

FINAL

**LEBANON CITY COUNCIL
SPECIAL SESSION MINUTES
Wednesday October 23, 2024 7:00 p.m.
Council Chambers**

Remote Via Microsoft Teams: [LebanonNH.gov/Live](https://lebanonnh.gov/Live)

MEMBERS PRESENT: Mayor Tim McNamara, Assistant Mayor Clifton Below (remote), and Councilors Erling Heistad, Christian Simon, George Sykes, Douglas Whittlesey, Devin Wilkie

MEMBERS ABSENT: Karen Liot Hill and Karen Zook

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, Planning & Development Director Nathan Reichert, Deputy Planning & Development Director Tim Corwin

1. CALL TO ORDER: Mayor McNamara called the meeting to order at 7:07 p.m.

2. PLEDGE OF ALLEGIANCE: I led the Council in the Pledge.

- City Manager Shaun Mulholland announced the meeting criteria for the public.
- Assistant Mayor Below attended the meeting remotely due to an illness.

3. SPECIAL MEETING

A. Presentation of 2024-2025 Proposed Zoning Amendments

Included in agenda packet: *(Please Note: All detailed supportive documents, maps and additional information can be found on pages 3-67, Council agenda packet)*

1. October 15, 2024 Memorandum from Planning & Development Department, including 2024- 2025 Proposed Zoning Amendments *(Pages 4-15 and pages 40-67, Council agenda packet)*
2. Public Health Council of the Upper Valley regarding their summary of housing *(Pages 16-39, Council agenda packet)*

BACKGROUND:

It is staff's practice to present a set of proposed zoning amendments to the City Council each Fall for review and consideration. Presenting the amendments in the Fall allows them to move through the required review process in time for placement on the March ballot, when necessary.

The current set of proposed changes are derived largely from the recently-completed Pattern Zones study and the Route 120/Northern Lebanon Community Planning Study, both of which were presented to the Council on September 18th. Other amendments relate to the Alice Peck Day Memorial Hospital campus and Recovery Housing, as well as other issues. Finally, the set of proposed amendments to be reviewed includes a zoning amendment petitioned by Dan Nash of Advanced Geomatics & Design, on behalf of Oakes Storage, LLC.

Please see the October 15, 2024 memorandum from the Planning & Development Department, which describes the proposed amendments in detail and outlines the process to amend the Zoning Ordinance.

Planning & Development Director Nate Reichert came forth to review and explain the 2024-2025 Proposed Zoning Amendments.

Council Discussions:

Councilor Simon asked why Westboro Woods off Seminary Hill was left out of the pattern zone for West Lebanon. Mr. Reichert stated that this will be included.

Mr. Reichert explained that the recommendation from the consultant through the study was a 2,500 s.f. minimum size lot. However, the recommendation from staff is a minimum lot size of 4,000 s.f. Councilor Wilkie asked why 4,000 s.f. is the recommendation. Mr. Reichert explained that the Planning Board felt that the 2,500 s.f. lot was a bit small. A 4,000 s.f. lot allows for a by-right, 40' wide, 100' deep lot. Councilor Whittlesey stated that he feels more comfortable with a lot size of 4,000 s.f. Councilor Wilkie stated that this is more about what the City is allowing people to choose and do with their land. He would like this to be revisited in the future. Mr. Reichert explained that it could be that a 4,000 s.f. minimum lot size is by-right and 2,500 s.f. could be considered by a special permit.

Regarding lot density, Councilor Simon suggested that permitted uses by special exception include townhouses/rowhomes up to four units.

Mr. Reichert explained that the consultant proposes elimination of all parking requirements within the overlay zone, but staff and the Planning Board propose a minimum of one space per dwelling unit. Councilor Simon agreed and noted that it would be difficult to try to sell a unit if there is no parking space and no parking on the street during winter events. Councilor Wilkie stated that this could also be something to revisit in the future, based on market conditions.

Regarding the proposed Northern Lebanon Zoning Changes, Mr. Reichert stated that Mr. Chip Brown provided comments via a letter for the Council's consideration. [This letter is attached below.]

**October 22, 2024
Letter to City Council
Re Northern Lebanon Community Plan**

**From Chip Brown
BCR | Brown Commercial Realty**

Although I am not available to speak live tonight, I want to communicate my thoughts on the proposed Northern Lebanon Community Plan.

As a professional in the market who has worked with many of Lebanon's high tech and bio-tech companies, as well as many of its residential developers, it is my opinion this proposal appears heavy handed and short sighted in its support for residential land.

From my vantage point, I do not see a lack of existing available sites supportive of residential development. There are many sites throughout the City that will support a broad array of residential development - from apartments to single family homes. This includes several significant sites in Downtown and Old West Leb, which would arguably most support, and benefit from, new residential development. In fact, several hundred units in these locations have already been permitted and approved.

The current roadblock to new housing supply is not lack of supportive land – it is the current cost to build. Construction costs have gone up about 70% from costs just 4 years ago. During this same time financing costs have essentially doubled. Because of these two factors, permitted projects have been put on hold, and many other proposals have been shelved. Simply put, the current math does not work. There are signs that both construction costs and mortgage rates are now moderating, but until things shake out (and history says they will), construction of new housing units will be limited.

The concern –

-The VHB proposed zoning changes expand the inventory of potential residential development sites, but it does so at the expense of Lebanon's light industrial site inventory, and long-term support for Lebanon's high-tech and bio-tech employers. These high value employers have been major contributors to the vibrancy of the City, and our inventory of light industrial space and land is now very very scarce. It is my opinion that we should not make this light industrial inventory even more constrained. The risk is Lebanon may lose high value employers, while increasing an arguably ample existing residential land inventory.

Mayor McNamara stated that there are positives to mention, such as the condominiums built behind the Co-op within the Centerra area. This has shown that high-end residential within Centerra is desirable. Also, on the DHMC land, there is 60+ units of single family housing planned, which will likely have a direct walkable connection to Centerra.

Ms. Judi Caprio, Headrest, thanked the Council for considering adding a definition of Recovery House to the Zoning Ordinance. She explained that they do not have any difficulties with their recovery house. The added definition would allow nonprofits to expand their level of care. A recovery house does not provide ongoing treatment on site, which is the difference between this use and a residential treatment facility.

Councilor Wilkie asked about the proposed to add a Medical Center Two District. Mr. Reichert explained that the needs for APD are different than those for DHMC. The intention is also to be able to allow for a housing component for long term care nursing home. It was noted that one example of an item that is allowed at the Medical Center District that would likely not be allowed at the Medical Center Two District is the life flight aspect. The City may not want helicopters coming into the APD campus, but they do occur at DHMC.

The Board reviewed various proposed miscellaneous text amendments.

Mr. Reichert explained that the housing structures within the pattern zones can come from different sources. There are three options. The City is contracting with the pattern zones company to provide a pattern book of designs that are architecturally approved and pre-approved by the Building Department. One option is that, to build a home in the zone, a plan set from the approved plan list must be used. Option two allows someone to use the pattern book or engage with an architect to have an architecturally designed home that is consistent with the neighborhood. Option three allows for no standards other than some very basic design standards that are required to meet the standard of the neighborhood. He asked for the Council's opinion and noted that he would also be asking the Planning Board their thoughts. The consultant's recommendation is to do the pattern book limit only.

Mayor McNamara stated that he would prefer option 2. Councilor Wilkie stated that he believes option 1 and option 2 seem to use pattern zoning as a cudgel and potentially undermine the opportunity to expand housing, by limiting options to only architecturally designed homes or only pattern zone approved patterns. Councilor Whittlesey stated that pattern zoning is a special thing the City is doing, and it does not have to be a free for all. There should be a certain degree of oversight in the process. Councilor Sykes suggested sticking with the pattern book, as a way to simplify the process. Councilor Heistad agreed. He noted that there are very few architecturally designed houses that will come in cheaper. Mayor McNamara stated that he sees the pattern zoning book as an incentive to someone who wants to do the right thing and keep costs down. This would be an accelerated process and come with free plans, but if someone believes they have a more architecturally appropriate idea, option 2 would allow them to have the ability to hire an architect. Assistant Mayor Below and Councilor Simon agreed with option 2.

The Council agreed that it would like to hear input from other bodies before revisiting this topic.

Mr. Dan Nash made a private sector request regarding rezoning an area that is currently RL-1 to GC. This would benefit the landowners in this area by allowing them to have conforming projects moving forward. The Council had no objections to this proposal at this time.

ACTION:

Councilor Wilkie MOVED, that the Lebanon City Council, in accordance with the City of Lebanon Zoning Ordinance, Article X, Section 1000.3, Amendment Procedures, submits the Zoning Ordinance and Zoning Map amendments as described in the Planning & Development Department memorandum titled "2024-2025 Proposed Zoning Amendments", dated October 15, 2024, including the accompanying red-line excerpt of amendments, to the Planning Board, Conservation Commission, and Zoning Board of Adjustment for their review and comment. The City Council hereby sets the following tentative review schedule:

Conservation Commission – November 14, 2024

Zoning Board of Adjustment – November 18, 2024

Planning Board – November 25, 2024

City Council Work Session Review – January 8, 2025

City Council Public Hearing – January 22, 2025

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: Karen Liot Hill and Karen Zook

****The Vote on the Motion was approved (7-0)***

4. ADJOURNMENT:

The meeting was adjourned at 9:16PM.

Respectfully submitted,
Kristan Patenaude
Recording Secretary