

FINAL

**LEBANON CITY COUNCIL
REGULAR SESSION MINUTES
Wednesday, May 7, 2025, 6:30 p.m.
Council Chambers
Remote Via Microsoft Teams: LebanonNH.gov/Live**

MEMBERS PRESENT: Mayor Douglas Whittlesey, Assistant Mayor Devin Wilkie, Erling Heistad, Nicole Ford Burley, Timothy McNamara, Laurel Stavis, Christian Simon, George Sykes

MEMBERS ABSENT: Karen Zook

STAFF PRESENT: City Manager Shaun Mulholland, Interim City Manager Jack Wozmak, Deputy City Manager David Brooks, Chief Building Inspector & Health Officer Leigh Hayes, Planning Administrative Assistant Crystal Tamplin,

1. **CALL TO ORDER:** Mayor Whittlesey called the meeting to order at 6:30 p.m.
 - City Manager Shaun Mulholland announced the meeting criteria for the public
2. **PLEDGE OF ALLEGIANCE:** Councilor Sykes led the Council in the Pledge.
3. **PUBLIC FORUM:** Mayor Whittlesey made the Public Forum announcement.
4. **OPEN COUNCIL DISCUSSION:**
 - Assistant Mayor Wilkie spoke about a meeting with the Lebanon Boy Scouts that he and Councilor Sykes attended. The Boy Scouts were concerned about the speed of E-Bikes on the Hanover Street Bridge. He suggested signage may be a potential solution.
5. **OPEN TO PUBLIC: NO ONE CAME FORTH**
6. **RECOGNITIONS:**
 - A. **PROCLAMATION FOR APRAXIA AWARENESS DAY**

Whereas, May 14, 2025, marks Childhood Apraxia of Speech Day during which awareness will be raised throughout Lebanon, New Hampshire about childhood apraxia of speech, an extremely challenging speech disorder that affects 1-in-1,000 children; and

Whereas, childhood apraxia of speech (CAS) causes children to have significant difficulty learning to speak and is among the most severe speech deficits in children, and

Whereas, the act of learning to speak comes effortlessly to most children, those with apraxia require early, appropriate, and intensive speech therapy, often for many years to learn to speak; and

Whereas, without appropriate speech therapy intervention, children with apraxia will have diminished communication skills, but are also placed at high risk for secondary impacts in reading, writing, spelling, and other school- related skills; and

Whereas, that such primary and secondary impacts diminish future independence and employment opportunities and challenge the ability to become productive, contributing citizens if not resolved or improved; and

Whereas, public awareness about childhood apraxia of speech in Lebanon, New Hampshire is essential for families of children with this neurological disorder and the professionals who support them to achieve the needed services for those learning to use their own voice; and

Whereas, our highest respect goes to these children, as well as their families, for their effort, determination, and resilience in the face of such obstacles.

Now, Therefore, Be It Resolved, that the City of Lebanon hereby proclaims that May 14, 2025, is “Apraxia Awareness Day” and citizens of Lebanon, New Hampshire and surrounds are encouraged to work within their communities to increase awareness and understanding of childhood apraxia of speech.

Proclaimed this 7th day of May in the year Two-Thousand Twenty-five.

Douglas Whittlesey Mayor, City of Lebanon

7. ACCEPTANCE OF MINUTES: April 16, 2025 (Regular Meeting)

Amendments:

Page 23, Lines 23-27, should read as follows:

Councilor McNamara felt it was important to put this in context, noting this started off many years ago as a simple discussion regarding the potential for the City obtaining a long-term lease on the Westboro Yard for an undetermined potential development. Following initial discussions contamination was discovered on the site, complicating negotiations and discussions with the prior NH DOT Commissioner, which resulted in the State declining to lease the property but offering to sell it...etc.

Councilor McNamara MOVED to approve the April 16, 2025 minutes as amended and presented in the May 7, 2025 City Council agenda packet.

Seconded by Councilor Heistad.

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

8. APPOINTMENTS: NONE

9. PUBLIC HEARING ITEMS:

A. Ordinance #2025-06

A public hearing for the purpose of receiving public input and taking action to adopt a new City Code Chapter 85, Housing Standards, Minimum

Included in the agenda packet: [\(All supportive documents and detailed information can be found on pages 30-50, Council agenda packet\)](#)

1. Proposed Ordinance #2025-06
2. Letter of Support from the Lebanon Housing Task Force
3. April 9, 2025 Legal Opinion from Attorney Michael J. Malaguti
4. NH RSA 48-A, Housing Standards

Mr. Nathan Reichert (Director of Planning & Development) and Mr. Leigh Hayes (Chief Building Inspector and Health Officer) came forth to review the background and the changes to proposed Ordinance # 2025-06 to adopt a new City Code Chapter 85, Housing Standards, Minimum. Director Reichert noted that the Ordinance they brought forward is an important tool to use at the local level to bring housing units into compliance with what is required, already, in the State Code.

Mr. Leigh Hayes reiterated the Ordinance would assist in some of the enforcement and confirmed with City Manager Mulholland that the mechanisms for enforcement were rather difficult for them to do so these provisions would allow the City to do a more streamlined enforcement effort.

BACKGROUND

Over the course of the past year, the City has received numerous complaints concerning housing. Through the course of investigating, verifying, and working with the property owners to bring their properties into compliance with the State's minimum housing standards, as set forth in NH RSA 48-A, it has become apparent that relying solely on the State RSA for enforcement is difficult and labor intensive. For example, in order to enforce the statutory provisions, the Planning and Development Department has to involve the City's Prosecutor and charge the property owner criminally for violations of the statute.

However, NH RSA 48-A grants local municipalities the power to adopt their own minimum housing standards ordinance. The enforcement of a local ordinance is less involved and labor intensive and allows the use of a local citation process to achieve compliance, instead of criminal prosecution.

The proposed City Code Chapter 85 substantially mirrors the state minimum housing standards and enforcement procedure, with a few proposed additions under Section 85-5.J, General Occupancy Standards, to help ensure safe residences for all of Lebanon's citizens. The proposed ordinance has been reviewed by the City's legal counsel to ensure compliance with all relevant state laws.

Chief Building Official and Health Officer Leigh Hays has prepared the proposed City Code language and will provide an overview of the proposal to the City Council.

Mayor Whittlesey opened the Public Hearing, and the following came forth to give testimony:

- **Mr. Clifton Below (Ward-3):** He spoke about his concerns regarding Section J (General Occupancy Standards) item 6 and questioned if this was intended to only apply if there is a boiler room or if it was intended to apply for any dwelling unit that has a boiler/furnace or does it imply there needs to be such a room, noting that a single family home simply has a boiler in the basement.

Mr. Hayes stated this would only apply to rental housing and rental properties and does not apply to owner-occupied single family homes.

At the request of Mr. Below, Mayor Whittlesey read Section J, item # 6 as follows: Boiler and heater rooms shall be protected with a one-hour fire resistive assembly including a self-closing fire door, or such an area shall be equipped with an automatic extinguishing system. He also read **J. General Occupancy Standards.** No person shall occupy an owner-occupant or shall let to another for occupancy any dwelling, rooming house, dwelling unit, or rooming unit which does not comply with the following minimum standards for ventilation, light and heating.

Mr. Below was concerned about the wording, noting that some people may rent a room in their house or apartment and if that house is a typical single-family house they would not have a separate boiler room, just the boiler in the basement. That part of the new requirements is not in the Statute and requested this part to be clarified (i.e., where a boiler room is otherwise provided or required (by the building code)). Mr. Hayes noted this stems from a similar requirement in PA 101, noting this would only come up if there is a minimum standard question at the time where it may be questioned.

Discussions continued about the requirement (Section J, item #6) with Councilor McNamara noting the exemptions should be specifically referenced in the Ordinance.

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

Council/Staff Comments:

Councilor McNamara reiterated, again, that this Ordinance needs to be really clear about what is exempt and what is not exempt, noting we do not want to go beyond the State Regulations. The way it is worded now will put a lot of places out of compliance. He also felt this was a great policy because this allows the City to issue Civil Penalties as opposed to Criminal Penalties and will make things much easier to enforce and make rental housing safer. The only other correction was on Page 34, C3, second line: Change the word “he” to “they” may appeal...

Councilor Stavis noted that under Section J. General Occupancy Standards: “No person shall occupy an owner-occupant or shall let it to another” it seemed clear to her that if someone owns a single-family home and they live in it, they are subject to this (part of the Ordinance).

Director Reichert stated he did not believe this was the intent, noting that an individual living in their own single-family home is generally exempt from many of the standards that apply. He felt this could be clarified.

In response to Councilor Stavis’ question regarding whether this Ordinance will require that the City have a registry of homes to be inspected, Mr. Hayes stated no, this Ordinance would not require any registration or anything for short-term rentals. This is typically complaint-driven (i.e., rats in the apartment; the heating hasn’t worked in my apartment for the past two weeks; working smoke detectors, etc.). During a complaint-driven inspection, this provides a way where they (inspectors) might notice and investigate other life/safety hazards during an inspection. The only way they will know if there are (other violations) is if they receive a complaint.

Mayor Whittlesey clarified that when a complaint is received this would address the City’s ability to go in and inspect for known/unknown issues and where there may be known variances from the minimum housing standards and enforce them in a way that is non-criminal.

Councilor Stavis requested specific language in the Ordinance that would clarify this issue.

Director Reichert noted that the City is not proactively seeking violations as a matter of course. If they do discover something while investigating a complaint, they will look into it.

The Council felt the language clarifications should be changed in the proposed Ordinance and should be brought back to them for review before this item is put before the public.

ACTION: NO ACTION TAKEN BY COUNCIL. Language clarifications needed in Section J. Will be re-reviewed by Council at a later date.

10. OLD BUSINESS: NONE

11. NEW BUSINESS

- A. Request from Lebanon Village Pizza 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 51-52 Council agenda packet)*

1. Location Map of Outdoor Seating Area for Lebanon Village Pizza

Mr. David Brooks (Deputy City Manager) reviewed the background behind this request.

BACKGROUND

Michael Drake, owner of Lebanon Village Pizza, LLC, is requesting an expanded outdoor seating area within the pedestrian mall adjacent to his business.

The 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, publicly 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:

Assistant Mayor 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 May 7, 2025 City Council Agenda Packet. The exemption shall be valid beginning May 8, 2025 and shall expire on December 31, 2025.

Seconded by Councilor Simon.

Councilor Simon reminded the Council that they need to have a discussion in the future regarding fees to generate revenue for the City when restaurants are occupying additional space on City property.

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

B. Public Input and City Council Discussion of Strategic Plan and Budget Guidance

Included in the agenda packet: (All supportive documents and detailed information, which include the Vision Statements and all the Objectives and Action Plans for each department, can be found on pages 53-142, Council agenda packet)

1. 2025-2028 Lebanon Strategic Plan Draft Update

City of Lebanon DRAFT Strategic Plan is available at: LebanonNH.gov/StrategicPlanBoard
Strategic Plan information is available at: LebanonNH.gov/StrategicPlan

The Vision Statements, the Strategic Objectives and Action Plans for Lebanon's Strategic Plan includes the following:

- High Performing Government
- Housing and Neighborhoods
- Financial Stability and Efficiency
- Recreation, Arts, and Parks
- Environment and Sustainability
- Public Safety
- Transportation
- Economic Vitality
- Social Health and Justice
- Public Health

BACKGROUND

The public was invited to provide input to the City Council and members of City staff on the proposed Lebanon Strategic Plan.

Mayor Whittlesey opened up the discussion to the public and noted the Public Hearing on the overall Strategic Plan will be held on Wednesday, May 14, 2025. Tonight's purpose is targeted at specific changes in (that the public would like to see) the Strategic Plan ahead of the Council's Special Meeting on the 14th.

No one from the Public came forth to speak.

Council/Staff Comments:

Assistant Mayor Wilkie spoke about the Replit app on the City's website, noting this has the most up-to-date changes to the Strategic Plans. There is a new Environmental Task Force Department and the DEI (Diversity, Equity & Inclusion) Commission, the Tree Advisory Board, the Conservation Commission, and Sustainable Lebanon have provided a few recommendations. He felt that many of their recommendations will help to save the City some money and improve Lebanon's quality of life. Recommendations added included the use of leaf blowers among City Operations; transitioning from internal combustion engines in the City's maintenance equipment; limitations against idling in the City's departments and holding a public service campaign to reduce idling of vehicles for the City's residents; and, adding shade trees along pedestrian routes and in heat islands.

Mayor Whittlesey spoke about the advantages of switching from internal combustion engines to electrical equipment for the City and its residents.

Councilor McNamara reiterated that it is important to provide a funding source that includes line items. He also requested if there are line items that have been completed they should be listed as complete.

City Manager Mulholland spoke about the reasons why the completed items will take a while to update.

Mayor Whittlesey spoke about why this is a highly uncertain year for the budget and will continue to be uncertain due to items in the budget that are out of the City's control. He thought it made the most sense for the Council to request that City Staff prepare a range of options.

1. For the high side- the level services budget and what it would cost us to maintain our current level of services right now).
2. On the low side it would be the CPI budget relative to our budget from last year and previous years.
3. The CPI at a 3% increase would be at the low end.
4. Including language about housing that falls in the middle cost category.

In response to Councilor McNamara's question regarding whether or not it might make sense to take a look at a level-funded budget (CPI), Mayor Whittlesey spoke about a 0% increase, noting the City has other Debt Service and other things coming down the line and felt this was not doable. The cuts to get the CPI to 3% last year were drastic: no pool; cutting the Fire and Police budgets; deep cuts to Recreation and Library; and systematically deeper cuts across the board, which, to him, was untenable and unattainable.

In response to Councilor Stavis' question regarding what would be untenable and unattainable, Mayor Whittlesey stated that if we were to have a budget that was limited to a 3% increase, that would be untenable and he would not support that because of the amount of cuts the Council would have to make. The City would have to cut two patrol officers; no increases to the Fire Department FTE's and probably a reduction there as well; the pool would be closed; other cuts to the Lebanon Libraries service; cuts to maintenance at the Recreation Department; DPW would have cuts, etc.

ACTION: No Action required by the Council. This item was for informational purposes only.

C. Presentation of Downtown Parking Lot Redevelopment Study Final Report

Included in the agenda packet: ([All supportive documents and information can be found on pages 143-189, Council agenda packet](#))

1. Downtown Parking Lots Redevelopment Study, City Council Presentation – May 7, 2025

Not Included In This Section, but Available Online:

1. [Downtown Parking Lots Redevelopment Study Final Report \(April 25, 2025\)](#)
2. [Downtown Parking Lots Redevelopment Study Final Report – Appendix \(April 25, 2025\)](#)

Deputy City Manager David Brooks reviewed the background behind the Downtown Parking Lots Redevelopment Study.

BACKGROUND

In the 2016 Lebanon Downtown Vision Plan and Tunnel Assessment report, the surface parking areas located between City Hall and the Mascoma River were identified as one of several potential opportunity sites

for the City to pursue redevelopment or other improvements to invigorate and enliven the downtown. The City Council’s adopted Strategic Plan includes specific actions and key performance indicators related to evaluating options for the downtown parking lots, including Action 8.5.2 “Downtown Redevelopment – 20 Spencer, Village Mkt, Kleen, Parking Lots”, and KPI

8.5.2a “Redevelopment of the parking lots behind City Hall, maintaining the existing parking capacity, developing workforce housing and green space.”

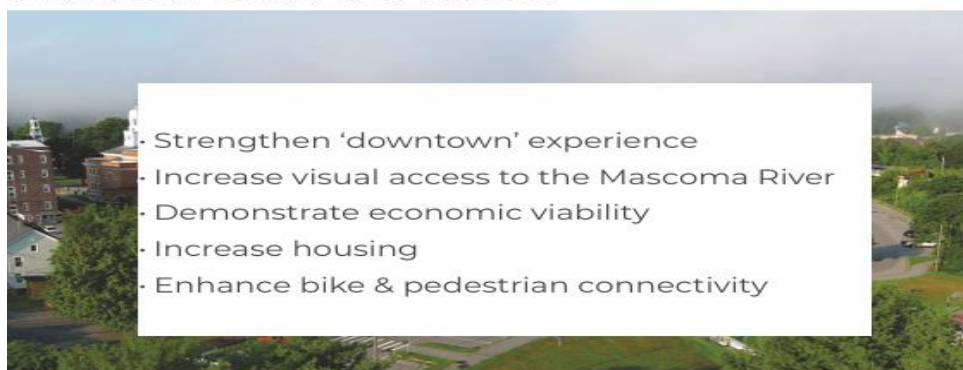
In August of 2022, the City issued a Request for Expressions of Interest (RFI) to solicit redevelopment ideas and strategies for the parking areas, which would advance the City’s goals and objectives, including enhanced visibility and access to the Mascoma River; improved connectivity between the Northern Rail Trail and the Mascoma River Greenway via the downtown tunnel; and economic development opportunities to further enhance vitality in the downtown core. However, after reviewing the RFI responses by the Economic Development Commission (EDC) and Downtown TIF Advisory Board (TIF), it was apparent that further analysis was needed to ascertain what type and scale of development was possible in and around the downtown parking lots. In February 2024, the City Council approved a proposal from the City Manager to engage a consultant to determine and evaluate options for redeveloping the downtown parking lots.

Subsequently, the City engaged Placework to lead a multi-disciplinary consultant team to help address and resolve some of the outstanding questions and issues that affect what can or should be accomplished in the downtown parking lots, including: a comprehensive study of parking and traffic needs, consideration of environmental and floodplain issues, structural and geotechnical questions, economic development potential, and other factors. The preliminary results of these inquiries were used to create a set of guiding principles and potential development scenarios for the community’s consideration. Over the course of the study, the consultants used EDC and the Downtown TIF Board as project advisory committees and conducted several rounds of community engagement and outreach.

Following the final Community Conversation event on February 12th, the consultant team prepared the final report and presentation for the City Council.

Mr. Josh Lacasse (Consultant from Placework) gave a final slide presentation of the Downtown Parking Lot Redevelopment study results and their recommendations to the City Council. Below are only a few highlights from the presentation. (The presentation, in its entirety, can be found on pages 145-189, Council agenda packet.)

PROJECT GOALS & VISION



- Strengthen 'downtown' experience
- Increase visual access to the Mascoma River
- Demonstrate economic viability
- Increase housing
- Enhance bike & pedestrian connectivity

PLANNING SCENARIOS

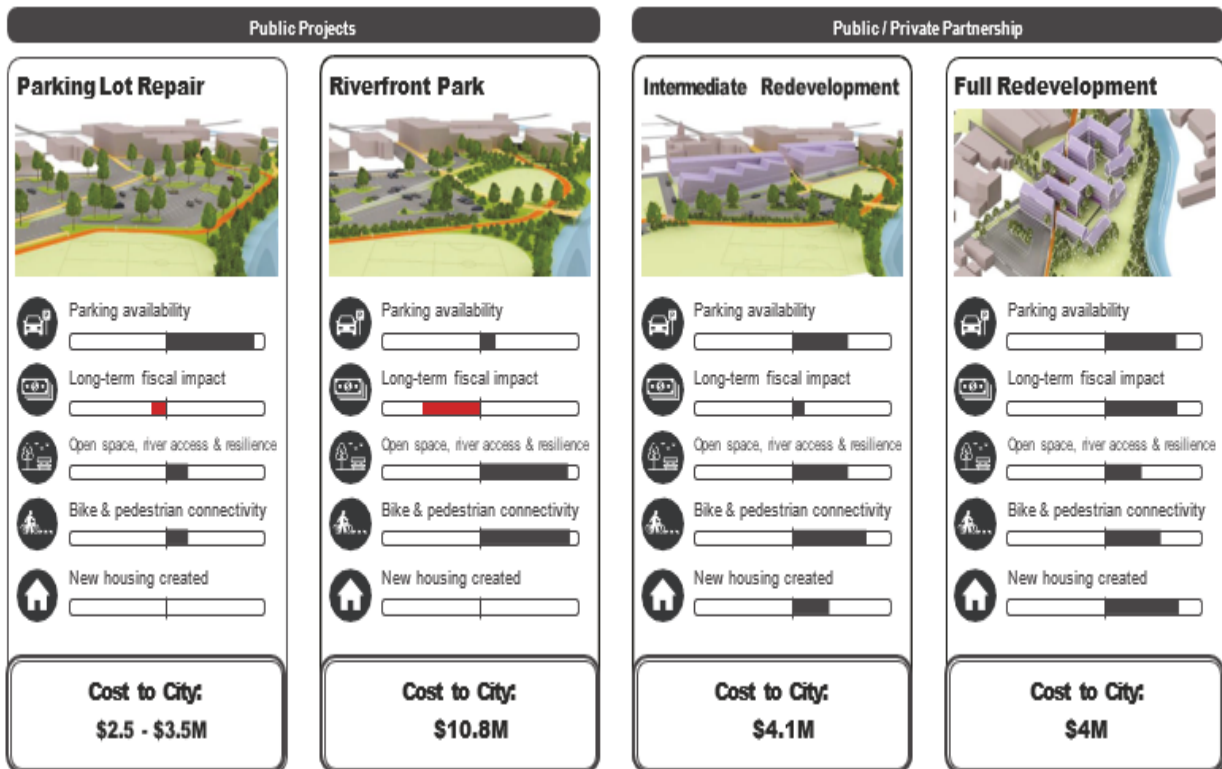


LEBANON DOWNTOWN PARKING LOTS REDEVELOPMENT
5.7.2025 - CITY COUNCIL PRESENTATION

Agency
Landscape + Planning

Placework
ARCHITECTURE + PLANNING

SCENARIO COMPARISON

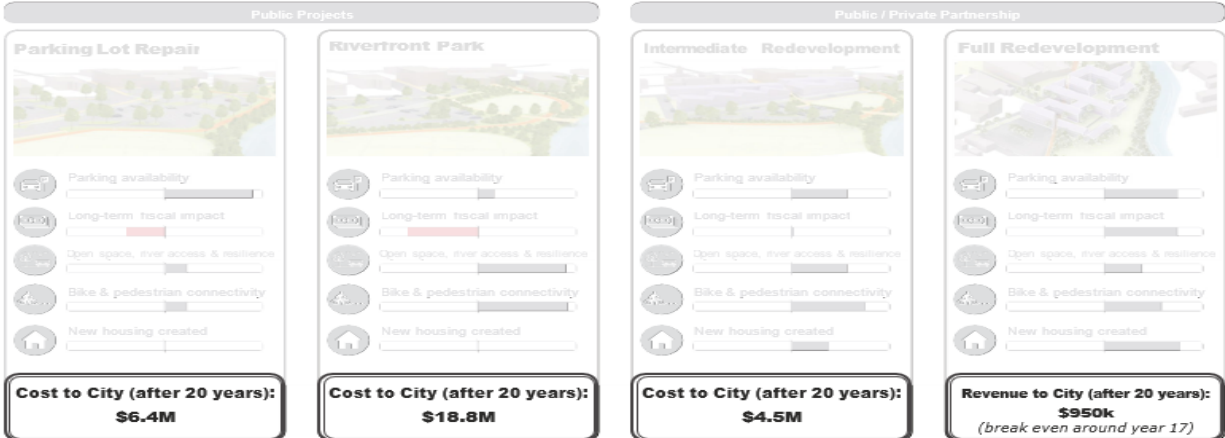


LEBANON DOWNTOWN PARKING LOTS REDEVELOPMENT
5.7.2025 - CITY COUNCIL PRESENTATION

Placework
ARCHITECTURE + PLANNING

These costs were estimated at present day current rate (over the winter of 2024/2025-). They used a unicast base. Typically, they would apply an escalation factor on costs, but because they did not know the City's timeline they did not apply this to the costs. Deputy City Manager Brooks noted that the more in-depth engineering analysis is underway, and the results of their evaluation should be ready for an upcoming discussion by the Council. The hope is that it will provide more information about when certain things need to be done and what the costs would be.

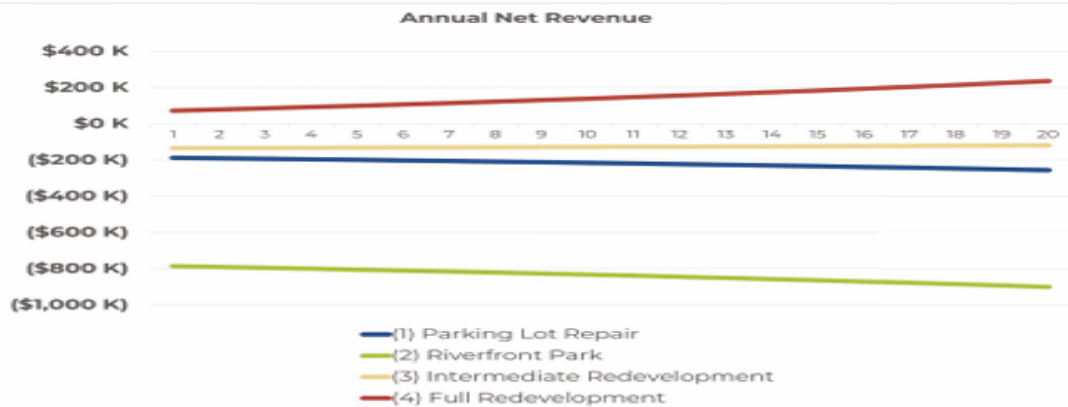
SCENARIO COMPARISON OVER TIME



LEBANON DOWNTOWN PARKING LOTS REDEVELOPMENT
5.7.2025 - CITY COUNCIL PRESENTATION

LW LANDWISE **Placework**
ARCHITECTURE • PLANNING

LONG-TERM FISCAL IMPACT



*Assumes 3% annual inflation on revenue/expenses & financing costs

RANGE OF POTENTIAL FUNDING SOURCES

PUBLIC PROJECTS

VALUE CAPTURE	Downtown Lebanon Tax Increment Financing (TIF) District (~\$2M available)
PUBLIC FUNDS	City General Fund Bond Issuance
CONTRIBUTED INCOME	Corporate Sponsorship Philanthropic Sponsorship Grants 'Friends' Groups
EARNED INCOME	Concession Sales Rental Fees Parking Fees Event Fees

LEBANON DOWNTOWN PARKING LOTS REDEVELOPMENT
5.7.2025 - CITY COUNCIL PRESENTATION

LW LANDWISE **Placework**
ARCHITECTURE • PLANNING

EXPECTED ECONOMIC IMPACTS

"Trust for Public Land research shows that returns from conservation of open space range between \$4 and \$11 for every dollar invested."²

"Proximity to parks increases property value which increases revenue from property taxes. Research of property values shows that property values for houses within 500 feet of a park increased between 5-15% annually."¹

All Projects:

- Increased property values
- Increased sales tax revenues
- Improved attractiveness of Lebanon to homebuyers and employers
- Increased visitors who bring spending power and support for local businesses
- Decreased stormwater treatment costs
- Decreased medical costs and improved public health through increased opportunities to exercise

Public-Private Projects Additional Impacts

- Property tax revenues
- Increased downtown residents who bring spending power and support for local businesses
- Partial funding for desired public improvements

Source: Economic Benefits of Parks - [We Conserve PA](#), [Trust for Public Land](#)¹

LEBANON DOWNTOWN PARKING LOTS REDEVELOPMENT
5.7.2025 - CITY COUNCIL PRESENTATION

LANDWISE **Placework**
ARCHITECTURE • PLANNING

NEXT STEPS

2016: Downtown
Vision Plan and Tunnel
Assessment



2024: Downtown Parking
Lot Redevelopment Study



2012: Master Plan Revision



2022:
Downtown Request
for Expressions of
Interest

FUTURE:
Detailed Assessment
Future of TIF District
Master Plan Update?
Other Initiatives?

LEBANON DOWNTOWN PARKING LOTS REDEVELOPMENT
5.7.2025 - CITY COUNCIL PRESENTATION

Placework
ARCHITECTURE • PLANNING

Council/Staff Comments:

In response to Councilor McNamara's question regarding the engineering assessment of the existing parking lot costs (+/- \$2.5M for renovations), Deputy City Manager Brooks hoped there will be a discussion on this item at the Council's meeting on May 21, 2025, which will have more detailed information regarding the costs and what is going to be required in the back parking lot.

Mayor Whittlesey noted the Council needs to consider this holistically by evaluating these projects against all the other projects that need to be done in the City and not just look at the TIF District, as it stands now, but as a separate pot of money. If we do not pull funds from the TIF District, as part of the budget process, it will need to be covered by tax revenues.

Mr. Barry Schuster (Ward-3 & Chair of the Downtown TIF Advisory Board) spoke about how the Downtown TIF Advisory Committee started their review of this project with great enthusiasm, and what they would like to see. However, they know about the budget constraints the City is in right now and felt it would be advisable to keep this on the front shelf for a year or two. He also spoke about the takeaways from the Downtown TIF, which included the river (if you build it they will come); the many comments from people about how the river can be used not just for recreation but for education; how the connectivity of the Rail Trail brings in a great deal of economic activity; and the uncertainty about where parking will be 25 years from now.

Ms. Victoria Smith (Ward-3 & DT TIF Advisory Board): She stated the Downtown TIF voted not to make any advisory recommendations to the Council because of the City's budget constraints and also because of the budget discussions taking place right now at the State level. With those things in mind, now is not the time to make any commitments that will bring a burden to the City. The only thing the DT TIF will consider is if the engineering studies come back and say that part of the parking lot is questionable, then they would look at using TIF funds to see what can be done to remediate (the parking lot).

Assistant Mayor Wilkie questioned how urgent the repairs are (for the parking lot) as compared to other roadway repairs that are not being done. He wanted to make sure the Council is not moving this project's repairs ahead of equally pressing repairs on the City's thru ways.

Deputy City Manager Brooks noted the engineering evaluation is going to look specifically at the retaining wall, the guard rails, the sidewalks, and some of the draining and erosion issues along the river.

Mayor Whittlesey knows the retaining walls need to be addressed. If we do not do the redevelopment, we would still have to address the retaining wall and spoke about his reasoning. He also spoke about the Rode Proposal and the KaTo proposal noting that the EDC, at that time, did not feel any proposal fully met what the City was looking for except the THI proposal.

		
Rode Proposal	KaTo Proposal	THI Proposal
- 210 units	- 105-140 units	- 60-74 units
- 215 Parking Spaces	- 500 Parking Spaces	- ~217 Parking Spaces

Deputy City Manager Brooks noted this project presentation was informational only. There will be other conversations the Council will have with respect to the TIF District, the engineering study, etc., as we move into the budget, which will determine how and when we move in any of these directions or begin seeking additional information about any of these possible scenarios.

ACTION: NO ACTION TAKEN BY THE COUNCIL

D. Presentation and Discussion on the Status of Barrows Street Cottage Development and

Authorization to Proceed with Project

Included in the agenda packet: (All supportive documents and information can be found on pages 190-214, 194, Council agenda packet)

1. Excerpts of Planning Board approved Site Plan, Pages L5.0, L2.1, and A2

Deputy City Manager Brooks reviewed the background behind the Barrows Street Cottage Development Project. (**NOTE:** The detailed topographical map can be found on page 192, Council agenda packet.)

BACKGROUND

On April 21, 2022, the City Council unanimously adopted a “Resolution on Housing” directing the City Manager to take steps to enable, incentivize, and partner in addressing housing needs not currently being addressed by the market. Among the actions outlined in the Resolution is to “partner with the Lebanon Housing Authority and other residential developers to utilize city-owned properties for the development of new housing units, including the possibility of a ‘demonstration project’ on a city-owned parcel with high visibility and an opportunity for a reasonable number of units to help overcome barriers to affordability.”

In February 2024, the City Council determined, in accordance with City Council Policy, CC-102, Real Property Transactions, that several city-owned parcels have redevelopment potential, including two located along Barrows Street (Tax Parcels 77-106 and 77-107). In May 2024, the Council discontinued a portion of Barrows Street, which separated the two city-owned properties, allowing them to be merged into a single 2.09-acre parcel.

In August 2024, the Lebanon Planning Board granted Site Plan Review approval allowing the City to complete preliminary site work including clearing, grading, and filling for a proposed future residential development. Later in August, the NH Department of Environmental Services (NHDES) issued a Wetlands and Non-Site Specific Permit to authorize impacts to a small (<950 sq. ft.), isolated wetland in the south-central portion of the property. Work authorized by the Planning Board and NHDES approvals was completed by early December 2024, and the site was stabilized until further development is approved.

In December 2024, the City submitted a final application to the Planning Board for Site Plan Review, Subdivision Review, and Conditional Use Permit approval for the development of the Barrows Street property. The application and development layout were in compliance with the adopted Cottage Development regulations set forth in Section 509 of the Zoning Ordinance. The layout consists of five, one-story, detached residential units surrounding a central courtyard, each with approximately 930 square feet of gross living area, plus a full basement for additional storage or living space. On January 27, 2025, the Planning Board granted conditional approval for the project, and the City is currently working to satisfy the Planning Board’s conditions of approval.

In January 2024, the City received \$440,000 from the State’s InvestNH grant program. The grant funds were connected to the Lebanon Housing Authority’s construction of 44 new housing units at 258 Heater Road (Heater Landing). The InvestNH Municipal Per Unit grant program allowed the City to receive \$10,000 for each new unit of affordable housing constructed within the City. In February 2024, the City Council authorized the placement of the \$440,000 InvestNH grant funds into a Redevelopment Properties Revolving Fund “to facilitate the planning, design, permitting, construction, and disposition of residential units on City-owned properties included in the fund.”

To date, the City has expended \$146,410.65 of the InvestNH **grant funds** (not taxpayer funds) for planning, design, permitting, and the preliminary site work for the project. **No general funds or tax dollars have been used for this project.**

On April 15, 2025, the NH Department of Business and Economic Affairs (NHBEA) notified the City that Lebanon's Housing Infrastructure Municipal Grant application through the Housing Champions program was being recommended for approval. This grant will provide an additional

\$158,805 to pay for 75% of anticipated infrastructure improvements associated with the Barrows Street project. A 25% local match is required from the City.

Based on the approved project layout, the Engineer's Opinion of Probable Costs for site work is approximately \$586,000, which includes a 20% contingency. The City also has communicated with a local modular building company to obtain rough pricing to fabricate, deliver, and set the cottage units. The City is still in the process of obtaining information on projected costs to finish the cottage units.

The City proposes to engage a developer/builder through a Request for Proposals (RFP) process to complete the cottage housing units and other site improvements. The City also proposes to partner with a local lending institution, again through an RFP process, for construction funding and to try to establish favorable lending terms for prospective purchasers. Following completion, the City envisions that the finished units will be made available for owner-occupancy by employees of the City, the Lebanon School District, or the Lebanon Housing Authority. The units will be sold at cost through a lottery of pre-qualified candidates and will include covenants and deed restrictions in an effort to maintain long-term affordability.

At the end of the project, it is expected that the proceeds from the sale of the cottage units will repay any construction funds borrowed by the City and will leave the City with the original \$440,000 of InvestNH grant funds for potential use on other City-owned properties. The finished development will be owned and managed by a homeowner's association through a condominium form of ownership and will add new taxable value to the City's tax rolls. Because the City already owned the land and is not seeking to profit from the development project, it is expected that the cottage units can be developed and sold more affordably by the City (in perpetuity) than would be the case with a private developer.

Deputy City Manager Brooks noted the City Engineer has put together an opinion on probable costs for the site work. We have worked with some local partners to get some conceptual cost numbers for the cottage units themselves, as well as all the other sites and fit up work that would have to go into making this come to reality. We are roughly in the order of +/- \$420K/per unit, which is higher than we want to be, but we do not think there is an easy way to get more refined numbers until we go through the actual bid (RFB) process.

Council/Staff Comments:

Mayor McNamara noted this has become, for him, an all-consuming project over the last year or so. We have a couple of local builders who very graciously have helped us with the conceptual pricing, in the absence of any guarantee that the project will ever happen. The most recent price that we have, as of last week, is north of \$420K/unit, which is not going to work. We think we need to get (these units) down to the \$350-\$375 range to make this project viable. These (costs per unit) are very preliminary numbers, and we certainly do not feel comfortable moving forward with a project until we actually go out to bid. Looking at the limitations of various builders, he did not think this is a 2025 project and suggested that we work for the next several months to put this out to bid (in fall) and to look for final pricing from various bidders after the first of the year (2026). If the pricing is right, the project could begin in the spring of 2026. This would also give him some time to put the prices together. This is a multi-step

process: 1) we move forward by putting the packages together; 2) we get bids in by the first of the year and look at those bids (all of the bidders understand that if we do not hit a certain price point, this is non-starter) and, 3) we come back to the Council after the first of the year with a project or a non-project. The alternatives are:

- The City could hold onto this property (the property has not generated tax revenue since the 1940s), or
- We could put the property up for sale

We have learned a lot during this process (i.e., learned a lot about our own Cottage Ordinance; we made changes based on our own experience here, etc.) The goals here are two-fold:

- 1) Provide a relatively small number of housing units that are affordable for someone to purchase in the \$300-\$375 range. These are roughly 900 sq. ft. units; two bedrooms; 1 bathroom; kitchen/living room/dining room and an unfinished basement.
- 2) Have a good demonstration project to show commercial developers what the potential is.

Councilor McNamara also felt that trying to increase the stock of affordable owner-occupied housing will be really important in the future. Maine, New Hampshire and Vermont are the oldest states in the country, and we are aging. Our workforce is aging out. He was very concerned that 10 years from now, people who have retired now will be in their 70s and 80s and he just did not see young people coming to replace us, largely because of housing. If we do not have the ability to keep our young people here, and/or to have young people come from other parts of the country to live here and fill those vacant positions, he was very concerned about the economy of the City and the region. He requested the Council give them (he and City staff) the ability to continue with what they are doing.

Deputy City Manager Brooks reiterated that this project will not involve taxpayer dollars. Whatever the City borrows for construction lending would be paid back when these units are sold. We, as a City, are not trying to make a profit. We already own the land and think we have the ability to develop these units more cost effectively than any private developer could. The expectation is that units would be sold by whatever it costs the City to build them, which would allow us to pay back whatever funds have been borrowed and will leave us with the same \$440K grant (received from InvestNH), to be used on the next project.

Councilor McNamara added that the intention here is to have perpetual affordability with Cap-repurchase options so that people cannot just buy (these units) and three years later sell them to make a profit. This would be done through an agreement made with the purchasers and would be (perpetually) extended to the new owners of each unit.

Councilor Stavis also added she felt very proud of this project, and it serves as the inspiration for a State Bill to take this concept State-wide. That bill has passed both houses (House & Senate) and is now included in the Governor's budget. She sees the build out of Barrows Street as the proof of concept, not just for Lebanon but state-wide. Since New Hampshire is an aging State, she thought Lebanon could play an incredibly important role in providing that example to the State.

In response to Mayor Whittlesey's question regarding how this concept would be disseminated, City Manager Mulholland stated the exact cost of the project would be disseminated so developers could replicate it. Building Designs and all the information on how to do this project will be made available on the City's website for folks/developers to use.

Councilor Sykes looked at this project as the creation of a small neighborhood and explained his reasons about why he felt this would be good for the City.

ACTION:

Councilor Sykes MOVED, that the Lebanon City Council hereby authorizes the City Manager to take necessary and appropriate steps to continue the development of 0 Barrows Street, Tax Map 77, Lot 106, as approved by the Lebanon Planning Board on January 27, 2025, as a City-sponsored residential development project.

Seconded by Councilor Heistad.

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

E. Presentation and Discussion of Potential Signal Hill TIF District

Included in the agenda packet: [\(All supportive documents, maps, and detailed information can be found on pages 195- Council agenda packet\)](#)

1. Draft Site Masterplan, Signal Park, October 2023
2. Signal Park Conceptual Estimate Totals
3. Draft Lebanon Signal Park TIF District Development Program

Mr. Jay Campion, owner of Choice Storage, LLC, described the proposed Signal Park Development Project and discussed how the establishment of a TIF District could help facilitate the construction and installation of public recreational facilities through a public-private partnership.

BACKGROUND

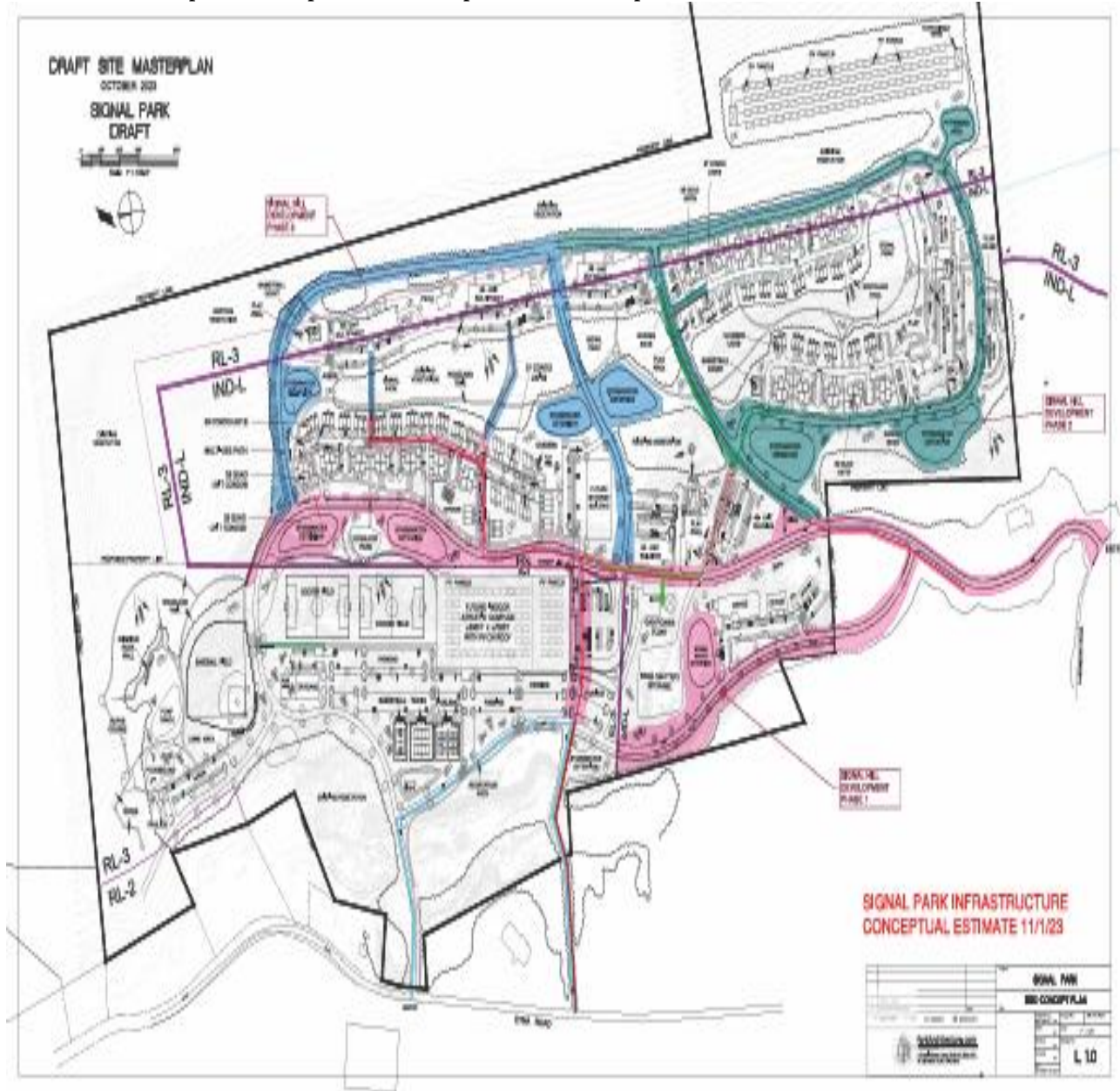
Choice Storage, LLC/Jay Campion is the owner of properties located along Etna Road, Tax Map 26, Lots 16 & 17, in Lebanon. Choice Storage has been communicating with the Planning & Development and Recreation, Arts & Parks Departments on a development project titled “Signal Park”, which would include residential, office, and commercial uses. Enclosed with the agenda materials is a Draft Site Master Plan for the Signal Park project, dated October 2023.

As part of the overall Signal Park development, Choice Storage is proposing to convey (to the City) a parcel of land to the City for the creation of public recreational facilities, potentially including playing fields, sports courts, playgrounds, and the associated access, parking, and infrastructure improvements. The Recreation, Arts & Parks Department has documented a longstanding need for additional recreational facilities, especially playing fields, due to high participation rates in adult and youth sports programs.

In connection with the Signal Park development, Choice Storage would like to discuss the potential establishment of a **(privately funded)** Tax Increment Finance (TIF) District to cover the development site as well as several surrounding parcels. As proposed by Choice Storage, if a TIF District were established, the developer would secure the private funding necessary to construct the public recreational facilities in exchange for being reimbursed for those costs from the TIF District once the increment begins to be generated by the taxable portions of the overall Signal Park development. Through such an arrangement, the City could potentially obtain needed public recreational facilities without having to incur the upfront costs for the improvements.

Mr. Jay Campion (Choice Storage, LLC and owner of the properties located along Etna Road in Lebanon, NH) came forth to describe his plan and how the project would work. He noted this is a project that he thought represented another valuable asset to the City in order to address multiple issues: the need for

housing (workforce) and the need for recreation (facilities and fields) in the City and Upper Valley region. What he proposed is not a conventional municipal TIF, but rather a privately funded TIF where the City is not responsible for borrowing funds – the borrowing would be privately funded, so it is not a liability the City would be taking on. This does allow recreation fields to be built using TIF Funds from newly developed real estate. He explained the planned development on the map included below.



Mr. Campion spoke about how the infrastructure (sewer/water, roads, etc.) would be extended to accommodate the housing/recreation areas and gave a history of how he has developed this land to date. He is prepared to donate this property (30-40 acres of land as shown on the map above) to the City. He noted he is at a point now where he needs to know if the City wants this to happen and would support this project because he would not give the land (to the City) unless it would have recreational fields and further explained his reasoning.

Council/Staff Comments:

The Council discussed and Mr. Campion explained how the decisions for these properties would be made; what the process would be for making decisions; what the formation and structure would be for the creation of a private TIF District; what the next round of negotiations would be for tax revenues (to pay Mr. Campion back); and, what the mechanism might be to pay for the costs of maintenance/upkeep of the project in the future for the City.

ACTION:

Councilor McNamara MOVED that the Lebanon City Council hereby requests the City Manager to continue to negotiate with Choice Storage, LLC on the potential creation of a Signal Park Tax Increment Finance (TIF) District and associated public-private partnership agreements, and to present the details of such a TIF District and development agreement(s) at a future City Council meeting for further review and discussion.

Seconded by Councilor Simon.

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

F. Discussion and Set Public Hearing for May 21, 2025: Proposed Amendments to the Lebanon Zoning Ordinance as follows:

1. To add new Section 615, Mobile Food Service Vending; to Allow Mobile Food Service Vending in the Central Business (CB), Lebanon Downtown (LD), General Commercial (GC), General Commercial One (GC-1), Light Industrial (IND-L), Medical Center (MC), and Medical Center Two (MC-2) zoning districts; to add various definitions to Appendix A ([NOTE: Will be brought back at a future Council Meeting with corrected edits.](#))
2. To add “Care and Treatment of Animals” as a Use Allowed by Conditional Use Permit in the Residential Office One (RO-1) District

Included in the agenda packet: ([All supportive documents and detailed information, including Legal opinion, can be found on pages 215-243, Council agenda packet](#))

1. April 24, 2025 Memorandum from Planning & Development Department RE: Proposed Zoning Ordinance Amendment, New Section 615 - Mobile Food Service
2. April 22, 2025 Memorandum from Planning & Development Department RE: Proposed Zoning Amendment: Care & Treatment of Animals

Director Reichert reviewed the background and history behind the proposed amendments to the Zoning Ordinance. He discussed some of the feedback that came from the Boards and legal counsel related to the mobile food service and the care and treatment of animals. He focused mainly on the Mobile Food Trucks, noting that legal counsel brought forth some specific edits to the language as it was originally proposed. (Attorney Decker, City’s Legal Counsel, letter dated April 4, 2025, can be found on pages 223-225, Council agenda packet.).

1. We do not have permitted months or hours of operation articulated in the zoning ordinance.
2. Barriers, caution codes, that shall be provided
3. Establishing standards for hazardous or unsafe travel conditions

Director Reichert and Attorney Decker wanted to have some clarification language because if the zoning official makes a determination, the only means by which this could be changed is an appeal it to the

Zoning Board for their input and approval and further explained his reasoning. He also spoke about creating language for exemptions on these City properties (i.e., the pool, baseball fields, etc.) and writing these into the Ordinance.

BACKGROUND

On March 5, 2025, the City Council initiated the zoning amendment process to consider allowing food truck vendors on individual properties regulated by the Zoning Ordinance as recommended by the Food Truck Task Force. As a reminder, the Task Force also recommended changes to City Code Chapter 179, regulating vendors within the general area of Colburn Park, the Lebanon Mall, and the area of Hanover Street formerly known as "Hough Square", which were adopted on April 2, 2025.

As proposed, a new Section 615, Mobile Food Service, would be created to identify permitting requirements and performance standards for "mobile food service vending" and "stand vending" uses. In addition, mobile food service vending, stand vending, and other terms would be defined in Appendix A, and would be added as permitted uses in numerous non-residential districts, including Central Business (CB), Lebanon Downtown (LO), General Commercial (GC), General Commercial One (GC-1), Light Industrial (IND-L), Medical Center (MC), and Medical Center Two (MC-2) districts.

On March 19, 2025, the City Council initiated a separate zoning amendment process at the request of Dan Nash on behalf of one of his clients. The amendment, submitted on behalf of Evans Drive SPE, LLC/Johanna Cicotte, requested that "Care and Treatment of Animals" be added to Section 311A.2, Table of Uses, as a use allowed by Conditional Use Permit in the Residential-Office One (RO-1) zoning district.

Although the above referenced zoning amendments were "kicked-off" separately, the proposed review schedule by legal counsel and the land use boards largely overlapped and the review of each proposed amendment is complete and ready for Council discussion and the scheduling of a public hearing.

Council/Staff Comments- Mobile Food Service:

Councilor Simon spoke about his reasons why he felt the Mobile Food Service section of the Ordinance should be brought back to the Council, with edits, so they make an educated decision. Mayor Whittlesey concurred that a full revision version of this ordinance be brought back to the Council for their review before scheduling a Public Hearing.

Care and Treatment of Animals expansion of use:

Director Reichert noted that the Planning Board suggested that Mr. Nash and his clients limit their use to only a Veterinary establishment and omit a riding school or kennels as part of the expansion of use in the Ordinance.

Mr. Nash came forth and presented a history of the uses of this property (conforming and non-conforming uses). His letter dated January 29, 2025 can be found on page 230, Council agenda packet.

Council/Staff Comments-Care and Treatment of Animals:

Councilor McNamara noted the Council would be making a decision on a very small zoning district and he highly doubted that granting this request now would suddenly result in a riding center or kennel in that area. If the Council wants to further define the usage to exclude those two uses in this zone, or another zone in the future, we can take it up in a separate matter and further explain his reasoning. What the Veterinarian Clinic really wants to do is add seven (7) parking spaces and suggested bifurcating this

Ordinance by moving forward with scheduling the Public Hearing for the Care and Treatment of Animals request and eliminating the Mobile Food Service request (in the motion).

ACTION:

Councilor McNamara MOVED, that the Lebanon City Council hereby schedules a public hearing for Wednesday, May 21, 2025, 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 an amendments to the Lebanon Zoning Ordinance as follows:

- 1. To add "Care and Treatment of Animals" as a use allowed by Conditional Use Permit in the Residential-Office One (R0-1) district.***

Seconded by Councilor Simon.

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

12. City Manager Report:

City Manager Mulholland updated the Council on the following:

- HB 707 (landfill bill) sent to Senate
- SB 297 (Health Trust)
- HB 511
- SB 62
- HB 316 (Ambulance Billing)
- State-Wide Zoning Regulations
- Rail Trail: He has received no response from NH DOT. If they do not respond soon, the City will lose their grant.

13. NON-PUBLIC SESSION

- A. RSA 91-A:3, II(a) – “The dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her...”

Assistant Mayor Wilkie MOVED to go into Non-Public Session for the purpose of discussing RSA 91-A:3, II(a) – “The dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her...”

Seconded by Councilor McNamara.

Roll Call Vote:

Assistant Mayor Wilkie and Councilors Heistad, N. Ford Burley, McNamara, Stavis, Simon, Sykes, and Mayor Whittlesey all voting Yea.

None voted Nay.

Absent from vote: Councilor Zook

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

The Council went into Non-Public Session at 9:18 PM

Councilor McNamara MOVED to come out of Non-Public Session.

Seconded by Councilor Simon.

Roll Call Vote:

Assistant Mayor Wilkie and Councilors Heistad, N. Ford Burley, McNamara, Stavis, Simon, Sykes, and Mayor Whittlesey all voting Yea.

None voted Nay.

Absent from vote: Councilor Zook

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

The Council came out of Non-Public Session at 9:51 PM

The Council was back in the Public Session.

14. ADJOURNMENT:

Councilor McNamara MOVED for adjournment.

Seconded by Councilor Simon.

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

The meeting was adjourned at 9:52 PM.

Respectfully submitted,

Dona E. Gibson

Recording Secretary