

FINAL

**LEBANON CITY COUNCIL
REGULAR SESSION MINUTES
Wednesday, March 6, 7:00 p.m.
Council Chambers**

Remote Via Microsoft Teams: LebanonNH.gov/Live

MEMBERS PRESENT: Mayor Tim McNamara, Assistant Mayor Clifton Below, Erling Heistad, Karen Liot Hill (arrived 7:54P), Christian Simon, George Sykes, Douglas Whittlesey (Remote), Devin Wilkie

MEMBERS ABSENT: Karen Zook

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, Finance Director Vicki Lee, City Engineer Rod Finley, Planning Administrative Assistant Crystal Taplin

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

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

- City Manager Shaun Mulholland announced the meeting criteria for the public.
- Councilor Whittlesey was attending remotely due to childcare issues.

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

4. OPEN TO PUBLIC: No one came forth.

5. RECOGNITIONS: None

6. ACCEPTANCE OF MINUTES: February 21, 2024 (Regular Meeting).

Amendments: Page 22, Lines 20-21: Add at end of first sentence on line 21: “because what is happening is also unprecedented.”: Page 23: Strike Lines 41-43 and add: “Hearing no further discussion, Assistant Mayor Below called the question...”

Councilor Heistad MOVED to approve the February 21, 2024 minutes as amended and presented in the March 6, 2024 City Council agenda packet.

Seconded by Councilor Wilkie.

Councilor Whittlesey arrived remotely at approximately 7:05 PM.

Roll Call Vote:

Voting Yea: Assistant Mayor Below, and Councilors Heistad, Simon, Sykes, Whittlesey, Wilkie
None voted Nay.

Absent from vote: Councilors Zook, and Liot Hill

Abstained from vote: Mayor McNamara

***The Vote on the Motion was approved by members present (6-0-1).** Mayor McNamara abstained from vote because he was not present at the February 21, 2024 meeting.

7. APPOINTMENTS: NONE

8. PUBLIC HEARING ITEMS:

A. SUPPLEMENTAL APPROPRIATION FOR CIVIC PARK PLAYGROUND

IMPROVEMENTS: Public hearing for the purpose of receiving public input and taking action to appropriate \$270,000 for Civic Park Playground Improvements; and to authorize disbursement of \$135,000 in Recreation Impact Fees as the means to pay for a portion of the work.

Included in the agenda packet: *(All supportive documents and information can be found on pages 25-29, Council agenda packet)*

1. December 19, 2023 Memo from Recreation, Arts & Parks Director Paul Coats, including examples of the proposed playground design.

Paul Coats (Recreation, Arts & Parks Director) gave a previous PowerPoint presentation and reviewed the request as presented above.

BACKGROUND

Civic Park is the largest and most accessible park in the West Lebanon area, and it is the most actively programmed park in the City. The park is strategically located within walking distance of nearly 200 children's homes and is visited by hundreds of families on a regular basis during programmed activities. The popularity of Civic Park makes it a priority location for a playground to serve children 2-5 and 5-12 years old. No such playground currently exists.

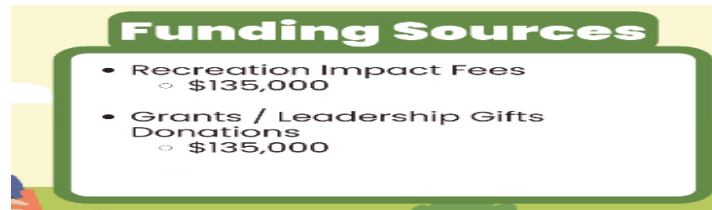
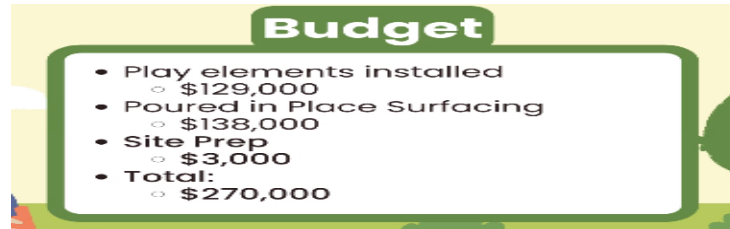
Last year, the Recreation, Arts & Parks Department (RAP) created the "Civic Plays" task force to gather community input for a new playground design, to research manufacturers, and to raise funds through a capital campaign. The Civic Plays task force has been actively pursuing these objectives through 2023 and is now engaged in raising a portion of the needed funds.

RAP proposes to fund approximately 50% of the total project cost from Recreation Impact Fees collected from new development in the community. The remaining costs will be raised through leadership level gifts in the first quarter of 2024, followed by a public capital campaign. Since funds for the appropriation are to be transferred from Recreation Impact Fees to the Capital Improvements Fund, and will be supplemented with grants and donations, there will be no impact to the tax rate.

Please see the attached memorandum from Recreation, Arts & Parks Director Paul Coats for a detailed explanation about the project and examples of the proposed playground design.

Pursuant to Section C419:43, Appropriations After Budget is Adopted, requests for appropriations that are not included in the annual budget require a two-thirds (2/3) majority vote of the Council after a public hearing.

Highlights from Director Coats' presentation are listed below.



Mayor McNamara opened the Public Hearing and the following people came forth and spoke about their support and funding for the Civic Park Playground.

Lauren Groves (Ward-1, Director of Friends of Lebanon's Arts, Parks and Recreations);
Dan Moriarty (Ward-3, President of Friends of Lebanon's Arts, Parks and Recreations); and
Stephanie Yaroshevich (Ward Unknown by her).

Hearing no further comments from the public, the Public Hearing was closed.

ACTION:

Councilor Simon MOVED the following Resolution:

RESOLVED, by the City of Lebanon, that funds, in the amount of \$270,000 (Two Hundred Seventy Thousand Dollars), be appropriated for expenditure from the Capital Improvements Fund for New Playground Improvements at Civic Park.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds, in an amount not to exceed \$135,000 (One Hundred Thirty-Five Thousand Dollars), be disbursed from the Recreation Impact Fees Fund to the Civic Park Playground Improvements Capital Project for the purpose of financing a portion of the playground improvements at Civic Park, with the remaining project costs to be raised from grants and donations.

This Resolution shall be effective upon passage.

Seconded by Councilor Heistad.

Councilor Simon spoke to his motion noting this is the type of project they really want to see in the City of Lebanon.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Simon, Sykes, Whittlesey, Wilkie, and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilors Liot Hill and Zook

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

9. OLD BUSINESS:

A. Discuss possible NHMA Policy Positions for the 2024 NHMA Legislative Policy process
Included in the agenda packet: *(All supportive documents and information can be found on pages 3-32, Council agenda packet)*

1. 2025-2026 NHMA Explanation of Proposed Policy form

BACKGROUND

It is the time of year when the New Hampshire Municipal Association (NHMA) begins planning for the Legislative Policy Conference in the Fall. The policy process begins with solicitation of policy proposals from local officials to create an initial issues list. The deadline for submission of policy proposals is April 15, 2024.

NHMA's legislative policy committees - Finance and Revenue; General Administration and Governance; and Infrastructure, Development and Land Use – will review all policy proposals in order to make recommendations which will go to the NHMA Legislative Policy Conference in September.

Council Comments: None. They have until April 15, 2024 to send in their proposed legislative policy suggestions.

ACTION: *No action is required at this time.*

B. Presentation of **Second Reading:** Amendment to Ordinance #18, Salary Plan, Article II, Non-Affiliated & LPASE Employees, to add a new Chief Building Official & Health Officer as a Grade 13, Non-Affiliated position

Included in the agenda packet: *(All supportive documents and information can be found on pages 33-34, Council agenda packet)*

BACKGROUND

The City Council was asked to take action to amend Ordinance #18, Salary Plan, as follows:

1. Article II, Non-Affiliated & LPASE Employees:
 - l. Add the exempt position of Chief Building Official & Health Officer, as a Grade 13 position within the Planning & Development Department.

Article II, Non-Affiliated & LPASE Employees

City Administration is proposing the addition of a Chief Building Official & Health Officer position within

the Planning & Development Department. This Grade 13, exempt position is being created to direct the plan review, permitting, and inspection of all construction activities within the City of Lebanon and to ensure compliance with adopted codes and ordinances. The position will oversee the City's role in restaurant and food inspections, enforce other health codes, as applicable, and provide accountability for the supervision and operation of the Code Enforcement Division of the Planning & Development Department. The position will supervise the Division's staff, providing professional oversight, advice, and direction, and will report to the Planning & Development Director.

Amendment Process

Amending Ordinance #18 requires three separate presentations (see City Charter subsections §419:22, §419:24, §419:25, §419:52), followed by a Public Hearing, and the vote of at least two-thirds (2/3) of all members of the City Council - six (6) members - to adopt.

The first presentation was recognized by the City Council on February 21, 2024. The Council is now asked to recognize the second of three presentations. The third presentation will occur on March 20, 2024, along with a public hearing to adopt the amendment as proposed.

The table below reflects all proposed changes (as shown in **red** text), to include the addition of new positions, changes in position titles and/or classification. These changes would be effective upon passage.

ACTION:

1. Acknowledge Second Presentation:

Assistant Mayor MOVED, that the Lebanon City Council acknowledges the second of three presentations to amend Ordinance #18, Salary Plan, Article II, by adding the position of Chief Building Official & Health Officer (Grade 13, Non-Affiliated) in the Non-Affiliated & LPASE Employee compensation and classification schedules as outlined in the February 21, 2024, City Council Agenda Packet.

*Below is an excerpt of the Non-Affiliated & LPASE Employees' compensation and classification schedules impacted by the proposed change described above. Changes to the compensation and classification schedules are shown in **red** type; new positions and retitled or reclassified positions are shown in **red bold** type; position deletions are shown stricken and in **red italics** type.*

REGULAR FULL-TIME / REGULAR PART-TIME NON-AFFILIATED & LPASE EMPLOYEES 2024 SALARY & GRADES					
Grade	Position Title	Hourly		Weekly	
		Minimum	Maximum	Minimum	Maximum
13	Chief Building Official & Health Officer	-	-	\$1,734.53	\$2,341.63
	Chief Innovation Officer				
	Cyber Security Analyst	-	-	-	-
	Deputy Finance Director	-	-	-	-
	Deputy Human Resources Director	-	-	-	-
	Deputy Fire Chief**	-	-	-	-
	Information Systems Manager**	-	-	-	-

	Maintenance Manager	-	-	-	-
	Police Captain**	-	-	-	-
	Deputy Planning and Development Director	-	-	-	-
	Systems and Operations Administrator	-	-	-	-

**Denotes LPASE Employees

Seconded by Councilor Wilkie.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Simon, Sykes, Whittlesey, Wilkie, and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilors Liot Hill and Zook

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

10. NEW BUSINESS:

- A.** Request from Lebanon VP, LLC for an Exemption (per §14-5) of City Code Chapter 14, Alcoholic Beverages, to permit the serving of alcoholic beverages on City property

Included in the agenda packet: [*\(All supportive documents and information can be found on pages 35-37, Council agenda packet\)*](#)

1. February 16, 2024 email from Michael Drake, Lebanon Village Pizza
2. Location Map of Outdoor Seating Area for Lebanon Village Pizza

BACKGROUND

Michael Drake, owner of Lebanon Village Pizza, LLC, requested an expanded outdoor seating area within the pedestrian mall adjacent to his business. City Administration has no objection to the seating within the pedestrian mall.

City Code Chapter 14, Alcoholic Beverages, §14-5, Exemption, states that, “Any person, recognized organization, organized group, family group or business may be exempted from the provisions of this article for a short period of time not exceeding 12 hours, upon first obtaining permission from the City Manager after consultation with and approval by the Chief of Police. For a period of time exceeding 12 hours but not exceeding one year, permission must first be obtained from the Lebanon City Council and reviewed on an annual basis.” Whereas the current request is for an alcohol exemption/permit to cover the remainder of the current year through December, Council approval is required pursuant to §14-5 above.

ACTION:

Councilor Wilkie MOVED, that the Lebanon City Council hereby grants an exemption to Lebanon Village Pizza, LLC pursuant to §14-5 of City Code Chapter 14, Alcoholic Beverages, to permit the service of alcoholic beverages on the Lebanon Pedestrian Mall as shown on the map included in the March 6, 2024 City Council Agenda Packet. The exemption shall be valid beginning March 7, 2024 and shall expire on December 31, 2024.

Seconded by Assistant Mayor Below.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Simon, Sykes, Whittlesey, Wilkie, and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilors Liot Hill and Zook

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

- B. Request to Reschedule Public Hearing and On-site Public Meeting for Personal Examination for Layout of Additional Right-of-Way areas for Trues Brook Road**

Included in the agenda packet: *(All supportive documents and information can be found on pages 38-41, Council agenda packet)*

1. February 27, 2024 memorandum from City Engineer Rod Finley to City Council.
2. Plans entitled “Trues Brook Road Over Bloods Brook, Easement Plan (1 of 2) and Easement Plan (2 of 2)” (Sheets 8 and 9 of 47), prepared by Hoyle Tanner, dated January 2024, Project No. 21.906414.00

Rod Finley, City Engineer, briefly reviewed the background and the reasons why they wanted this topic rescheduled.

BACKGROUND

On February 7, 2024, the City Council voted to schedule a public hearing for March 20, 2024 for the purpose of receiving public input and taking action on approval of the layout of the widening of Trues Brook Road to facilitate the replacement of the Trues Brook Road Bridge and the reconstruction of the roadway and other improvements approaching each side of the bridge. The Council also scheduled an on-site public meeting for the same date for the purpose of making a personal examination of the proposed roadway layout in accordance with NH RSA 231:11.

As noted in the memorandum from City Engineer Rod Finley, DPW is requesting that the Council reschedule the public hearing and the on-site public meeting to April 17, 2024 in order to provide more time to issue notice of the public hearing to abutters and to mortgage holders, where applicable, to meet the required 30-day notice period as required by state law

Deputy City Manager Brooks suggested the public hearing on April 17, 2024 start at 7:00PM and the onsite public meeting take place at 5:30PM on April 17, 2024.

ACTION:

Councilor Wilkie MOVED, that the Lebanon City Council hereby reschedules a public hearing for Wednesday, April 17, 2024, 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 on approval of the layout of the widening of Trues Brook Road to facilitate the replacement of the Trues Brook Road Bridge and the reconstruction of the roadway and other improvements approaching each side of the bridge, as shown on the plans entitled “Trues Brook Road Over Bloods Brook, Easement Plan (1 of 2) and Easement Plan (2 of 2)”, as included within the March 6, 2024 City Council Agenda Packet.

BE IT FURTHER MOVED, that an on-site public meeting be rescheduled for Wednesday, April 17, 2024, beginning at 5:30pm, for the purpose of making a personal examination of the proposed roadway layout in accordance with NH RSA 231:11.

Seconded by Councilor Simon.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Simon, Sykes, Whittlesey, Wilkie, and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilors Liot Hill and Zook

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

C. Discussion and Set Public Hearing for March 20, 2024: to Adopt City Code Chapter 164, Trees

Included in the agenda packet: [*\(All supportive documents and information can be found on pages 42-47, Council agenda packet\)*](#)

1. Proposed Ordinance #2024-05

City Manager Mulholland reviewed the background behind Ordinance #2024-05 to enact City Code Chapter 164, Trees.

BACKGROUND

The City Manager, along with the Department of Public Works and the Recreation, Arts and Parks Department, have been working in collaboration with the Tree Advisory Board to develop City Code Chapter 164 regarding trees. NH RSA 31:51 is the enabling legislation that allows municipalities to make regulations for the planting, protection, and preservation of shade or ornamental trees upon lands appropriated for public use.

The proposed new chapter outlines the authority to manage trees on public property and rights-of-way. Various provisions of NH RSA Chapter 231 provide statutory authority to municipalities related to public ways and rights-of-ways. There are several NH Supreme Court decisions that further delineate the authority of municipalities regarding trees.

There is an administrative policy that further articulates the management of trees under the statutory provisions and the provisions of Chapter 164 when Chapter 164 is enacted.

Council Discussions:

Councilor Heistad said that if this had been in place years ago, we would have had a lot less community angst about trees being downed in front of their houses because they did not know what was happening. Now that we will have this ordinance, we will be in much better shape as a City than what we were previously.

City Manager Mulholland noted that all the places the Conservation Commission manages is not covered by this proposed policy.

In response to Councilor Wilkie's question regarding exceptions to § 164-7 Injury Or Defacement Of Trees that would allow signs to be placed on trees using ribbons, City Manager Mulholland noted all we are doing is stating the State Statute. This is already law, and we cannot change State law.

Councilor Simon wanted to make sure this Tree Ordinance is only for trees on public property and does not include private property. City Manager Mulholland concurred this is only for public property.

ACTION:

Councilor Wilkie MOVED, that the Lebanon City Council hereby schedules a public hearing for Wednesday, March 20, 2024, beginning at 7:00 p.m. in Council Chambers, City Hall, and Remote via the City's Virtual Platform, for the purpose of receiving public input and taking action on proposed Ordinance #2024-05 to enact City Code Chapter 164, Trees. Seconded by Councilor Heistad.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Simon, Sykes, Whittlesey, Wilkie, and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Councilors Liot Hill and Zook

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

D. Presentation & Discussion of Proposed Amendment to City Council Rules: §A191-8, Order of Business

Included in the agenda packet: ***(All supportive documents and information can be found on pages 48-57, Council agenda packet)***

1. Proposed amendment to City Council Rules, §A191-8, Order of Business
2. City Council Rules, as adopted on November 16, 2022

Mayor McNamara noted this is to formally clear up a process that the City Council has been following.

BACKGROUND

Included in the agenda packet is a proposed amendment to the City Council Rules, Chapter A191-8, to amend the process for changes to the order of business. Currently, the Council's Rules require a vote of at least 2/3 of the members present in order to suspend the rules and change the order of business. However, based on past practice, the Council rarely, if ever, holds a vote on the issue of whether to change the order of business during a given meeting.

In an effort to have the Council's Rules reflect the actual conduct of its meetings, a proposal is being made to allow the Mayor to change the order of business for good cause. Only if a member of the Council objects to the proposed change would the Mayor call for a vote on the question. In that instance, a vote of 2/3 of the members present would be required to change the order of business.

In accordance with Chapter A191-13 of the Council's Rules, amendments must be presented in writing at the preceding regular meeting, prior to adoption. As such, this amendment will be presented for adoption at the March 20th meeting. Adoption requires a 2/3 vote of all members of the Council.

Proposed change(s):

The business of all regular meetings of the Council shall be transacted in the following order, unless the Mayor elects to change the order of business for good cause. If any member of the Council objects to the proposed change to the order of business, the Mayor shall ask that the Council vote on the proposed

change, by a vote of at least 2/3 of the members present, to suspend the rules and changes the order of business.

1. Call to Order.
2. Pledge of Allegiance.
3. Announcement by Mayor. Public forum. “Any member of the public who desires to speak on any agenda item may do so when the item is taken up by the Council and will be allowed to speak on the subject for not more than three minutes. (Note: Speakers are asked to state their name, ward of residence and to use the microphone provided.)”
4. Open to public. (Limited to 10 Minutes)
5. Recognitions.
6. Acceptance of Minutes:
7. Appointments.
8. Public Hearings
 - i. Presentation
 - ii. Mayor Opens Public Hearing
 - iii. Questions and Comments by the Public
 - iv. Mayor Closes Public Hearing
 - v. Council Deliberation & Action
9. Old Business.
10. New Business.
11. City Manager Report
12. Council Representatives to Other Bodies Report
13. Future agenda items
14. Nonpublic sessions.
15. Adjourn.

ACTION: No action is required at this time. Action on the amendment will be scheduled for March 20, 2024.

E. Review and Discussion of Responses to 20 Spencer Street RFP and City Manager Recommendation on Preferred Developer

Included in the agenda packet: *(All supportive documents, additional information, and picture renditions can be found on pages 58-121, Council agenda packet)*

1. Summary Table of RFP responses
2. Composite Table of Selection Criteria Scores
3. Excerpts of 20 Spencer Street RFP response from The Muse Lebanon, LLC /

Tamposi Available, but not included in this Section:

4. [20 Spencer Street Redevelopment Project, RFP response from Pennrose, LLC](#), including:
 - a. [February 9, 2024 interview presentation materials](#)
 - b. [February 13, 2024 interview responses and supplemental information](#)
5. [20 Spencer Street Redevelopment Project, RFP response from The Muse Lebanon, LLC / Stephen and Jake Tamposi](#), including:
 - a. [February 7, 2024 response to questions](#)
6. [20 Spencer Street Redevelopment Project, RFP response from Weston Associates / Fulcrum Associates](#), including:

a. [February 13, 2024 interview responses and revised concept design](#)

BACKGROUND

In September 2023, the City issued a Request for Proposals (RFP) seeking to identify a qualified and capable non-profit, private developer, or development team to propose and complete the redevelopment and revitalization of the 20 Spencer Street property for the express purpose of having the site redeveloped for 100% residential workforce housing.

The City ultimately received three (3) responses to the RFP prior to the submission deadline of January 26, 2024. Responses were received from Pennrose, LLC of Boston, MA; The Muse Lebanon, LLC / Stephen and Jake Tamposi of Hollis, NH; and Weston Associates of Boston, MA / Fulcrum Associates of Amherst, NH. All of the respondents appear highly qualified and have relevant experience on similar projects throughout the region.

Following the receipt of the responses, the City Manager and Deputy City Manager conducted interviews with all three respondents on February 9, 2024. Following the interviews, the respondents were given an opportunity to summarize answers in writing and to provide any other supplemental information they felt was relevant and appropriate. A summary table of the RFP responses are included in the agenda packet and highlights the unit count, unit mix, proposed affordability levels, proposed land purchase price, estimated completed project value, and other project information.

Based on the RFP submittals, the subsequent interviews, and the supplemental information received, the City Manager and Deputy City Manager scored each response within the OpenGov bid portal pursuant to the selection criteria outlined in the original RFP. A table of composite scores were included in the agenda packet for the Council's review.

Based on the final proposals and scoring, the City Manager recommends that the Council authorize the City Manager to pursue further negotiations with The Muse Lebanon, LLC / Stephen and Jake Tamposi as the preferred developer for the future redevelopment of the 20 Spencer Street site for an affordable, workforce housing project.

Excerpts of The Muse Lebanon / Tamposi RFP response is included in the agenda packet. The full, original RFP submission materials, as well as any supplemental information, from each of the respondents are also available through the links listed above.

Council Comments:

Mayor McNamara noted he was pleasantly surprised that we received proposals for the 20 Spencer Street site and from three (3) outside developers, none of whom the City has worked with before but all three have excellent reputations.

Deputy City Manager Brooks reviewed the background, the RFP responses for 20 Spencer Street, the scorecard, noting that all of the responses came from outstanding development firms and were very qualified and highly capable firms. (The packet includes a brief synopsis of the responses received.) He reviewed and highlighted the different responses (from each developer) in terms of the total units proposed; the mix/size of those units; building size/height; some of the affordability components; and, financial aspects of the proposals. Each proposal listed below is in the order they came to the City :

20 Spencer Street RFP

Summary of Responses received on or before January 26, 2024

	Pennrose, LLC	The Muse Lebanon, LLC / Tamposi	Weston Associates / Fulcrum Associates
Total Units Proposed	67	80	118* (changed to 113 following interview)
Unit Mix / Avg Size (initial proposal)	39 -1Bd, 588 SF 22 -2Bd, 880 SF 6 -3Bd, 1078 SF	39 -1Bd, 621 SF 33 -2Bd, 840 SF 8 -2Bd L/W, 865 SF	5 -Studio, 642 SF 44 -1Bd, 695 SF 59 -2Bd, 985 SF 10 -3Bd, 1,268 SF
Unit Mix / Avg Size (subsequent proposal, if different)			39-1Bd, 695 SF 59-2Bd, 985 SF 15-3Bd, 1,268 SF
Building Size / Height	69,406 SF / 4-story	71,535 SF / 4-story	104,585 SF / 5-story
Affordability Level (initial proposal)	8 units@30% AMI 7 units@50% AMI 23 units@60% AMI 12 units@80% AMI 17 units@unrestricted	80 units@60% AMI	118 units@80% AMI
Affordability Level (subsequent proposal, if different)	8 units@30% AMI 7 units@50% AMI 52 units@60% AMI		30 units@60% AMI 83 units@80% AMI
Estimated Completed Project Value	~\$24M	~\$29M	~\$37.4M
Purchase Price to City	\$50,000	\$400,000	\$0
Estimated Property Tax (initial proposal)	\$500/unit/year under PILOT Agreement	~\$110,000/year under RSA 75:1-a	\$0 for first 3 years (duration of construction), then subject to further negotiations with City
Estimated Property Tax (subsequent proposal, if different)	\$500/unit/year under PILOT Agreement; or ~\$112,111/year under RSA 75:1-a		\$50,000/year for first 3 years; then \$100,000/year for next 7 years; then \$100,000 + annual adjustment for
On-site Parking Spaces	94 Spaces	89 Spaces	95 Spaces
On-Site Bicycle Parking	29-34	80	unspecified

Scoring results for each of developers can be found in the agenda packet.

Council Comments:

Mayor McNamara spoke about his reasons supporting the Tamposi proposal, noting they would add some additional income to the City by purchasing the property; they had a reasonable property tax revenue every year; loved the 60% AMI; how their 80 units were appropriate for the site; the live/work concept; access to the Rail Trail; and, the 80 spaces of indoor bike storage.

In response to Councilor Whittlesey's question regarding the justification of what drove the Tamposi proposal, City Manager Mulholland said Mr. Tamposi had a solid understanding of the process and the difference between the 9% and 4% programs. When they talked to the other two firms, they did not have as firm of an understanding of what that process was about, how it worked, and how competitive the 9% is. The fact that Mr. Tamposi is willing to rely more on the 4% financing plan, he thought was more realistic and further explained his reasons. There were some expectations/requests by others for the City to contribute significant amounts of money toward the project, which we had not anticipated. (This was a couple million dollars, which the City does not have or plans to do.) Mr. Tamposi had a firmer plan in terms of how they were going to finance the project and their experience in being able to do that.

Deputy City Manager Brooks added that the Tamposi proposal added value to the community because of their commitment to affordable housing and in generating revenue from property taxes.

In response to Councilor Sykes' question about the 60% AMI, Mr. Brooks noted that the definition of workforce housing for rental units in Grafton County is based on a 60% AMI for a family of three, which is \$62,500. He also said that under the LiTech Program, which is used by the NH Housing Finance, the timeline for rental affordability is around 20 years. Mr. Tamposi explained the minimum (time loan) would be 30 years, but they would anticipate that this (property) would remain affordable in perpetuity and would not go beyond the statutory minimum of 30 years.

Councilor Heistad was impressed with the space, the gallery downstairs, the playground, and the bike storage/workshop.

Councilor Liot Hill arrived at approximately 7:54PM and Mayor McNamara briefly reviewed the discussions that had taken place by the Council.

Assistant Mayor Below said it looked like the Tamposi proposal also understands the floodplain issues and their commitment to be energy efficient.

City Manager Mulholland said that Mr. Tamposi has thoroughly read the RFP and understood what the City was looking for. He also noted that his plan is to take the \$400K and put it back into the project and explained how this could be done.

ACTION:

Councilor Sykes MOVED, that the Lebanon City Council hereby authorizes the City Manager to enter into further negotiations with The Muse Lebanon, LLC / Stephen and Jake Tamposi regarding the redevelopment of the 20 Spencer Street property for an affordable, workforce housing development.

Seconded by Councilor Wilkie.

Roll Call Vote:

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

None voted Nay.

Absent from vote: Councilor Zook

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

11. CITY MANAGER REPORT:

City Manager Mulholland updated the Council on the following:

- Lebanon's Childcare Facility: Call from Congresswoman Kuster notifying him that the NH House just passed the \$1,616,279.00 for Lebanon's Childcare Facility.
- Westboro Yard: No progress has been done yet.
- Fire Station and the project funding increase that would be needed from Debt Service account.
- Lebanon's new well: New funding may be available, but the permitting process could take 2-3 years.
- Implicit Bias Training: April 15 & 16, 2024. All City of Lebanon's supervisory staff are required to attend. Mayor McNamara requested a letter be sent out to all Boards, Committees, Commissions members requesting their mandatory participation in one of the three training sessions.
- Canvass of Vote: Thursday, March 14, 2024 @ 8:00 AM. Councilors are requested to attend this session.

12. COUNCIL REPRESENTATIVES TO OTHER BODIES: None

13. FUTURE AGENDA ITEMS: None

14. NON-PUBLIC SESSION: None

15. ADJOURNMENT:

Councilor Heistad MOVED for adjournment.

Seconded by Councilor Sykes.

Roll Call Vote:

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

None voted Nay.

Absent from vote: Councilors Zook

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

The meeting was adjourned at 8:13 PM.

Respectfully submitted,

Dona E. Gibson

Recording Secretary