Development, and Mr. David Clarenbach (owner of Foremost Builders/Your Best Day LLC) came before the Council to review the 79-E application as listed above.

Mr. Corwin reviewed the background and the contents of his memo *as detailed on pages 42-44, Council agenda packet*. Other than what was listed in his memo, he believed there was another requirement that needed to be satisfied in order to grant the tax relief, which requires the governing body to find that the proposed use is consistent with the municipality's Master Plan and Development Regulations. Since he was representing the Planning and Development Department, he attested to the fact that the project is consistent with the City's Master Plan and Development Regulations.

BACKGROUND

On February 17, 2016, the City Council adopted the provisions of the Community Revitalization Tax Relief Incentive Program pursuant to NH RSA 79-E to encourage the rehabilitation of existing buildings and structures in downtown Lebanon and downtown West Lebanon. On May 22, 2023, Foremost Builders and Your Best Day, LLC applied for consideration under the program.

Your Best Day, LLC is the owner of property located at 3 Main Street, West Lebanon (Tax Map 86, Lot 22), which is situated in the Central Business (CB) Zoning District and is currently improved with two attached multi-tenant commercial buildings. The anticipated improvements will include exterior

renovations and an interior renovation of +/-2500 sq. ft. of retail space into additional office space for Foremost Builders, a current tenant.

Location of property



Proposed Exterior Renovations



Proposed Interior Renovations



Under the terms of the 79-E program, the City Council must hold a public hearing within 60 days from receipt of the application to determine whether the structure is a Qualifying Structure; whether the proposed project is a Substantial Rehabilitation; and whether there is a Public Benefit to granting the requested tax relief, and if so, for what duration.

1
2 If the Council choses to grant the tax relief, you are authorized under the Statute to grant up to zero (0) to
3 five (5) years of tax relief. In this case the applicant has requested three (3) years of tax relief.

4
5 Mr. Clarenbach noted he would like request five (5) years under his 79E application for tax relief.

6
7 For detailed information regarding the project, please see the memo from Deputy Planning &
8 Development Director Tim Corwin, along with the accompanying application and supporting
9 documentation submitted by Your Best Day, LLC. *(Pages 39-56, Council agenda packet.)*

10
11 In closing, Mr. Corwin recommended the Council carefully balance the benefits of the 79-E Program
12 offers in terms of enabling projects that might not otherwise pencil out and the benefits that those projects
13 create (i.e., the property tax revenue that would be forgone through the tax relief).

14
15 Mr. Clarenbach reviewed his and his wife's 79-E Application and the memo he sent to the City Council
16 dated May 19, 2023 *(pages 45-46, Council agenda packet.)*

17
18 **Mayor McNamara opened the Public Hearing. Hearing no comments from the public, the Public**
19 **Hearing was closed.**

20
21 **Council Discussions:**

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23 Mayor McNamara spoke about the significant investment this project would have on Main Street in
24 Downtown West Lebanon noting one of our goals was to revitalize Main Street by encouraging private
25 property owners in that area to do their own revitalizations: 79-E is one way to encourage that.
26 According to his rough calculations (based on the applicant's estimate), if the assessment from the
27 property were to go up by the amount of the improvements Mr. Clarenbach is proposing, it would be \$4-
28 5K/year in initial property tax relief and over three (3) years it would be +/- \$12-15K in tax relief. Based
29 on the budget he was seeing, he would support an expanded period of time beyond three (3) years of 79-
30 E relief if the exterior improvements (not interior) could be expanded to the UnDun building to bring
31 everything together visually. His concern was there does not seem to be a proposal to do anything to the
32 exterior of the UnDun building, which would support our goal of trying to spruce up Main Street.

33
34 In response to Councilor Whittlesey's question, Mr. Corwin said the tax base would be frozen at the pre-
35 rehabilitation value.

36
37 Councilor Liot Hill also spoke about the exterior rehabilitation noting it does not meet that \$75K
38 threshold as it is only \$15K for the entire project. The most significant reason why the 79-E was created
39 was really about generating that increased investment of exterior improvements and trying to make Main
40 Street West Lebanon more of a destination. She asked Mr. Clarenbach if he would be open to taking
41 more time to modifying his application.

42
43 In response to Councilor Sykes question, City Manager Mulholland noted this is one taxable lot, but that
44 does not mean Mr. Clarenbach cannot come back and ask for a modification of what was approved.

45
46 Mr. Clarenbach noted that while the facade was important, it was not in their budget to do the exterior of
47 the UnDun building at this time but they would be looking into grants from the Upper Valley Business

1 Alliance to fund exterior upgrades and was uncertain if the landlord of UnDun had funds that would allow
2 them to re-side the whole building.

3
4 Deputy City Manager David Brooks noted there is a section in the Statute that says, “The tax relief
5 granted under this chapter shall only apply to substantial rehabilitation that commences after the
6 governing body approves the application.” So, if Mr. Clarenbach comes back with a subsequent
7 application, he needs to make sure that he does so before the proposed application is granted.

8
9 Councilor Whittlesey’s concern about this application was that the bulk of this project was really about
10 the remodeling of the interior business space in this facility. There is very limited exterior remodeling and
11 felt the bulk of the costs was routine business expenses for expansion and remodeling on the interior and
12 was concerned about the precedent this would set for tax relief from other business owners for interior
13 redevelopment, which is not in line with goals of the City’s Strategic Plan.

14
15 Councilor Simon spoke about his reasons supporting this application for three (3) years.

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17 Councilor Wilkie concurred with what other Councilors said and spoke about his reasons for supporting
18 the application for 3 years. He also was concerned about the precedent this might set for others who seek
19 tax relief from 79-E for interior renovations.

20
21 Councilor Liot Hill felt there was an openness from Councilors to consider the five (5) year request if the
22 project was potentially reconceived and again asked Mr. Clarenbach if he thought having more time to
23 revise his application and bringing it back before the Council in July would be helpful.

24
25 Mr. Clarenbach said probably not and spoke about the research he did for this application. He also
26 reviewed the work that was done on the interior of the building and the proposed work to be done on the
27 exterior of the building, noting that some of the exterior renovations would have to wait due to economic
28 circumstances. He felt he checked off all the boxes laid out in City’s Master Plan and the 79-E
29 application and questioned why he was answering questions about the facade of the rest of the building.

30
31 Councilor Hill noted that a lot of businesses in Lebanon make interior renovations and do not come to the
32 Council for a 79-E application. The 79-E program was specifically created to encourage redevelopment
33 and development in certain areas for very specific public benefits (i.e., the Lebanon housing shortage,
34 which serves the public benefit). She also spoke about the lack of investment by property owners in West
35 Lebanon’s Downtown corridor noting the 79-E Zone was created in order to facilitate investment by
36 property owners in the Downtown corridor as part of the Economic Development Strategy for West
37 Lebanon. The law requires the Council to look at the public benefit. Councilor Liot Hill and Mr.
38 Clarenbach continued to discuss what this project would bring to the table (i.e., public vs. private
39 benefits).

40
41 Councilor Simon noted that the Council are all volunteers and are vested by the members of their
42 community to make the best possible sound decisions. The questions we are asking will be asked by our
43 constituents tomorrow. The Council is not just giving their own opinions, we are representing the
44 citizenry of the community.

45
46 Councilor Whittlesey again spoke about his reasons why he felt this application was a private benefit (i.e.,
47 plumbing, new interior lighting, heating, ventilation system, interior partitions for offices, new cabinetry,

etc.), noting that most of those benefits will be going to customers and not generating tax revenues for the City. In his opinion, we are investing in Mr. Clarenbach's business while the City is foregoing tax revenue. The Council was just trying to understand what the personal benefit vs. public benefits are for this application.

Assistant Mayor Below suggested a compromise to approve this application for two (2) years' worth of (property tax) abatement. It is a sort of a precedent and felt there was a hesitancy to endorse commercial interior renovations, but thought the façade improvements were proportionate to the investment in the interior renovations. He felt there was some public benefit and it is consistent with our goal of seeing the look, feel, and activity on the West Lebanon Main Street and further explained his reasonings. This is a significant upgrade on the interior, but it ultimately is an enhancement.

ACTION:

Councilor Liot Hill MOVED, the following:

BE IT HEREBY RESOLVED by the Lebanon City Council, after a duly-noticed public hearing, that:

WHEREAS, the City Council has determined that the application of Your Best Day, LLC (hereinafter the "Applicant") for property assessment tax relief under the City's 79-E Program is complete enough to commence consideration, and

WHEREAS, the City Council has determined that the Applicant's property, 3 Main Street, Tax Map 86, Lot 22 (hereinafter the "Property"), is situated in the Downtown West Lebanon 79-E District as adopted by the City and, therefore, meets the 79-E Program requirement as a Qualifying Structure, and

WHEREAS, the City Council has determined that the Applicant's project to complete interior renovation and exterior rehabilitation on the Property pursuant to plans and information provided in the application (hereinafter the "Project") exceeds the lesser of 15% of the current pre-rehabilitation assessed valuation or \$75,000 and, therefore, meets the 79-E Program requirement as a Substantial Rehabilitation, and

WHEREAS, the City Council has determined that the Applicant's proposed Project will generate one or more Public Benefits to the City, including:

- 1. Enhancement of the economic vitality of Downtown West Lebanon, and***
- 2. Promotion of the preservation and reuse of existing building stock, and***
- 3. Promotion of the development of municipal centers, providing for efficiency, safety, and a greater sense of community consistent with RSA 9-B***

NOW THEREFORE, pursuant to the provisions of the Community Revitalization Tax Relief Incentive (NH RSA 79-E) Program, as adopted by the City, the City Council hereby grants to the Applicant two (2) years of property assessment tax relief for the Property to commence upon completion of Project, with the following conditions:

- 1. The Applicant shall grant to the City of Lebanon a Declaration of Covenant to be recorded in the Grafton County Registry of Deeds ensuring that the Project shall be maintained and used in a manner that furthers the Public Benefit(s) set forth above for which this property tax relief is granted. The term***

of the Declaration of Covenant shall be effective for four (4) years, which is twice the duration of the approved tax relief period as permitted under RSA 79-E:8, II.

2. The Applicant shall obtain and maintain property and casualty insurance, as well as flood insurance, if appropriate, for the term of the Declaration of Covenant set forth above to ensure proper restoration or replacement of the Project and Property. Such insurance shall, effective as of the date on which the Project is completed, name the City of Lebanon as an additional insured by endorsement and the City shall be provided with certificates of insurance annually. Further, the applicant shall agree to have the City made a Loss Payee of the proceeds of any property or casualty insurance coverage, subject to the rights of any current or future mortgagee of the Property and any structures thereon, for the purpose of ensuring proper and timely restoration or demolition of the Property, including any damaged structures thereon. The Applicant shall agree to commence any restoration or demolition of such structures within one year following the date of any occurrence or incident for which an insurance claim is or could be made; otherwise the Applicant shall be subject to the termination provisions set forth in RSA 79-E:9, I.

3. The Applicant shall obtain a Building Permit for the Project and commence construction no later than one year from the date of this Resolution, unless otherwise extended by the City Council in writing. The Project, as approved, shall be completed on or before March 31, 2024, unless otherwise extended by the City Council in writing.

Seconded by Assistant Mayor Below.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Wilkie, Zook and Mayor McNamara all voting Yea.

Voting Nay: Councilor Whittlesey

Absent from vote: Councilor Heistad

**The Vote on the Motion was approved by Council members present (7-1).*

9. OLD BUSINESS-NONE

10. NEW BUSINESS

A. Warrant for Civil Forfeiture Notice

Included in the agenda packet: *(Pages 57-58, Council agenda packet.)*

1. Warrant for Civil Forfeiture Notice

BACKGROUND

Per statute, dogs are required to be licensed annually by April 30th. To procure a dog license, a current rabies vaccination must be on file with the City Clerk's Office. The month of May is a grace period which allows dog owners to follow up on expired rabies vaccinations in order to obtain a license. Any dog that remains unlicensed as of June 1st is assessed with a \$25.00 Civil Forfeiture fine and \$1.00 late fees which accumulates each month that the dog remains unlicensed.

ACTION:

Councilor Sykes MOVED, that the Lebanon City Council hereby issues a warrant to City Clerk, Jaseya Ewing, authorizing the issuance of a civil forfeiture for each dog which remains unlicensed at the close of business on June 21, 2023.

Seconded by Councilor Wilkie.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilor Heistad

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

B. Appointment of Jaseya Ewing as Municipal Agent for Motor Vehicle Registrations

(See page 59, Council agenda packet.)

BACKGROUND

Each municipality in the State of New Hampshire that processes motor vehicle registrations is required to have a designated Municipal Agent. The Municipal Agent is responsible for all motor vehicle related inventory, including but not limited to, official stamps, decals, registration materials, license plates, etc. The Municipal Agent is also the point of contact for audits conducted by the State of New Hampshire, and is charged with ensuring compliance, integrity, and confidentiality of all motor vehicle transactions performed within the City of Lebanon.

The process for appointing a Municipal Agent is found in NH State RSA 261:74-a, which reads as follows:

261:74-a Agents Appointed. – With the approval of the governing body of a city or town and subject to the direction and approval of the commissioner, the director may appoint municipal officials as agents to issue, renew or transfer motor vehicle registrations. The director shall determine the optimum number of registration agents that the division can reasonably accommodate. The appointment of any municipal official as a registration agent for the purposes of this subdivision shall continue while the agent holds his office or employment with the municipality, except as provided in RSA 261:74-b and 261:74-f.

The City Clerk’s department is charged with motor vehicle registrations for the City of Lebanon. As such, Interim City Clerk Darlene Cook was previously appointed as the Municipal Agent for the City. The role of Municipal Agent is not inherent to the position of City Clerk, and as stated in RSA 261:74-a, requires approval of the governing body before the Director of the Division of Motor Vehicles can appoint.

Interim City Clerk/Deputy Tax Collector Darlene Cook was appointed as Municipal Agent effective April 20, 2023, pending the completion of the City Clerk hiring process. Jaseya Ewing was appointed by City Manager Shaun Mulholland as City Clerk on June 5, 2023. City Manager Mulholland is requesting that the City Council support and approve the appointment of Ms. Ewing as the City’s next Municipal Agent for Motor Vehicle Registrations.

ACTION:

Councilor Liot Hill MOVED, that the Lebanon City Council hereby supports and approves the appointment of Jaseya Ewing as Municipal Registration Agent for the City of Lebanon to be effective June 22, 2023.

Seconded by Councilor Sykes.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilor Heistad

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

C. Request for transfer of funds from Miracle Mile Water Main Replacement Project to the South Main Street Water Improvement Project

Included in the agenda packet: *(Pages 60-63, Council agenda packet.)*

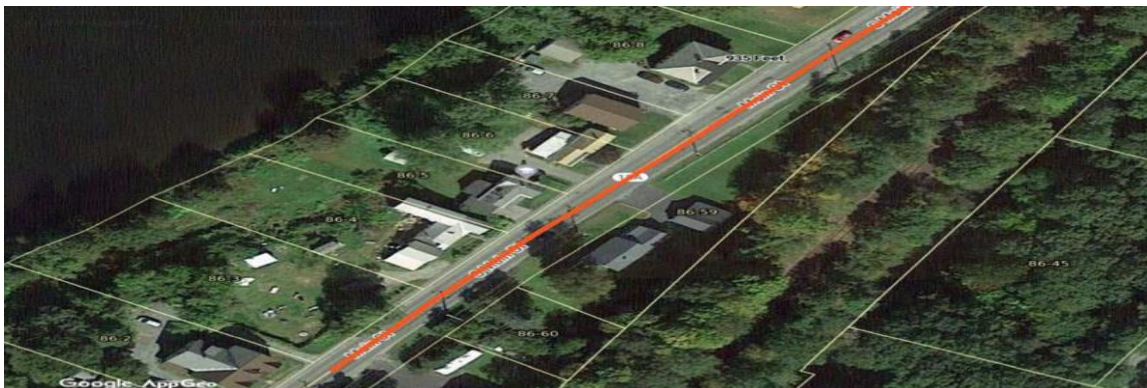
1. Memo from Assistant DPW Director Jay Cairelli, dated May 31, 2023, including map of South Main Street Water Improvements Project Area

City Manager Mulholland noted this item was not required for the Council to approve but when the Council appropriates money for a specific project, and if he asks the Council to do something different, he needs to come back before the Council for their approval.

BACKGROUND

The location of this proposed project is South Main Street in West Lebanon. In this location there are two parallel water mains: one unlined, six-inch cast iron main installed before 1927 and one 12-inch cement lined ductile iron main installed in 1968. The current six-inch main is in poor condition, services 19 properties, and has suffered several water breaks in recent years. It is also a dead-end line, meaning it is a branch off the water distribution system that is not tied back in, and the only use is from individual house services. Future failures will require a large shutdown of the area causing substantial outages that extend beyond the 19 properties served. The 12-inch main is in good condition and has no record of previous water breaks. All the properties served by the six-inch main are on the west side of South Main Street. Properties on the east side of the street are already served by the 12-inch main.

This proposed project extends approximately 935 linear feet from the end of CSO #13 to the beginning of the Route 12A “Dry Bridge” Project and includes extending twelve (12) water services from the six-inch main to the 12-inch main. The Dry Bridge project includes extending the remaining services on seven (7) of the properties from the six-inch main to the 12-inch main. The 12-inch main is in good condition so the water services can be removed from the older six inch main and connected to the existing 12-inch main without installing new water main. Included in this project will be paving the road.



Council Discussions:

In response to Councilor Liot Hill's question regarding whether or not the sidewalks would be included in this project, City Manager Mulholland noted he was uncertain and would need to check with DPW. Once he has an answer, he will email the Council with a response.

ACTION:

Councilor Whittlesey MOVED that the Lebanon City Council hereby authorizes the transfer of funds from the Miracle Mile Water Main Replacement Project to the South Main Street Water Main Improvements Project in the amount of \$500,000 for relocation of twelve (12) residential water services and repaving of approximately 935 linear feet of South Main Street.
Seconded by Councilor Simon.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilor Heistad

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

D. Discussion and Set Public Hearing for July 5, 2023: Amendment to the Lebanon Airport- Tech Park Tax Increment Finance (TIF) District Boundary

Included in the agenda packet: ***(Pages 64-68, Council agenda packet.)***

1. Lebanon Airport-Tech Park TIF District Boundary as adopted on November 6, 2019
2. Proposed Expansion Area of the Lebanon Airport-Tech Park TIF District Boundary and map of existing Public Infrastructure on Technology Drive

BACKGROUND

On July 11, 2018, the City Council unanimously adopted the provisions of NH RSA 162-K (Municipal Economic Development and Revitalization Districts) allowing for the creation of Tax Increment Finance (TIF) Districts and also established the Downtown Lebanon TIF District. Subsequently, on November 6, 2019, the Council voted to create a second district, titled the Lebanon Airport-Tech Park TIF District. As indicated on the attached graphic, the Airport-Tech Park TIF District encompasses three tax parcels: M/L 131-3, owned by Upper Valley Tech Park, LLC (UVTP), and M/L 159-4 and 131-8, both owned by the City of Lebanon.

Since the creation of the District, the City has extended Airpark Road into the City's parcel, which has created developable areas on both the City's land as well as the UVTP parcel. To date, two development applications have been approved by the Planning Board for the easterly side of the UVTP parcel, accessed from the extended roadway, and the City is planning for the development of an Early Childhood Education facility on the City's parcel.

The owners of the UVTP parcel have also received interest for a potential development on the westerly side of their property, which would be accessed from Technology Drive within the Phase 1A Airport Business Park. However, the constructed portion of Technology Drive and the associated water and sewer infrastructure do not extend the full length of the public right-of-way and stop short of the UVTP parcel

boundary. It is expected that any further extension of the roadway and utility infrastructure within the public right-of-way will become the City's responsibility for ownership and maintenance.

By statute, tax increment funds generated within the TIF District can only be expended within the District. Since the portion of Technology Drive leading to the UVTP parcel is not within the District, the incremental revenues generated by the development of the UVTP parcel cannot be used to pay for, or repay, the costs of extending the public infrastructure to the property boundary.

The City Manager, as the TIF District Administrator, is recommending that the TIF District Boundary be expanded to include the southernmost +/-220 feet of the Technology Drive right-of-way. Including the area of right-of-way will not have any fiscal impact on the district itself since the area is non-taxable, but will allow for TIF revenues to be used for the construction and maintenance of the new segments of roadway and utility infrastructure within the right-of-way.

As required by RSA 162-K:9, the Grafton County Commissioners and the Lebanon School Board were provided with notice of this public in order to be informed of the fiscal and economic implications of the proposed TIF District. If the Council decides to move forward with the proposed amendment, the Council will be asked to schedule a public hearing for July 5, 2023. Grafton County Commissioners and Lebanon School Board members will again be provided with a special notice of the public hearing pursuant to RSA 162-K:9.

If scheduled, a public hearing would be held to receive input regarding the amendment to the Airport-Tech Park TIF District. It is important to note, however, that RSA 162-K:4 requires that the public hearing take place at least 15 days prior to the final action. Therefore, the City Council would hold the public hearing on July 5th but would **not** take action until the regular meeting on August 2nd.



It has been proposed that this expansion become part of the TIF District that will help the development of the project.



1

Airport-Tech Park TIF Expansion Area

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**MAP FOR REFERENCE ONLY
NOT A LEGAL DOCUMENT**

City of Lebanon, NH makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Geometry updated 06/07/2023
Data updated 11/18/2018

Print map scale is approximate.
Critical layout or measurement
activities should not be done using
this resource.

4

Council Discussions:

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In response to Mayor McNamara's question regarding taxation of lots, City Manager Mulholland explained there will be a Development Agreement (for the right of way) that affects only this particular lot (not the remaining lots) because it (the right of way) would only serve this particular project.

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ACTION:

Councilor Liot Hill MOVED that the Lebanon City Council hereby schedules a public hearing for Wednesday, July 5, 2023, beginning at 7:00pm, in Council Chambers, City Hall and remote via the City's Virtual Platform, for the purpose of receiving public input and taking action to amend the Lebanon Airport-Tech Park Tax Increment Finance (TIF) District Boundary to include the southernmost 220 feet of the right-of-way of Technology Drive adjacent to the existing TIF District. Seconded by Councilor Whittlesey.

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Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

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None voted Nay.

Absent from vote: Councilor Heistad

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

E. Authorization to Purchase 160 Mechanic Street, Lebanon (Tax Map 105, Lot 27)

Included in the agenda packet: *(Page 69, Council agenda packet)*

BACKGROUND

On May 20th, the City received a communication from the owner of 160 Mechanic Street, Lebanon (Tax Map 105, Lot 27) offering to sell the property to the City.

The parcel, situated at the northeast corner of the intersection of Mechanic Street and Slayton Hill Road, is integral to a transportation project that is currently on the NHDOT Ten-Year Plan (Lebanon 42604). The Ten-Year Plan project proposes the construction of a roundabout at the intersection with preliminary engineering slated to begin in 2025, right-of-way acquisition programmed for 2027, and construction starting in 2029. Acquisition of the property is necessary based on the conceptual intersection improvement design submitted with the Ten-Year Plan proposal.

City Manager Mulholland reviewed the background, noting the NH DOT capped the project at \$3M. He felt this property should be purchased now and paid for using 2023 dollars. If it is purchased in 2023, it will fall under the rules and requirements of the NH DOT now and will involve relocation costs for any businesses located there. The occupants of the present property have a lease that ends at the end of August 2023 and had offered them the opportunity to purchase the property, which they chose not to do, so we have negotiated a price with the property owner in the amount of \$400K. There may be side benefit to purchasing this property, which is a possible location for a homeless shelter that could house up to 15 people, but a Feasibility Study would need to be done.

Council Discussions:

Councilor Whittlesey pointed out that the acquisition cost of \$400K equates to the equivalent of only four (4) years of emergency shelter funds that was provided in the budget for 2023.

ACTION:

Councilor Wilkie MOVED the following:

FOR THE PURPOSE OF acquiring a parcel of land, and the improvements thereon, situated at 160 Mechanic Street, Lebanon (Tax Map 105, Lot 27; ~0.23 Acres), (hereinafter the "Property"), for a purchase price of \$400,000 (Four Hundred Thousand Dollars); it is hereby:

MOVED, that the Lebanon City Council, pursuant to its authority under NH RSA 47:5 to purchase real property, hereby designates and authorizes the City Manager to act on behalf of the City Council to undertake all actions and execute all documents as may be required to enter into a Purchase & Sale Agreement (P&S) for the acquisition of the Property; to perform all obligations of the City under the P&S; to execute a closing of the real estate purchase transaction described in the P&S; and to complete the City's acquisition of the Property free and clear of all liens and encumbrances, except as may be specified in the P&S.

Seconded by Councilor Sykes.

Councilor Simon voiced his opposition to this motion, noting the City has purchased a lot of properties since he has been on the Council and we need to start putting some of these properties back on the tax role moving forward.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

Voted Nay: Councilor Simon

Absent from vote: Councilor Heistad

****The Vote on the Motion was approved by Council members present (7-1).***

F. Discussion and Set Public Hearing for July 19, 2023: Request for Supplemental Appropriation in the amount of \$425,000 for the Purchase of 160 Mechanic Street, Lebanon, and Authorization to Issue Bonds or Notes

Included in the agenda packet: *(See page 70, Council agenda packet.)*

BACKGROUND

In a separate agenda item on the June 21st meeting, the City Council was asked, pursuant to its authority under NH RSA 47:5, to authorize the purchase of 160 Mechanic Street, Lebanon (Tax Map 105, Lot 27) for a purchase price of \$400,000.

In the event that the Council elects to authorize the acquisition of the property, the City Manager will initiate negotiations with the property owner on behalf of the City and take all actions and execute all documents as may be required to enter into a Purchase & Sale Agreement (P&S) with the seller. The City Manager will also initiate due diligence efforts, including deed and title research and an environmental review of the property prior to closing. It is estimated that Phase 1 and Phase 2 Environmental Site Assessments may cost approximately \$20,000 and that legal costs for the title research and closing may cost approximately \$5,000, bringing the total cost of acquiring the property to \$425,000.

ACTION:

Councilor Whittlesey MOVED that the Lebanon City Council hereby schedules a public hearing for Wednesday, July 19, 2023, beginning at 6:00pm, in Council Chambers, City Hall and remote via the City's Virtual Platform, for the purpose of receiving public input and taking action to appropriate the sum of \$425,000 to fund the purchase and acquisition of property located at 160 Mechanic Street, Lebanon, and to authorize the issuance of bonds or notes in the amount of \$425,000 in accordance with the Municipal Finance Act (NH RSA 33).

Seconded by Councilor Liot Hill.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

Voted Nay: Councilor Simon

Absent from vote: Councilor Heistad

****The Vote on the Motion was approved by Council members present (7-1).***

11. City Manager Report:

City Manager Mulholland updated the Council on the following:

- Proposed Child Care Center/a.k.a. Early Learning Center of the Upper Valley: The City asked for \$3M from Congresswoman Custer’s office. What we were told was this is in the 2024 Federal Budget, which has not been passed by Congress yet. The encouraging news is that we have not been cut out of the process. (See part of the Conceptual Plan below.)

COURTYARD



- Upcoming City Council Community Conversations
 - September 26, 2023, 6:30PM, City Hall
 - October 24, 2023, 6:30PM, Kilton Library
 - There will be 4 community conversations in 2024 but these are yet TBD.
- COMING SOON: City Council and other Board/Committee/Commission Podcasts. Details are being ironed out.

12. COUNCIL REPRESENTATIVES TO OTHER BODIES: NONE

13. FUTURE AGENDA ITEMS: NONE SUGGESTED

14. NON-PUBLIC SESSION:

- A. NH RSA 91-A:3, II(c) – “Matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the public body itself...”

Assistant Mayor Below MOVED to go into Non-Public Session for the purpose of discussing NH RSA 91-A:3, II(c) – “Matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the public body itself...”

Seconded by Councilor Wilkie.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from Vote: Councilor Heistad

Staff Present: City Manager Mulholland, Deputy City Manager David Brooks

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

The Council Entered into Non-Public Session at 9:10 PM

The Council Discussed: NH RSA 91-A:3, II(c) – “Matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the public body itself...”

**Councilor Wilkie *MOVED* to come out of Non-Public Session.
Seconded by Councilor Whittlesey.**

Roll Call Vote: (Note: Not required when going out of Non-Public.)

****The Vote on the MOTION was approved by Council members present (8-0).***

The Council came OUT of Non-Public Session at 9:32 PM

The Council was back in Public Session.

SEALING OF THE JUNE 21, 2023 NON-PUBLIC SESSION MINUTES:

Councilor Whittlesey *MOVED* to seal the June 21, 2023 Non-Public Session Minutes because it was determined that the divulgence of this information would affect adversely the reputation of any person other than a member of this Board.

Seconded by Councilor Wilkie.

Roll Call Vote:

Assistant Mayor Below, and Councilors Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from Vote: Councilor Heistad

Staff Present: City Manager Mulholland, Deputy City Manager David Brooks

****The Vote on the MOTION was unanimously approved by Council members present (8-0).***

15. ADJOURNMENT:

Assistant Mayor Below *MOVED* for adjournment.

Seconded by Councilor Whittlesey.

****The Vote on the MOTION was unanimously approved by Council members present (8-0).***

The meeting was adjourned at 9:33 PM.

Respectfully submitted,
Dona E. Gibson
Recording Secretary