

FINAL

**ECONOMIC DEVELOPMENT COMMISSION
JOINT MEETING WITH
DOWNTOWN LEBANON TIF ADVISORY BOARD
WEDNESDAY, DECEMBER 11, 2024 – 4:00PM
Council Chambers – City Hall – or remote via Virtual Platform
MINUTES**

EDC MEMBERS PRESENT: David Newlove (Chair), Chip Brown, Councilor Karen Liot Hill (Vice Chair), Dean Cashman

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

TIF MEMBERS PRESENT: Barry Schuster (Chair), Chris Haidari, Victoria Smith

TIF MEMBERS ABSENT: Peter Owens, George Sykes

STAFF PRESENT: Deputy City Manager David Brooks, City Manager Shaun Mulholland

1. CALL TO ORDER:

- The December 11, 2024, Joint Economic Development Commission and Downtown Lebanon TIF Advisory Board meeting is hereby called to order.

It was noted that the Economic Development Commission meeting was not yet called to order as it was awaiting a quorum.

2. APPROVAL OF MINUTES:

- A. October 16, 2024 (Economic Development Commission)

Discussion on the October 16, 2024, minutes was tabled due to lack of a quorum for the EDC.

3. NEW BUSINESS:

- A. Update and Presentation on Downtown Parking Lot Redevelopment Study

A presentation was made by Josh Lacasse and Sarah Mountford, Placework; Jon Tremontozzi, Landwise; and Kate Tooke, Berit Schurke, and Rachel Dowley Alexander, Agency Landscape and Planning. They explained that the scenario development process is approximately 2/3 complete. The next engagement session will be held in January, at which time the consultants will present the vetted scenarios to the public. The site in question is the parking lot area behind the City Hall. The City has a number of goals in mind for the project, including strengthening the downtown experience, increasing visual access to the Mascoma River, demonstrating economic viability, increasing housing availability, and enhancing bike and pedestrian connectivity.

Councilor Hill arrived at 4:10PM.

Some of the planning takeaways include that there will be assumed property line negotiation in development-heavy schemes, there will be economic viability challenges in most scenarios, development in the floodplain will be likely in scenarios #3 and 4, and free parking for 225 cars and development footprint will be challenging.

The team reviewed the four potential scenarios.

- 1) Parking lot repair – this would also offer an improved Rail Trail experience. This would be a slight reduction in parking to allow for a more robust riverfront trail. The parking lot would still have 270 spaces and be greener.
- 2) Riverfront Park – this would include benches, a walkway, plantings, and a park. Parking would still be supported. This can be a multipurpose space to access the water's edge. A flexible lawn and river deck are also proposed. Flynn and Court Street would become a one way route.
- 3) Partial Redevelopment of the Upper level and a Lower level Park – this would incorporate architectural elements with free public space, including the river corridor. A 144 space parking garage is included in this

proposal, with Taylor Street allowing vehicular access through the site. There would be approximately half an acre less of landscaped areas than Scenario 2.

- 4) Full redevelopment –
 - a. Most similar to the Downtown Vision Study, with the upper portion of the site maximized for the build environment. Rerouting Taylor Street toward Flynn Street and building a structured parking garage along with a podium parking deck. The closure of Court Street and a green connection from Colburn Park. Consolidation of some commercial development. This option offers higher parking counts and a higher estimated price. The very large building proposed on this site does have some precedence historically and in surrounding areas. Creation of 90 residential units.
 - b. Taylor Street would be disconnected, and its traffic rerouted. An emphasis on the Rail Trail as an organizing element of the site. Placing a deck over the lower parking area to create sheltered parking, and parsing the site into two areas, one of which would be sold to a developer and the other kept by the city. Converting Court Street to a one way street, allowing the space to be split with a narrower green connection to the River. Creation of 81 residential units.

The scenario comparison reviewed the parking availability, long-term fiscal impact, open space/river access/resilience, bike & pedestrian connectivity, and new housing created. Regarding the financial model, scenarios 1 and 2 would be public projects and would likely have annual maintenance costs of between \$100,000-\$160,000. Scenarios 3, 4A, and 4B the required public investment ranges from \$9M-\$14M. Scenario 3 would eventually be a break even option. As the housing density ramps up, Scenarios 4A and 4B lead to projects that are increasingly fiscally positive. Scenarios 1 and 2 would require the identification of funding sources for both construction and ongoing maintenance. TIF funds would only partially fund these schemes. Scenarios 3, 4A, and 4B are likely not feasible without public investment, including provision of the land for no cost. Feasibility can be increased using a number of levers, such as pursuing a market rate project, modifying the building programs to add leasable space, altering the designs so that more of the open space and parking are at-grade, and eliminating the replacement of public parking spaces or charging for public parking. A rental project would likely yield higher values, though for-sale condos would likely be well received in the market. Scenarios that include full redevelopment will have net-positive annual fiscal impacts, which increases with greater taxable square footage.

There was discussion regarding the options for Taylor Street, including increasing two-way traffic flows, closing it in one direction, or closing it in both directions. Any option which decouples Taylor Street may exacerbate the issue around the Park with additional traffic.

Ms. Smith asked if the cost and revenue impact numbers include the impact on City services. Mr. Tremontozzi explained that most of what was considered was the maintenance of the new facilities and any School costs.

Ms. Smith asked for an update on the title issue. Mr. Brooks explained that information has been provided to the title company to consider either title insurance or title certification. He noted that the Grafton County Senior Citizens Council has agreed to convey approximately 2,200 s.f. of its property to the City. The portion that exists under the City's parking lot along with a couple of large trees will become City property. There may still be some sticking points with the DOT regarding the B&M railroad corridor.

Mr. Lacasse explained that comments from this presentation will be used to clarify the presentation for the January public forum. Mr. Brooks explained that staff is seeking input as to whether the proposed scenarios are moving in the right direction.

Mr. Schuster asked if traffic on Taylor Street was considered as a primary goal in order to then be built around. The financial numbers seem daunting, and the City is not looking to incur greater liability.

Councilor Liot Hill explained that the City is about to adopt a budget with a 12% tax rate increase, followed by three years of double digit tax rate increases. There will likely not be a public appetite for an expansive project. She noted that a sheltered bus station behind City Hall has been discussed for years. She would like to see a robust sheltered bus station/stop on one of the options.

Mr. Newlove stated that most of the scenarios seem to convert some/all of the parking to park and installing under-building parking instead. He asked if some parking could be retained on the lower level, while still opening up the park to the river. The taxable assessed values of the various scenarios seem light, along with the number of proposed units. Solutions that could have no impact to the taxbase, while still including a waterfront park should be

considered. A waterfront park will likely add value to the tax base and there should be creative solutions on the table.

Mr. Cashman left the meeting at 5:05PM.

Mr. Tremontozzi stated the study showed that approximately 160 units would essentially lead to a self-supporting project that would not require the City to put in additional monies and would produce a more positive fiscal impact. However, this would lead to a mostly developed area.

Mr. Newlove asked if making upgrades to the existing parking area will lead to open space and green requirements. Mr. Brooks explained that the City is exempt from site plan requirements. However, even the “do nothing” scenario will require some items to be updated which could align with the site plan requirements. These will lead to future maintenance costs as well.

Councilor Liot Hill suggested creating options that include a smaller park area or other versions of Scenarios 2 and 3.

Mr. Schuster suggested designs with flexibility and a sensitivity toward economics.

4. FUTURE AGENDA ITEMS:

None at this time.

5. NEXT MEETING DATE:

A. January 22, 2025

6. OTHER BUSINESS

None at this time.

7. ADJOURNMENT.

Motion by Ms. Smith to adjourn the TIF meeting at 5:37pm.

Second by Mr. Schuster.

** The Vote on the MOTION was approved (3-0-0).*

The meeting was adjourned at 5:37PM.

Respectfully submitted,
Kristan Patenaude