LEBANON CITY COUNCIL
DECEMBER 14, 2023 - 7:00 PM
COUNCIL CHAMBERS, CITY HALL OR REMOTE VIA VIRTUAL PLATFORM
LEBANONNH.GOV/LIVE

1. Meeting Access

A. To participate in this meeting, please join live via Microsoft Teams or call 929-229-5356 (access code: 716 391 343#). If you have trouble accessing this meeting, please email Shaun Mulholland.

2. Special Meeting

A. Review and Acceptance of Payment in Lieu of Taxes (PILOT) Agreement and Contributions Agreement for Interfacility Transport System between Alice Peck Day Memorial Hospital and City of Lebanon and Authorization for City Manager to execute PILOT and Contributions Agreements.

B. Community Revitalization Tax Relief Application - Request by LWM Residential LLC, for tax relief under the provisions of the Community Revitalization Tax Relief Incentive Program (NH RSA 79-E) as adopted by the City Council on February 17, 2016.

3. 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.

Agenda
Lebanon City Council
December 14, 2023

2. Special Meeting Items:

2.A – Review and Acceptance of Payment in Lieu of Taxes (PILOT) Agreement and Contributions Agreement for Interfacility Transport System between Alice Peck Day Memorial Hospital and City of Lebanon and Authorization for City Manager to Execute PILOT and Contributions Agreements

Background

In 1997, the City Council adopted a resolution authorizing the City Manager to carry out the intent of NH RSA 72:23-n concerning voluntary Payment in Lieu of Taxes (PILOT) agreements, including negotiating and accepting voluntary PILOT agreements on behalf of the City from otherwise fully or partially tax-exempt properties in the City.

The City Administration and Alice Peck Day Memorial Hospital (APDMH) officials are negotiating a proposed Payment in Lieu of Taxes agreement with the City. In addition, the City and APDMH have negotiated a separate proposed Contributions Agreement for an Interfacility Transport system to be conducted by the Lebanon Fire Department.

Action

If the City Council decides to approve the Payment in Lieu of Taxes (PILOT) and Contributions Agreements with Alice Peck Day Memorial Hospital, the following motion is offered for consideration:

"MOVED, that the Lebanon City Council hereby ratifies and reaffirms the authority of the City Manager under the Council resolution of August 6, 1997 to negotiate agreements for payments in lieu of taxes and, further, to approve a PILOT agreement with Alice Peck Day Memorial Hospital for portions of its property at Tax Map and Lot 90-59, that commences as of April 1, 2023 and expires at the conclusion of the 2043 tax year on March 31, 2044; and also hereby authorizes the City Manager to execute all documents and take any action necessary to enter into said PILOT Agreement."

"BE IT FURTHER MOVED, that the Lebanon City Council hereby approves the Contributions Agreement between Alice Peck Day Memorial Hospital and the City regarding an Interfacility Transport system and funding for such system; and also hereby authorizes the City Manager and Fire Chief to execute all documents and take any action necessary to enter into said Contributions Agreement."

Included in this Section:

1. Excerpt of City Council minutes from August 6, 1997 relative to Voluntary Payment in Lieu of Taxes Agreements

FINAL

LEBANON CITY COUNCIL MEETING
Minutes of Wednesday, August 6, 1997
City Hall Council Chambers

Present: Mayor Terri C. Dudley, Assistant Mayor Cliff Desrosiers, David J.Jescavage (arrived 7:14pm), Richard Clark, Ralph Akins, Frank Mastro, Albert Leonard and Mose E. Sanville

Absent: Stephen Wood

Staff: Interim City Manager Len Jarvi, Public Works Director Ken Ryder, Police Chief Edward Laurie, City Clerk Dorothy Doyle and Airport Manager Tim Edwards

PUBLIC HEARING ITEMS

Fairview Avenue and Hough Street Parking - To consider and act upon changes to Ordinance No. 30, Traffic Ordinance, Section A, No Parking, by adding the following:
-No parking on the northerly side of Hough Street from the intersection of High and Hanover Streets to the intersection of Granite Street.
-No parking on the southerly side of Fairview Street from the intersection of High Street to the intersection of Granite Street.

Mayor Dudley opened the public hearing at 7:04pm and read the description of the topic as it appears on page 1 of the agenda. Responding to a question of Jeff Peavey, Ward 2, Mayor Dudley clarified that action shall be taken under #5 of the agenda.

Mr. Peavey, 1 Hough Street, stated that he has read the proposal for this amendment and suggested that the parking allowed on the south side be limited to one hour during the business hours of 9am to 5pm, all the way up Hough Street, pointing out that it is a residential street

Laura Harris-Hirsch, co-owner of property at 59 Hanover Street, stated that if changes are made as proposed, this will create the need for more cars to divert to Hanover Street for all day parking. She requested that the current restrictions imposed upon Hanover Street parking be enforced, no matter what action is taken at this meeting. She stated these restrictions have not been enforced all summer.

Pam Callioras presented letters to the Council on behalf of those that could not attend this meeting. (Attachments 1 and 2). She stated support for the suggestion that the parking along the south side of Hough Street be limited to one hour.

Mary Ann Mastro, owner of Temporary or Permanent, a business located on Hanover Street, questioned where the employees of the Hanover Street area are to park if the parking on the south side of Hough Street is limited to one hour, considering that along

Association -Second Reading and Scheduling for Public Hearing - This amendment provides a three (3) percent wage increase for membership of the Lebanon Professional, Administrative, Salaried Employees (LPASE) Association effective January 1, 1997. The increase is consistent with that provided previously for the Fire and AFSCME Unions and for non-contractual employees in 1997. Amendments to Ordinance No. 18, Salary Plan, require three readings and a public hearing in order to adopt.

Motion by David Jescavage to recognize the second reading of the proposed amendment to Ordinance No.18, Salary Plan, 1997 Wage Adjustments for Lebanon Professional, Administrative, Salaried Employees (LPASE) Association as described beginning on page 88 of the 08/06/97 agenda packet, and that the City Council schedule the third reading and a public hearing for August 20,1997 for the purpose of amending Ordinance No.18, Salary Plan as described on page 88 of the 08/06/97 agenda packet. Seconded by Frank Mastro.
* **Vote on the motion was unanimous in favor.** (Councilor Akins was not present for this vote.

Voluntary Payment in Lieu of Taxes - Interim Manager Jarvi reported that the City Council held a public hearing on November 6, 1996 for the purpose of reviewing and considering a Resolution to authorize the City Manager to carry out the intent of RSA 72:23-n, which concerns Voluntary Payment in Lieu of Taxes. Although a public hearing was not legally required, the prior City Manager suggested that one be scheduled to discuss the matter. At the November 6, 1996 meeting this item was tabled in order to allow the Administration to come up with language or guidelines that would provide and
guard against a misuse of the proposed Resolution's intent. A modified Resolution, meant to address the Council's concerns, was devised.

Motion by Frank Mastro to take these discussions off the table. Seconded by Albert Leonard.
* **Vote on the motion was unanimous in favor.** (Councilor Akins was not present for this vote.)

Interim Manager Jarvi referred to his report in the agenda.

Councilor Mastro, who also serves the Board of Assessors for the City, stated that there will probably be little interest among those tax exempt institutions in the community to participate in this, as those that have the tax exempt status guard it. Councilor Mastro informed that when tax exempt status began to be offered, this took place before Lebanon became a major hub. The community has grown, as has the number of tax exempt entities, and the City is providing services in the form of fire, police, roads, ambulance, etc. to address the needs of the City as a whole. He believes it only fair to have the opportunity to ask these tax exempt institutions for some help in supporting the costs of these services which they benefit from.

Mayor Dudley indicated that it appears the concerns raised the last time this matter was before the Council have been addressed by the administration via the new language offered.

Councilor Jescavage supported the proposal. He pointed out that by enlisting in this type of program, tax exempt organizations may heighten their status in the community, and therefore, this could be used as public relations tool. Notwithstanding all the other organizations, the largest charitable organization in the region, DHMC, rates an impact that merits this request.

Mayor Dudley reiterated that this program is voluntary. Interim Manager Jarvi informed that New Hampshire is not a home rule state, meaning, the City can only do what is legislated. This program has been approved by the Legislature.

Motion by Albert Leonard to adopt the following resolution:

RESOLUTION TO AUTHORIZE THE CITY MANAGER TO CARRY OUT THE INTENT OF RSA 72:23-n CONCERNING VOLUNTARY PAYMENT IN LIEU OF TAXES.

FOR THE PURPOSE of authorizing the City Manager to negotiate and accept voluntary Payment in Lieu of Taxes from fully or partially tax exempt properties in the City.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that the City Manager is hereby authorized to enter into negotiations for voluntary payment in lieu of taxes from otherwise fully or partially tax exempt properties in the City.

BE IT FURTHER RESOLVED, that the City Manager shall send an appropriate letter to the owners of all tax exempt properties requesting consideration for a voluntary

payment in lieu of taxes and stating a willingness to sit down and discuss such a voluntary payment. The Council notes that any such payment must be voluntary, and, in addition, that such voluntary payment would have to be within the means of the owner of the tax exempt real property; and

BE IT FURTHER RESOLVED, that whatever voluntary payments in lieu of taxes

are made by owners of tax exempt real property, may be accepted by the City Manager on behalf of the City without further action of the City Council; and

That whether or not the owner of tax exempt property makes the voluntary payment in lieu of taxes shall not affect in any way services provided by the City and the issuance of permits under any applicable City ordinances or regulations; and

The City Council expresses on behalf of the City its gratitude for any voluntary payment in lieu of taxes as assisting in the equitable distribution of costs of the City and to alleviate the burden of property taxes paid by owners of properties subject to the real property taxes.

This Resolution shall be effective upon passage.
Seconded by Frank Mastro.

There was no public comment offered.
*** Vote on the motion was unanimous in favor.**

NEW BUSINESS
<u>Offer to Purchase Airport Land -- Lot No. 15</u> - Interim Manager Jarvi informed that the City has received an offer to purchase Lot No. 15 at the Airport Industrial Park. Lot No. 15 is a 3.5 acre parcel of land located at the corner of Airport Road and Commerce Avenue having an assessed valuation of $143,500. The offer to purchase is for $143,000.

The services of a real estate broker have not been utilized for this transaction.

It is recommended that, consistent with the immediate prior land sales at the Airport (Lots No. 5 and 6 approved on May 21, 1997), and mindful of the disposition of prior land sale proceeds, that sale proceeds from Lot No. 15, contingent on Council approval, be appropriately segregated from Airport operations so as to ensure, with the exception of accrued interest earnings, non-expenditure for current operations at the Airport.

Motion by Frank Mastro that the Lebanon City Council accept the offer of Christopher Reynolds to purchase Lot No. 15 at the Lebanon Municipal Airport for the sum of $143,000 (one hundred and forty three thousand dollars) and upon the terms and conditions in the accompanying Purchase and Sale Agreement; that the Interim City Manager is authorized to sign such Agreement upon the terms and conditions contained therein and to take all action as may be necessary to carry out the purposes of this vote.

Be it further moved that the net proceeds of the sale shall be segregated and

Agenda
Lebanon City Council
December 14, 2023

2. Special Meeting Items:

2.B – Community Revitalization Tax Relief Application – LWM Residential LLC

Background

On November 15, 2023, the City Council held a public hearing for the purpose of receiving public input and taking action on a request by LWM Residential LLC, for tax relief under the provisions of the Community Revitalization Tax Relief Incentive Program (NH RSA 79-E) as adopted by the City Council on February 17, 2016. After the public hearing, the City Council has up to 45 days to render a decision granting or denying the requested tax relief and, if so granting, establishing the tax relief period. [RSA 79-E:4, III].

At the conclusion of the public hearing and the subsequent discussion, the City Council requested that the City Manager and LWM Residential continue to negotiate the details of public access to the property as offered by the applicant and also address the future ownership and/or conservation of the "island parcel", Tax Map 106, Lot 33. The Council then delayed making a decision on the tax relief request until a special meeting scheduled for December 14th.

On December 6th, the City Manager received the attached draft Declaration for Outdoor Recreational Activity from LWM Residential, which outlines the provisions of public access to portions of the property as well as the rights retained by the property owner.

Jon Livadas of LWM Residential, LLC and his legal counsel are expected to be in attendance on December 14th to continue the discussions about public access and the island parcel as well as the overall 79-E tax relief request.

Action

Based on the testimony received at the November 15th public hearing and the subsequent discussion, deliberation and information received, if the City Council concludes that the applicant's project and property continue to comply with the requirements of the City's 79-E Program, the following draft Resolution is offered for the Council's consideration:

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 LWM Residential, 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 properties, 1 Foundry Street, Tax Map 91, Lot 263, and 25 Mechanic Street, Tax Map 91, Lot 267 (hereinafter the "Property"), is situated in the Downtown 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 renovate the existing mill structure, construct two new buildings, demolish blighted buildings, remediate a brownfields site, and complete other site improvements as approved by the Lebanon Planning Board (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 Lebanon, and***
2. ***Enhancement and improvement of a structure that is historically important, and***
3. ***Promotion of the preservation and reuse of existing building stock, and***
4. ***Promotion of the development of municipal centers, providing for efficiency, safety, and a greater sense of community consistent with RSA 9-B, and***
5. ***Increasing residential housing in municipal centers.***

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 _____ 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 _____ 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 _______________ unless otherwise extended by the City Council in writing.***

Included in this Section:

1. Declaration for Outdoor Recreational Activity, prepared for LWM Residential, LLC, received on December 6, 2023.
2. City Council Agenda Packet from November 15, 2023, which includes:
   a. October 18, 2023 letter from LWM Residential LLC
   b. Application for Community Revitalization Tax Relief Incentive Program (RSA 79-E) from LWM Residential LLC for the Lebanon Woolen Mill
   c. September 12, 2023 letter from 106 Associates to the Lebanon Heritage Commission, RE: Historic Status and Opinion on Secretary's Standards, Lebanon Woolen Mill Complex, 1 Foundry Street
   d. Notice of Public Hearing as Published in the November 4, 2023 Edition of the *Valley News*

Return to:

___________________________________(Recording information above this line)___________________________________

DECLARATION FOR OUTDOOR RECREATIONAL ACTIVITY

LWM RESIDENTIAL LLC, a Delaware limited liability company with a mailing address of 11 Guyenne Road, Wilmington, Delaware 19807 (hereinafter and together with all successors and assigns, the "Declarant"), does hereby declare as an encumbrance upon the Burdened Property (hereinafter defined) being located in the City of Lebanon, County of Grafton, and State of New Hampshire, without covenants of title and subject and pursuant to the terms, conditions, rights and reservations set forth herein, this Declaration for Outdoor Recreational Activity (the "Declaration").

1. Definitions. The following definitions shall be applicable to this Instrument (defined below):

1.1. "Burdened Property" means property owned by the Declarant in the City of Lebanon, County of Grafton, State of New Hampshire and identified as _______ ____.

1.2. "Site Plan" means that certain plan entitled "___________________" dated __________, ________ and last revised/issued _____________, being recorded in the Registry as Plan #D-________.

1.3. "Instrument" means this instrument.

1.4. "Registry" means the Grafton County Registry of Deeds.

1.5. "Area of Declaration" means that portion of Burdened Property located in the City of Lebanon, County of Grafton, State of New Hampshire and further described on Schedule 1.5 attached hereto and incorporated herein by reference.

2. Declaration of Recreational Use. Subject to the terms and conditions hereof, the Declarant hereby declares that for a period of _____________ (__) years [Note to Draft: Should correspond to the period of the 79E abatement] from the date of recording of this Instrument in the Registry, Declarant shall not prevent: (i) the use of the Area of Declaration solely for purposes of hiking, sightseeing and bicycling as outdoor recreational uses, without charge and within the meaning set forth in New Hampshire R.S.A. 212:34; and (ii) sufficient pedestrian and bicycle access and egress across the Burdened Property to access the Area of Declaration as reasonably necessary for its intended purpose and use. No parking or assembly shall be permitted on the Burdened Property.

3. Reserved Rights. The Declarant shall have the right to use Burdened Property and the Area of Declaration for any purpose that is not inconsistent with this Declaration, including without limitation the right to: (i) grant or reserve rights and privileges for the benefit of other persons or properties within the Area of Declaration; (ii) adopt rules and regulations applicable to the use of the Area of Dedication and related use of the Burdened Property; and (iii) deny access to the Area of Dedication and/or the Burdened Property by particular person(s) or group(s) of persons. The fee owner of the Burdened Property shall have the right to temporarily close the Area of Declaration, or any portion thereof, and other portions of the Burdened Property for maintenance, private events, and other purposes.

4. Property Title and Subordination. This Declaration is subject to all other easements, covenants, restrictions, conditions, encumbrances and reservations affecting the Burdened Property. This Declaration and any and all rights hereunder are and shall be subject and subordinate to all mortgages and deeds of trust, which may now or hereafter affect the Burdened Property, or any portion thereof, or any improvements thereon, whether or not such mortgages or deeds of trust shall also cover other lands and/or buildings, to each and every advance made or hereafter to be made under such mortgages and deeds of trust, and to all renewals, modifications, replacements and extensions of such mortgages and deeds of trust and all consolidations of such mortgages and deeds of trust. This subordination shall be self-operative and no further instrument of subordination shall be required.

5. Condition and Use. Declarant makes no representations regarding the suitability of the Area of Declaration or any other part of the Burdened Property for the intended purposes hereunder, or any other use.

6. Miscellaneous.

6.1. Amendment. This Instrument may not be amended or modified in any way except by an instrument in writing executed by the Declarant and the City of Lebanon

6.2. Running with the Land; Successors and Assigns. The terms and provisions and burdens of this Instrument shall run with the land and title to the Burdened Property.

6.3. Severability. Except as expressly provided to the contrary herein, each section, part, term, or provision of this Instrument shall be considered severable, and if, for any reason, any section, part, term, or provision herein is determined to be invalid and contrary to or in conflict with any existing or future law or regulation by a court or governmental agency having valid jurisdiction, such determination shall not impair the operation of, or have any other effect on, other sections, parts, terms, or provisions of this Instrument as may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties hereto, and said invalid sections, parts, terms, or provisions shall not be deemed to be a part of this Instrument.

6.4. Governing Law and Venue. This Instrument shall be governed by and construed under the laws of the State of New Hampshire. Any action brought to enforce or interpret this Instrument shall be brought exclusively in the court of appropriate jurisdiction in New Hampshire.

6.5. Captions. Captions, titles to sections, and paragraph headings used herein are for convenience of reference and shall not be deemed to limit or alter any provision of this Instrument.

6.6. Intended Third Party Beneficiaries. There are no third party beneficiaries with respect to this Instrument.

6.7. Private Easements. The provisions of this Instrument are not intended to, and do not, constitute a dedication for public use.

[remainder of page intentionally blank – signature pages and schedules follow]

WITNESS our hands and seals this ___ day of ______________, ________.

DECLARANT:

LWM RESIDENTIAL LLC

________________________________ ___________________________________

Witness By:

Its:

STATE OF ________________

COUNTY OF _______________

The foregoing instrument was acknowledged before me this ___ day of __________, _____ by ________________, as ________________ of LWM RESIDENTIAL LLC, a Delaware limited liability company.

____

Justice of the Peace/Notary Public

My commission expires:

Affix Seal

<u>Schedule 1.5</u>
Area of Declaration
Legal Description

Land located in the City of Lebanon, County of Graftron, State of New Hampshire, shown on the Site Plan as "______________" and more particularly bounded and described as follows:

[River walk]
[Plaza]

Agenda
Lebanon City Council
November 15, 2023

8. Public Hearing Items:

8.A – Community Revitalization Tax Relief Application – LWM Residential LLC

A public hearing for the purpose of receiving public input and taking action on a request by LWM Residential LLC, for tax relief under the provisions of the Community Revitalization Tax Relief Incentive Program (NH RSA 79-E) as adopted by the City Council on February 17, 2016.

The City Council scheduled this public hearing at their November 1, 2023 regular meeting. The public hearing was properly noticed in the *Valley News* on November 4, 2023 in accordance with City Code and State Law.

Background

In February 2016, the City Council adopted the provisions of the Community Revitalization Tax Relief Incentive Program pursuant to NH RSA 79-E to encourage rehabilitation of existing buildings and structures in downtown Lebanon and downtown West Lebanon. On February 26, 2021, One Mechanic Street, LLC applied for consideration under the program.

LWM Residential LLC is the owner of 1 Foundry Street (Tax Map 91, Lot 263) and 25 Mechanic Street (Tax Map 91, Lot 267) in downtown Lebanon. On October 24, 2022, the Planning Board granted Site Plan approval for a phased, 196-unit, multi-family development to include the renovation of the existing mill building at 1 Foundry Street and the construction of three new buildings to be located on 1 Foundry Street and 25 & 43 Mechanic Street. LWM is planning to return to the Planning Board to request an amendment of their original site plan approval to remove the 43 Mechanic Street site from the development and construct a total of 183 new units on the Foundry Street and 25 Mechanic Street parcels. The development will include the renovation of the existing mill structure, the construction of two new buildings, the demolition of blighted buildings, and the remediation of a longstanding brownfields site. The central area of the site will be preserved as a park (the “Mill Yard”) which will be open to the public. Below grade parking and surface parking will be available for both tenants and visitors.

Under the terms of the 79-E program, the City Council must hold a public hearing on the application within 60 days from receipt of the application to determine whether the structure at issue 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.

Does the project involve a Qualifying Structure?
The existing buildings, located at 1 Foundry Street and 25 Mechanic Street, are situated within the Downtown Lebanon 79- E District as adopted by the City Council and, therefore, are considered Qualifying Structures.

Is the project a Substantial Rehabilitation?
Under the terms of the 79-E program as adopted by the City, the project must cost at least 15% of the pre-rehabilitation assessed valuation or $75,000, whichever is less, in order to be considered substantial. The applicant has provided a cost estimate of $55,000,000 for completing the entire renovation and rehabilitation project as proposed. Based on the combined

current assessed value totaling approximately $1,660,000 the project will far exceed 15% of the current assessed valuation as required. As a result, the project can be considered a Substantial Rehabilitation.

Does the project generate one or more Public Benefits?
Appropriate public benefits for consideration of the 79-E program are specifically identified within the state law, including:

- Enhancement of the economic vitality of the downtown; (RSA 79-E:7, I)
- Enhancement and improvement of a structure that is culturally or historically important on a local, regional, state or national level, either independently or within the context of an historic district, town center, or village center; (RSA 79-E:7, II)
- Promotion of the preservation and reuse of existing building stock throughout a municipality by the rehabilitation of historic structures; (RSA 79-E:7, II-a)
- Promotion of the development of municipal centers, providing for efficiency, safety, and a greater sense of community consistent with RSA 9-B (State Economic Growth, Resource Protection, and Planning Policy) (RSA 79-E:7, III); or
- Increase of residential housing in urban or town centers. (RSA 79-E:7, IV)

As noted in the application form and cover letter, the applicant has indicated that the project will address several of the stated public benefits, including enhancing economic vitality, enhancing and improving a historically important structure, promoting the preservation and reuse of existing building stock, promoting the development of municipal centers, and increasing residential housing in municipal centers. If the City Council agrees with the above statements, the project can be considered to generate one or more Public Benefits in furtherance of the purposes of the 79-E program.

For how long may tax relief be granted?
Under the terms of the 79-E program, the City Council may, in its discretion, grant up to five (5) years of tax assessment relief for a project that complies with the program requirements. The City Council may also, in its discretion, grant up to two (2) additional years of tax relief for a project that results in new residential units and up to four (4) additional years of tax relief for a project that includes affordable housing. An additional four (4) years of tax relief may also be granted for the substantial rehabilitation of a qualifying structure that is listed on or determined to be eligible for listing on the National Register of Historic Places, state register of historic places, or is located within and important to a locally designated historic district. For any amount of tax relief approved, such tax relief begins upon the completion of the Substantial Rehabilitation.

The applicant has requested fifteen (15) years of tax relief for the project:
- ☐ 5 years for a project that complies with the program requirements;
- ☐ 2 years for a project that results in new residential units;
- ☐ 4 years for a project that includes affordable housing; and
- ☐ 4 years for a project that substantially rehabilitates a qualifying historic structure

RSA 79-E does not define the term “affordable” for purposes of the tax relief incentive program nor does it specify any minimum number or percentage of units that must be considered affordable in order to merit the tax relief. LWM Residential is proposing that ten percent (10%) of the total units in the development will be affordable and spread evenly across unit types and 60%, 80%, and 100% of AMI classifications.

Since the City Council is essentially deciding whether to forego potential property tax revenue by granting limited tax relief through the 79-E program, staff recommends that the City Council carefully balance the benefit of enabling projects that might not otherwise "pencil out" and the public benefits to be derived from such projects versus the property tax revenue foregone through the tax relief.

The 79-E statute, and the program as adopted by the City, already requires the City Council to determine that one or more of the enumerated public benefits is generated by a project in order to grant up to five (5) years of tax relief. And whereas an increase of residential housing in our downtowns is a goal expressed in the 2012 Master Plan as well as the recent visioning efforts conducted for both Downtown Lebanon and West Lebanon Village, granting two (2) more years for projects that result in new downtown housing seems to address stated community goals.

For purposes of determining whether to grant additional years of tax relief for projects that will include affordable housing, staff recommends that the City utilize the definition of "workforce housing" instead of the term "affordable" from RSA 674:58. In that statute, the State defines workforce housing for rental units to mean "rental housing which is affordable to a household with an income of no more than 60 percent of the median income for a 3-person household". While "affordable" connotes a relative and variable threshold as determined by an individual household's gross annual income, "workforce housing" provides a rental threshold that is specifically tied to the region's Area Median Incomes (AMI) and the community's need for truly affordable housing. New Hampshire Housing Finance Authority annually publishes "Workforce Housing Purchase and Rent Limits", which provides information about the estimated maximum affordable amounts for purchase and rent in each of the State's Metropolitan or County (Non-Metro) Fair Market Rent Areas and which incorporates the 60% of AMI threshold for rental units (see attached).

In exchange for granting the additional four (4) years of tax relief for projects that include "workforce" housing, staff recommends that the City Council require developers to provide either: a) at least 40% of residential units at rates affordable to households with an income of no more than 60% of AMI or, b) at least 20% of units at rates affordable to households with an income of no more than 50% of AMI. These thresholds are the same as those associated with the Low Income Housing Tax Credit (LIHTC) program administered through the New Hampshire Housing Finance Authority and provide clearly definable requirements for the number of units and level of affordability necessary to merit the additional tax relief.

However, staff understands that a significant purpose of the 79-E program is to enable and incentive rehabilitation projects that may not otherwise be financially viable. If the City Council concludes that requiring a project to achieve the recommended affordability standards would undermine the viability of the project and prevent it from occurring at all, then the Council should have the discretion and freedom to vary the affordability requirements while still balancing the overall benefit to the community against the potential tax revenue foregone.

For detailed information regarding the project, please see the accompanying application and supporting documentation submitted by LWM Residential LLC.

Action

Pending the outcome of the required public hearing, if the City Council concludes that the applicant's project and property continue to comply with the requirements of the City's 79-E Program, the following draft Resolution is proposed for the Council's consideration:

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 LWM Residential, 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 properties, 1 Foundry Street, Tax Map 91, Lot 263, and 25 Mechanic Street, Tax Map 91, Lot 267 (hereinafter the "Property"), is situated in the Downtown 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 renovate the existing mill structure, construct two new buildings, demolish blighted buildings, remediate a brownfields site, and complete other site improvements as approved by the Lebanon Planning Board (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 Lebanon, and***
2. ***Enhancement and improvement of a structure that is historically important, and***
3. ***Promotion of the preservation and reuse of existing building stock, and***
4. ***Promotion of the development of municipal centers, providing for efficiency, safety, and a greater sense of community consistent with RSA 9-B, and***
5. ***Increasing residential housing in municipal centers.***

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 _____ 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 _____ 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, 20__ unless otherwise extended by the City Council in writing.***

Included in this Section:

1. October 18, 2023 letter from LWM Residential LLC
2. Application for Community Revitalization Tax Relief Incentive Program (RSA 79-E) from LWM Residential LLC for the Lebanon Woolen Mill
3. September 12, 2023 letter from 106 Associates to the Lebanon Heritage Commission, RE: Historic Status and Opinion on Secretary's Standards, Lebanon Woolen Mill Complex, 1 Foundry Street
4. Notice of Public Hearing as Published in the November 4, 2023 Edition of the *Valley News*

October 18, 2023

Attn: Lebanon City Council & City of Lebanon Planning Department
City Hall
51 North Park Street
Lebanon NH, 03766

Lebanon City Council,

Attached is our application for the Community Revitalization Tax Relief Incentive Program (RSA 79-E) for 1 Foundry Street (including 25 Mechanic St) in downtown Lebanon.

We are thrilled to be working on this project given its history and location along the Mascoma River. The Lebanon Woolen Mill is currently approved for 196 units, but we will be resubmitting a site plan with a proposal for 183 units which removes the new building located at 43 Mechanic and preserves the existing structure. The development will include the renovation of the historic mill, two new buildings, the demolition of blighted buildings and the remediation of a longstanding brownfield site.

This project will transform a vacant mill and parking lot into residential buildings with below grade parking, strategically located surface parking while maintaining the core of the site for the "Mill Yard". The Mill Yard will be an urban park for our tenants and the public to enjoy. In addition to the Mill Yard there will be a river walk along the Mascoma which will help connect Blacksmith Street and the River Mill Center to Foundry Street/downtown. The development will also include the revitalization of the shoreland by removing invasive species and other contamination from decades of poor treatment. Lastly, there will be an ADA accessible path from Mechanic Street that will allow pedestrians to walk through the Mill Yard to Foundry Street, creating a safer walking and biking experience to get downtown.

Unlike our previous submittal, we are proposing to include an affordable component in our development, but we need the assistance of the City Council and 79E to help make that possible. Per the City Council's meeting in August 2021, the below table highlights the requirements for additional 79E abatement.

		TARGETED AREA MEDIAN INCOME (AMI)				
		60% or less	60 - 70%	70 - 80%	80 - 90%	90 - 100%
% OF UNITS IN PROJECT	40% or more	4	3	3	2	1
	30-40%	4	3	2	1	1
	20-30%	3*	2	2	1	0
	10-20%	2*	1	1	1	0
	0-10%	1*	1	0	0	0

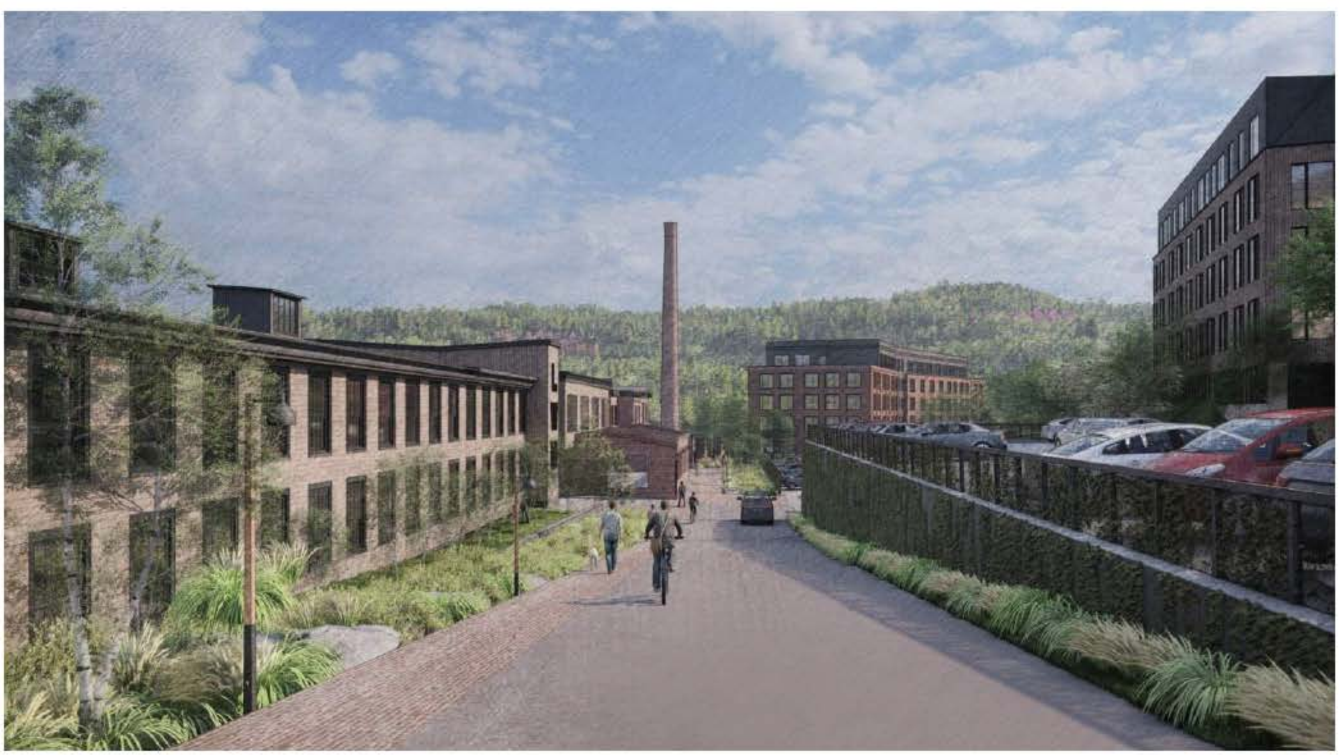
* Units targeted for 50% or less of AMI qualify for 1 additional year of tax relief

Since the above chart was approved, interest rates have increased from ~3% to ~8%, CPI has increased by 12%, and construction costs are anywhere from 20% - 40% higher. This has resulted in tens of millions in increased costs for developments of this size. We acknowledge the importance of affordable housing, but we also must acknowledge that the market is 99.5% leased and units of all types are needed to help alleviate the macro-economic issue of supply and demand. While the pipeline of new real estate developments may seem fuller than ever, the likelihood of developments moving forward is low and our concern is that in a few years we will see the same full pipeline but no new housing resulting in an even worse housing crisis. The City Council aptly included the below language below the above chart that states:

"The City understands that a significant purpose of the 79-E program is to enable and incentivize rehabilitation projects that may not otherwise be financially viable. If the City Council concludes that requiring a project to achieve the recommended affordability standards would undermine the viability of the project and prevent it from occurring at all, then the City Council shall retain the discretion and freedom to vary the affordability requirements while still balancing the overall benefit to the community of the completed project against the potential tax revenue forgone."

We believe our project embodies everything the 79E legislation was created for and we have gone out of our way to include public benefits above and beyond other developments rather than sacrificing them for cost savings. Our desire and commitment to the Lebanon Woolen Mill development has not wavered but we need the assistance of the City of Lebanon to help put ourselves in a financial position for this development to move forward.

Thank you,
Jon Livadas



<u>This project meets the RSA 79-E standards:</u>

- Substantial Rehabilitation: The required investment of $75,000
- Qualifying Structure: The structure is in the identified 79-E downtown district

<u>This Project provides the below required 79-E benefits:</u>

- Enhancement of the economic vitality of the downtown
  - Transforming vacant blighted buildings and creating new housing
  - Creating a public park
  - Revitalizing a shoreland
  - Connecting Mechanic Street, Blacksmith Street and the River Mill Complex to downtown
- Enhances and improves a structure that is culturally or historically important on a local, regional, state or nation level
  - The Lebanon Woolen Mill is eligible for listing on the NPS of historic buildings
- Promotes the preservation and reuse of existing building stock
  - Renovation of the 60,000 SF historic mill building into apartments
  - Renovation of the boiler house with the LWM smoke tower
- Promotes development of municipal centers, providing for efficiency, safety, and a greater sense of community
  - The Mill Yard will be a gathering place for the residents and public
  - The river-walk will give residents access to enjoy the river
  - Boiler building as flexible space for public or private events
  - Connecting blacksmith, Mechanic, and the River Mill Center in a safer more direct route
- Increases residential housing in urban or town centers
  - 183 units of new housing a five minute walk from downtown
  - Over 200 people will be living walkable to downtown restaurants and retail which will help bring business while alleviating downtown parking issues

<u>79E Abatement Request:</u>

LWM Residential request 15 years of abatement across the 1 Foundry St and 25 Mechanic St Parcel (lot merger in process) for all buildings both existing and new. LWM Residential believes we qualify for the below tax abatement:

- 5 years for the base project
- 2 years for rehabilitation that results in new residential units
- 4 years for Historic building
  - The property is eligible to be listed per the Part 1 submitted by our historic consultant
  - Our design does not alter the exterior of the building (outside of new window penetrations along the south side) and will highlight the history of the building both architecturally and culturally.
  - We are preserving the oldest part of the building even though it is in disrepair and our structural consultants have told us it is cost prohibitive to do so
- 4 Years for 10% of units being affordable
  - spread evenly across unit type and 60%, 80% and 100% of AMI classifications

APPLICATION FOR
COMMUNITY REVITALIZATION TAX RELIEF
INCENTIVE PROGRAM (RSA 79-E)

Date application submitted: ________________	Received by: ______________________

Note: Application must be accompanied by a $50 application fee at the time of submission.

APPLICANT:	**OWNER:** (if different from applicant)
Name: LWM Residential LLC	**Name:**
Mailing Address: 1 Guyenne Road	**Mailing Address:**
City, State, Zip: Wilmington, DE 19807	**City, State, Zip:**
Phone / Fax: 302.598.3492	**Phone / Fax:**
Email: jon.livadas@outlook.com	**Email:**

PROPERTY / BUILDING INFORMATION:

Building Name (if any): Lebanon Woolen Mill		**Year Built:** ~1900
Building Address: 1 Foundry Street & 25 Mechanic St		**Gross Square Footage of Building:** 57,000 & 7,000 (current)
Tax Map # 91	**Lot #** 263 & 267	**Plot #**
Grafton County Registry Book # 4694		**Page #** 749

Existing Property / Building Information:
(Describe *current* use, size, number of units, number of employees, etc.)

Vacant 60,000 SF mill and 7,000 SF vacant dry cleaning facility.

Proposed Property / Building Information:
(Describe *proposed* use, size, number of units, number of employees, etc.)

Proposing 49 units (57,000 SF) with amenity space in the existing mill. We will be building a new building on the site that will be 97 units (75,000 SF). We are merging this lot with 25 mechanic which will see the demolition of the existing building and a new building with 35 units [illegible]

Is there a change of use associated with this project?
Yes ☑ No ☐ If yes, please describe

Commercial to residential

Will the project include new residential units?
Yes ☑ No ☐ If yes, please describe

146 new units on 1 Foundry and 35 units on 25 mechanic. A mix of junior 1 bedrooms, 1 bedrooms and 2 bedrooms.

Will the project include new subsidized residential units?
Yes ☑ No ☐ If yes, please describe

We are proposing to include 10% of units to be workforce housing across three AMI threshholds: 60%, 80% and 100%.

Is the building eligible for listing or listed individually on the State or National Register of Historic Places or located within a State or National Register Historic District?
Yes[4] No[ ] If yes, provide a copy of the approved designation by the State or National Register of the building or the district.

Is the building located within and is it significant to a locally-designated historic district?
Yes[ ] No[4]

Is the property located in an existing Tax Increment Finance (TIF) District?
Yes[4] No[ ]

Has an abatement application been filed or has abatement been awarded on this property within the last year?
Yes[ ] No[4]

Will any state or federal grants or funds or low income subsidies or tax credits be used in this project?
Yes[ ] No[4] If yes, what is the amount of the aid? $________ Describe and detail any terms of repayment, if applicable.

PROJECT INFORMATION:

Describe the work to be done and the estimated cost. Please attach additional sheets, if necessary, as well as any written construction cost estimates. Please attach any construction contracts, plot plans, building plans, sketches, renderings or photographs that would help describe and explain this application.

Expected Project Start Date: 8/1/24 | Expected Project Completion Date: 6/1/26

Structural: mill will have updated structural design and new buildings will be ground up new build	$ 5,000,000
Exterior Alterations: (storefront/façade, walls, windows, doors, etc.) new windows and doors for the mill. repointing of exterior brick facade, interior fit out for residential.	$ 5,000,000
Interior Alterations: (walls, ceilings, moldings, doors, etc.) apartment fit out	$ 10,000,000
Electrical: all electric building, washer and dryer in unit	$ 5,000,000
Plumbing/Heating: all electric, TBD on exact heating/cooling system.	$ 10,000,000
Mechanical: all new systems	$ 5,000,000
Fire Protection: Sprinklered buildings	$ 5,000,000
Other: concrete, site work, finishes, thermal - inclusive of "mill yard" park area and river walk	$ 10,000,000
Total: **NOTE: In completing this form, the applicant certifies that the estimated costs provided herein are reasonable and that such costs meet the above program requirements. Failure to meet the program requirements or the listing of unreasonable construction costs will result in denial of the application and forfeiture of the application fee.**	$ $55,000,00

To be considered for this tax relief incentive program, the total project cost must be at least 15% of the pre-rehabilitation assessed value or $75,000, whichever is less. In the case of historic structures, the project must devote at least 10% of the pre-rehabilitation assessed value or $5,000, whichever is less, to energy efficiency in accordance with the U.S. Secretary of the Interior's Standards for Rehabilitation.

TO BE COMPLETED BY CITY ASSESSING DEPARTMENT:

Pre-Rehabilitation Assessed Valuation as of date of application submission: $____________

Are the cost threshold requirements satisfied by the project as proposed? Yes___ / No___

PROPOSED PUBLIC BENEFIT (RSA 79-E:7)

In order to qualify for property assessment tax relief under this program, the proposed substantial rehabilitation must provide at least one of the public benefits listed below. Any proposed *replacement* of a qualifying structure must provide one or more of the public benefits listed below to a greater degree than would a substantial rehabilitation of the same qualifying structure.

Does the Project provide the following public benefits? (Check all that apply)

Enhances the economic vitality of the designated areas. If yes, please describe. **We are redeveloping a vacant historic mill that is currently in disrepair to a residential complex. We will be demolishing 25 mechanic which is currently not occupiable and a brownfield site. We will be building a new building on-site that involves removing non-structural fill soil while cleaning up the shoreline. The site will be environmentally clean, inclusive of the river bank clean up to bring back natural species and any other dumped soil/product. The development is proactively preserving the center area to be the "Mill yard" rather than creating surface parking. The Mill Yard will be the center piece of the residential community and will connect Blacksmith, Mechanic, and the Rivermill Center to Foundry Street. We will be providing access and enjoyment of the river which has never been available before in this area.** We are redeveloping a vacant historic mill that is currently in disrepair to a residential complex. We will be demolishing 25 mechanic which is currently not occupiable and a brownfield site. We will be building a new building on-site that involves removing non-structural fill soil while cleaning up the shoreline. The site will be environmentally clean, inclusive of the river bank clean up to bring back natural species and any other dumped soil/product. The development is proactively preserving the center area to be the "Mill yard" rather than creating surface parking. The Mill Yard will be the center piece of the residential community and will connect Blacksmith, Mechanic, and the Rivermill Center to Foundry Street. We will	Yes ☑ No ☐
Enhances and improves a culturally or historically important structure. If yes, please describe. **We will be renovating the Lebanon Woolen Mill which originally opened in the early 1900's.**	Yes ☑ No ☐
Promotes preservation and reuse of existing building stock by rehabilitation of historic structures in accordance with energy efficiency guidelines established by the U.S. Secretary of the Interior's Standards for Rehabilitation. If yes, please describe. **We will be renovating the Lebanon Woolen Mill which originally opened in the early 1900's. The project is sustainably designed, all electric and will include EV charging stations. We are also looking into rooftop solar where possible.**	Yes ☑ No ☐
Promotes development in the designated areas, providing for efficiency, safety, and a greater sense of community, consistent with RSA Chapter 9-B. If yes, please describe. **We will be taking a vacant mill and 4-acre parking lot and creating 183 units with public access to the river. We will also be connecting the Mechanic street corridor to the downtown core with a more safe and pleasant walking route while opening the river up for public enjoyment.**	Yes ☑ No ☐
Increases residential housing in the designated areas. If yes, please describe. **Yes, 181 units across three buildings.**	Yes ☑ No ☐

HISTORICAL REQUIREMENT FOR REPLACEMENT OF QUALIFYING STRUCTURES

In the case of *replacement* of qualifying structure(s), the applicant shall submit a New Hampshire Division of Historical Resources Individual Inventory Form prepared by a qualified architectural historian and a letter issued by the Lebanon Heritage Commission that identifies any and all historical, cultural, and architectural value of the structure(s) that are proposed to be replaced and the property on which those structure(s) are located.

Note: An application for replacement of a qualifying structure shall not be considered complete, and no public hearing shall be scheduled, until the Individual Inventory Form and the Heritage Commission letter, as well as any other required information, have been submitted.

IMPORTANT

Per RSA 79-E:13, II, the Base or "Original" Assessed Value for any tax relief period is only set **after** the following two conditions are met:

1. Approval of the tax relief by the City Council following a public hearing.

2. The applicant's entering into a Covenant with the City of Lebanon to protect the public benefit(s).

Therefore, the applicant and/or property owner shall not commence any of the improvements included in this application until such time as he or she has satisfied the above requirements. This prohibition shall include any demolition to the existing structure.

AFFIDAVIT

I/We have read and understand the Community Revitalization Tax Relief Incentive (RSA 79-E) and am/are aware that this will be a public process, including a public hearing to be held to discuss the merits of this application and the subsequent need to enter into a covenant with the City and pay any reasonable expenses associated with the drafting of the covenant. I/We understand the application will not be determined as complete or recommended to the City Council for consideration until all of the necessary information is provided.

The undersigned hereby acknowledge understanding of the above statement and certify that the information provided herein are true and correct:

Signature	Print Name Jon Livadas	Date: 10/19/23
Signature	Print Name	Date:
Signature	Print Name	Date:
Signature	Print Name	Date:
Signature	Print Name	Date:

106 Associates
11 Ward Street
Burlington, VT 05401
(802) 777-1572
scottnewman@106associates.com

MEMORANDUM

Date: September 12, 2023

To: Lebanon Heritage Commission

Re: Historic Status and Opinion on Secretary's Standards
Lebanon Woolen Mill Complex, 1 Foundry Street

My firm has been asked by Jon Livadas to provide comment regarding eligibility of the Lebanon Woolen Mill Complex for listing in the National Register of Historic Places (NRHP), and whether the proposed project meets the Secretary of the Interior's Standards for Rehabilitation. With respect to the National Register, the National Park Service (NPS) has formally concurred with 106 Associates recommendation that the mill complex is eligible for listing in the NRHP via its concurrence with a historic tax-credit application Part 1. The purpose of a Part 1 is precisely to seek the opinion of the NPS on a property's National Register eligibility. Tax-credit rules require that a professional architectural historian prepare and submit a comprehensive evaluation of the property with a recommendation on NR eligibility. 106 Associates' Part 1 report included a detailed history of the mill since its construction, placing it in its historic context in the development of the Lebanon and the growth of its textile industry. It also included a detailed descriptive and photographic survey of the buildings. The package of Part 1 documentation is extensive and can be accessed at the following link:

https://1drv.ms/f/s!AlkhtEgpPLElg_tH7JGieTTdVBuNdQ?e=dfDl3I

The NPS response to the Part 1 application is attached to this memorandum. The box checked in Section 2 of the response form indicates the nature of the request, in this case a "preliminary determination for individual listing in the National Register. The box checked at the bottom of the page indicates the NPS response, stating the property "appears to meet the National Register criteria for Evaluation and will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer according to the procedures set forth in 36 CFR Part 60". This form constitutes proof of NR eligibility by the federal government agency (NPS) responsible for National Register listings.

With respect to compliance with the Secretary of the Interior's Standards for Rehabilitation, it is important to contextualize the buildings in the complex which comprises three structures: the main mill, the connected boiler house, and the office/garage. The main mill located alongside the river is the largest and most historically significant building in the complex, where the river power was harnessed in a succession of engineering achievements, and the textiles were produced by generations of Lebanon residents. The connected boiler building, and iconic brick smokestack testify to the evolving use of power to heat the plant. Having been closely involved with plan development, it is our opinion that the buildings will be rehabilitated consistent with the Secretary's Standards. Both will be preserved along with most of their important historical components despite facing a wide range of technical and financial challenges owing to their deteriorated condition and years of deferred maintenance. Adapting an industrial building to residential use can be extremely difficult in best case circumstances, made more challenging by the size and condition of this mill and facing today's construction costs. All considered, I am confident the current rehabilitation plans meet the requirements of the Secretary's Standards.

The third building on the site, the office/garage, is secondary to the history and operation of the mill. The garage has been extensively altered and would require highly intrusive and cost-prohibitive structural and hazardous material remediation which would substantially degrade any remaining historic significance. This is known based on a structural assessment of the building undertaken by Engineering Ventures, and a hazardous materials assessment undertaken by Credere Associates. The same hazmat assessment reported that the basement and lower walls of the attached 1940s office building are saturated with toxic dry-cleaning chemicals, for which remediation would be exceptionally difficult and expensive. It is our opinion that removal of this altered and secondary building is fully justified by the serious structural and hazmat circumstances as reported in professional assessments, and that this work meets the Secretary's Standards.

Sincerely,

Scott Newman
Principal, 106 Associates
Historic Preservation Consulting

RECEIVED
MAR 16 2022
NATIONAL PARK SERVICE
TAX INCENTIVE PROGRAM

NPS Form 10-168 (Rev. 2019)
National Park Service
OMB Control No. 1024-0009

HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 1 – EVALUATION OF SIGNIFICANCE

Instructions: This page must bear the applicant's original signature and must be dated. The National Park Service certification decision is based on the descriptions in this application form. In the event of any discrepancy between the application form and other, supplementary material submitted with it (such as architectural plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the Internal Revenue Service.	NPS Project Number 44654

1. Historic Property Name Lebanon Woolen Mill

Street 1 Foundry Street

City Lebanon County Grafton State NH Zip 03766

Name of Historic District or National Register property

☐ National Register district ☐ certified state or local district ☐ potential district ☐ National Register property

2. Nature of Request (check only one box)

☐ certification that the building contributes to the significance of the above-named historic district or National Register property for rehabilitation purposes.
☐ certification that the building contributes to the significance of the above-named historic district for a charitable contribution for conservation purposes.
☐ certification that the building does not contribute to the significance of the above-named district or National Register property.
☒ preliminary determination for individual listing in the National Register.
☐ preliminary determination that a building located within a potential historic district contributes to the significance of the district.
☐ preliminary determination that a building outside the period or area of significance contributes to the significance of the district.

3. Project Contact (if different from applicant)

Name Scott Newman Company 106 Associates
Street 11 Ward Street City Burlington State VT
Zip 05401 Telephone (802) 777-1572 Email Address scottnewman@106associates.com

4. Applicant

I hereby attest that the information I have provided is, to the best of my knowledge, correct. I further attest that [check one or both boxes, as applicable]:

☒ I am the owner of the above-described property within the meaning of "owner" set forth in 36 CFR § 67.2 (2011), and/or
☐ if I am not the fee simple owner of the above described property, the fee simple owner is aware of the action I am taking relative to this application and has no objection, as noted in a written statement from the owner, a copy of which (i) either is attached to this application form and incorporated herein, or has been previously submitted, and (ii) meets the requirements of 36 CFR § 67.3(a)(1) (2011).

For purposes of this attestation, the singular shall include the plural wherever appropriate. I understand that knowing and willful falsification of factual representations in this application may subject me to fines and imprisonment under 18 U.S.C. § 1001, which, under certain circumstances, provides for imprisonment of up to 8 years.

Name Jon Livadas Signature (Sign in ink) Date 12/13/2021
Applicant Entity LWM Residential LLC SSN ____ or TIN 87-2815737
Street 1 Guyenne Road City Wilmington State DE
Zip 19807 Telephone (302) 598-3492 Email Address jon.livadas@outlook.com

NPS Official Use Only

The National Park Service has reviewed the Historic Preservation Certification Application – Part 1 for the above-named property and has determined that the property:

☐ contributes to the significance of the above-named district or National Register property and is a "certified historic structure" for rehabilitation purposes.
☐ contributes to the significance of the above-named district and is a "certified historic structure" for a charitable contribution for conservation purposes.
☐ does not contribute to the significance of the above-named district or National Register property.

Preliminary Determinations:

☒ appears to meet the National Register Criteria for Evaluation and will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer according to the procedures set forth in 36 CFR Part 60.
☐ does not appear to meet the National Register Criteria for Evaluation and will likely not be listed in the National Register.
☐ appears to contribute to the significance of a potential historic district, which will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer.
☐ appears to contribute to the significance of a registered historic district if the period or area of significance as documented in the National Register nomination or district documentation on file with the NPS is expanded by the State Historic Preservation Officer.
☐ does not appear to qualify as a certified historic structure.

3/30/22

Date National Park Service Authorized Signature (Sign in ink)

☒ NPS Comments Attached

November 7, 2023

LEBANON CITY COUNCIL
NOTICE OF PUBLIC HEARINGS
Wednesday, November 15, 2023 - 7:00pm
Council Chambers, City Hall or
REMOTE VIA VIRTUAL PLATFORM
LebanonNH.gov/LIVE

The Lebanon City Council will hold public hearings on November 15, 2023, beginning at 7:00pm for the following:

A. **Community Revitalization Tax Relief Application** - A public hearing for the purpose of receiving public input and taking action on a request by LWM Residential LLC, for tax relief under the provisions of the Community Revitalization Tax Relief Incentive Program (NH RSA 79-E) as adopted by the City Council on February 17, 2016.

B. **City Charter Amendments** - A public hearing for the purpose of receiving public input and taking action on a resolution to place proposed amendments to Section III, Administration, §C419:17 and §C419:53-53a of the City Charter on the ballot of the March 12, 2024 Municipal Election.

The November 15, 2023 City Council agenda packet and documents pertaining to the above-described public hearings will be available on the City's website beginning November 10, 2023: LebanonNH.gov/Agendas

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.

NE-450973

The foregoing notice was published in the *Valley News*, a newspaper of general circulation in the City of Lebanon, in accordance with the Code of the City of Lebanon on Saturday, November 4, 2023.

Jaseya Ewing

Jaseya Ewing, City Clerk