FINAL

LEBANON CITY COUNCIL
MEETING MINUTES
Wednesday, June 3, 2026 7:00 p.m.
Council Chambers
Remote Via Microsoft Teams: LebanonNH.gov/Live

MEMBERS PRESENT:	Mayor Douglas Whittlesey, Kellen Appleton, Nicole Ford Burley, Eric Cole, Andrew Faunce, Lori Key and Timothy McNamara
MEMBERS ABSENT:	Assistant Mayor Devin Wilkie and Laurel Stavis
STAFF PRESENT:	City Manager Andrew Hosmer, Deputy City Manager David Brooks, City Clerk/Tax Collector Jaseya Ewing, Deputy City Clerk Jay Bishop Public Engagement and Communications Director Beth Beraldi, City Engineer Rod Finley, Airport Director Carl Gross, Director of Planning and Development Nathan Reichert, Finance Director Alesia Williams, Planning Administrative Assistant Crystal Taplin

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1. **CALL TO ORDER:** Mayor Whittlesey called the meeting to order at 7:00 p.m.
   - City Manager Andrew Hosmer announced the meeting criteria for attendees.

2. **PLEDGE OF ALLEGIANCE:** Mayor Whittlesey led the Council in the Pledge.

3. **PUBLIC FORUM:** Mayor Whittlesey made the Public Forum announcement.

Mayor Whittlesey announced that the agenda would be taken out of order in order to accommodate everyone who is here for the Vanier Memorial discussion (Item 12.B). The order will be:

1. Open Council Discussion (Item 5)
2. Open to the Public (Item 6)
3. Top Dog Contest, (Item 7a)
4. Recognitions
5. The Vanier Memorial Discussion (Item 12. B). The remaining agenda items remained in the same order as listed in the original agenda are discussed in the agenda.

5. **OPEN COUNCIL DISCUSSION: NONE**

6. **OPEN TO PUBLIC:**
   - **Mr. Fran Casale (Ward-2):** He spoke about the question on the March Ballot regarding the tax cap, noting it did not have an effective date. The RSA 49B:6 notes that if a date is not stated, the effective date of that tax cap would be January 1, of the following year, which would be January 1, 2027 and would not become effective until the fiscal year 2028. He noted that the Council has a choice to enact that Tax Cap this year (2026) for fiscal year 2027 and felt it was the will of the people who voted in March to have that tax cap go into effect this year (2026) so it could be implemented next year (2027) and

further explained his reasoning. He requested the Council to enact that tax cap this year for the 2027 fiscal year.

After hearing no further comments from the public, the Open to the Public session was closed by Mayor Whittlesey.

7. RECOGNITIONS

Top Dog Contest Winners Chosen by Mayor Whittlesey: City Clerk Ewing and Deputy City Clerk Jay Bishop were representing the 2026 Top Dog Contest and spoke about the future requirement of Rabies Vaccination, which are required by State Law. Dog licensing serves as one of the tools used by the State and by local municipalities to encourage owners to keep their pets vaccinated on an annual basis. While this licensing is important, it can be viewed as inconvenient by residents. In recognizing this challenge, the City Clerk's Office sought a confident and engaging way to promote dogs being licensed and launched the Top Dog Contest back in 2012 to recognize responsible pet owners in the community. The guidelines are simple. To qualify:

- Dog owners must license their dogs by April 30th (of each year) and have an up-to-date Rabies Vaccination. This is done through the City Clerk's Office. Residents are then automatically entered into the contest.
- Participants are encouraged to submit pictures of their pets, but this is not required.

Sponsors for this year's contest are Steve's Pet Shoppe and West Lebanon Feed and Supply. We greatly appreciate their continued support. Their partnerships help us promote responsible pet ownership withing the community.

Next year, we plan to expand the program to include a Rabies Vaccination Clinic, hosted with the Upper Valley Humane Society. Residents will then have the ability to vaccinate their pets and also do their license at the same time.

Mayor Whittlesey randomly picked the winners of the 2026 Top Dog Contest as follows:

- Third (3rd) Place Winner: #167, Laura Palmer, owner of Ollie
- Second (2nd) Place Winner: #1142, Sandra Bower, owner of Marley
- First (1st) Place Winner: #1084, June Magnes, owner of an Australian Shepard.

Rewards will be passed out at an upcoming Farmers Market.

12. B. Discussion of Vanier Memorial on the Lebanon Pedestrian Mall

Included in the agenda packet: (All supportive documents and detailed information, as listed below, can be found on pages 70-74, Council agenda packet).

1. Agenda Request #CMCC-26-4
2. Statement of R. Peter Decato, Esq.

Councilor McNamara reviewed the background behind the Vanier Memorial.

BACKGROUND

On March 23, 2026, Councilor McNamara submitted an agenda request form requesting a Council discussion about the potential installation of a memorial to Jim Vanier on the Lebanon Pedestrian

Mall. The memorial would be donated to the City by a group of long-time friends of the recently deceased Mr. Vanier.

Mr. Peter Decato reviewed the background and his statement (dated June 3, 2026) in honor of Mr. Jim Vanier, his family, and the newly formed (as of today) Jim Vanier Youth Fund Board. The idea of the Jim Vanier Youth Fund Board is to develop a pot of money so someone can do what Jimmy used to do, which was go about our community and give sneakers to kids who need them; turkeys that went to homes, jackets and countless acts of charity that Jim did. He just wanted to say that Jim was a hero and spoke about why he was heroic, noting Mr. Vanier was a very humble person. Any message that cherishes Jimmy is a message to the community. "He who humbles himself shall be exalted, and he who exalts himself shall be humbled."

Mr. Peter Decato asked the Council to kindly consider his, and others, request. Details can be worked out later. He also noted that the funds would not add to the budget, but their request gives the Council an opportunity to do something that is going to make their constituents feel good.

Council/Staff Comments:
Councilor McNamara spoke about his reasons why he strongly supported this request, noting that Jim was part of what makes Lebanon special. He would be happy to see the bench on either the Mall or the Green, or wherever it seems most appropriate to the Vanier family. Renaming the Mall would need to be a separate discussion but he felt it would be a nice tribute to Jim as well.

Councilor N. Ford Burley spoke about her reasons why she supported this request, noting that a bench feels a little small and would like to see other ways to memorialize Mr. Vanier in the future.

Councilor Key spoke about her reasons why she supported this request, noting that people who give of themselves, like Jimmy did, should be inspiring to others and felt that having some way to keep him alive, whether it's a bench or name, would inspire the next Jimmy Vanier to come forward.

Councilor Cole spoke about his reasons why he supported this request, noting that he was fortunate to be able to spend a lot of time at the CCB with Jimmy, who had a profound effect on a lot of people He was a one-of-a-kind guy and deserves the recognition that we hopefully will give him.

In response to Mayor Whittlesey's questions regarding what Mr. Decato and others would like the City to do, Deputy City Manager Brooks thought just an authorization for the City Manager to work with the friend group, or the family would be sufficient. We can bring the results of their discussions back to the Council once things have been determined. As for the discussion about renaming the Mall or the Park, we can bring this back as a separate agenda item.

ACTION:
Councilor McNamara MOVED, that the City Manager work with either the Vanier Family or the Fund, or both, to arrive at an appropriate location for a memorial for Jim Vanier. Seconded by N. Ford Burley.

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

Mayor Whittlesey noted that there was a large number of supporters present in the audience who supported this request. While he did not know Mr. Vanier personally, his reputation preceded him and felt that the City should have a Memorial Bench as a focal point in honoring him. he best way to preserve Mr. Vanier's legacy is what we see here tonight, the love and memory that everyone carries with them. He felt this was the legacy that we all strive for, and it is inspiring.

The following agenda items below are presented in the order they were discussed by the Council.

4. CITY MANAGER REPORT:

City Manager Hosmer updated the Council on the following:

- Regarding the bench for Mr. Vanier, the Celebration of Life will be held on Saturday, August 22, 2026 in Colburn Park. Ideally it would be great to have a site picked out before then so it could be acknowledged at this time. This should be the goal.
- Airport Essential Air Services proposals have been submitted to the FAA and the Airport. The three responses were from Cape Air, Boutique Air, and Contour Airlines. Each proposal includes some distinguishing elements. We have scheduled all three bidders to make a presentation at the July 1, 2026, 6:00PM Council Meeting.
  Councilor McNamara stated he would not be present at the July 1, 2026 meeting and questioned whether or not the number of seats has been reduced due to the requirement that the City would need a full time Fire Department presence. He noticed that one of the three airlines were proposing to go to 30 seats. Are we interested in entertaining a proposal that would require us to have an increased Fire Department presence at the Airport.
  Deputy City Manager Brooks noted he thought that what Councilor McNamara was referring to the Part 139 Certification from the FAA. This does not require a full-time LFD staff member, but it does require (fire) equipment to be at the Airport noting there is already a fire truck on Airport property that has the required equipment and meets the need of the Part 139 requirement. However, a trained staff person (one or more) is needed to operate this piece of equipment. He will make sure that the shift work manager provides that information.
  City Manager Hosmer spoke about the background behind the last contract submitted in 2022, noting the program is a federal program designed to ensure that small and rural communities maintain access to commercial air service. The program provides financial subsidies to airlines so they can operate on routes that may not otherwise be economically viable, thereby helping communities remain connected to the broader National Air Transportation System. This program was administered by the United States Department of Transportation. The City Council's role in this process is to review the proposals and make a recommendation to the FAA and US DOT. The ultimate decision regarding the contract rests with the Federal Government. He reminded the Council that the Airport is an Enterprise Fund and it is not the general tax base that is supposed to be paying for community operations at the Airport.

- Mack Avenue Update: A vendor will be conducting the Smoke Test. There is not a specific date set yet to have this completed. This Smoke Test will help identify if there are any private plumbing issues that users, or people who are connected to the line, should be aware of. He felt the Council should think about spending a little extra money to fix this issue right the first time. The funds would be used to reline the pipe and get it at the proper pitch. He will inform everyone when a date is known. DPW Staff will be going from residence to residence (on Mack Avenue) to make sure all their questions are answered.
- Main Street Properties: He visited the properties to touch on some of the suggestions made (i.e., putting a coat of paint on them and shaping them up to get some revenue coming into the City from those properties). He emphasized that these properties are clearly not fit for habitation in their current state. He was not sure any of the buildings can be gutted in a cost-effective way to get them back to a condition where they can be rented out for commercial or residential use. We have not finalized that opinion right now, noting that looking in the basements and upstairs, these properties are in very rough shape. The West Lebanon Revitalization Advisory Committee (WLRAC) has also toured the buildings. If anyone is interested in a tour, please contact Deputy City Manager Brooks.

  In response to Councilor Key's question regarding the appraised value/sale price of these buildings, Deputy City Manager Brooks noted he was uncertain if an appraisal for these buildings was done by a commercial appraiser and explained that they took the assessed valuation at the time and the City's equalization ratio to calculate an estimated full valuation, which was in the vicinity of what the City paid (+/-$1.75M) and further explained his reasoning. Councilor McNamara noted that at the time there were two (2) commercial tenants in two buildings and offices in the third building. All but one of the apartments were occupied at the time.

  In response to Councilor Cole's question about whether or not these properties were on/off the market, Mayor Whittlesey noted that what was relayed to us at that time was that they (property owners) were willing to sell to us at a discount to what was perceived to be the market value.

The Council resumed their regular agenda items listed below.

7. RECOGNITIONS:

Mayor Whittlesey did not read the whole Resolution below. The below Resolution will be presented to the State Legislature. This does push the Risk Pool that we are in to be overseen by the (State) Department of Insurance. It provides for reasonable and clearly defined standards of governments financial reporting solvency and maintains local decision-making flexibility.

City Manager Hosmer noted this Resolution is on its way to the Governor's desk for signature. The City's Health Insurance is covered through HealthTrust, which is a non-accessible Risk Pool and spoke about Claremont's issue on receiving a bill from them for a $1M, which they had to come up with in order to make their insurance carrier solvent. HealthTrust, which Lebanon has used for a number of years, is non-accessible and further explained his reasoning. Hopefully this will give the City a little more (financial) predictability.

- Resolution in Support of House Bill 1491 - Supporting Sensible Risk Pool Regulation

WHEREAS, the Lebanon City Council is a participating member of a non-assessable municipal risk pool created by political subdivisions to reduce risk and provide stable, cost effective health insurance coverage for municipalities and other public entities; and

WHEREAS, risk pools nationally operate under two recognized models—assessable and non assessable—and both models are widely accepted as viable tools for managing municipal risk and controlling costs; and

WHEREAS, House Bill 1491 establishes a statutory framework allowing non-assessable risk pools to operate under the oversight of the New Hampshire Department of Insurance, creating a pathway for municipalities to continue participating in this model; and

WHEREAS, the bill introduces Chapter 420-R, which sets forth reasonable and clearly defined standards for governance, financial reporting, solvency, and fiduciary responsibility, promoting transparency and accountability while preserving operational flexibility; and

WHEREAS, the legislation allows municipalities to retain local-decision making and flexibility by preserving the ability to choose between assessable and non-assessable risk pool structures, or to pursue alternative risk management strategies; and

WHEREAS, maintaining access to non-assessable risk pools supports predictable budgeting, financial stability, and long-term planning for municipalities by avoiding unexpected assessments and minimizing volatility in insurance costs; and

WHEREAS, the continued availability of multiple risk pool models strengthens the overall municipal health insurance marketplace in New Hampshire and helps ensure continued access to affordable coverage for local governments and their employees.

NOW THEREFORE BE IT RESOLVED, that the Lebanon City Council hereby expresses its support for House Bill 1491 and its establishment of an updated regulatory framework for political subdivision risk management programs; and respectfully urges the Governor to sign House Bill 1491 into law to preserve municipal choice, promote financial stability, and ensure the continued availability of effective risk management options for New Hampshire municipalities; and

BE IT FURTHER RESOLVED, that a copy of this resolution be transmitted to the Office of the Governor, Lebanon's legislative delegation, and appropriate state officials.

Dated this 3rd day of June 2026 in Lebanon, New Hampshire.

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Douglas Whittlesey, Mayor
On Behalf of the Lebanon City Council

8. ACCEPTANCE OF MINUTES:

- May 6, 2026 (Regular Meeting)

Councilor McNamara MOVED to approve the May 6, 2026 (Regular Session) minutes as written and presented in the June 3, 2026 City Council agenda packet.
Seconded by Councilor Key.
The Vote on the MOTION was approved (7-0).

- May 20, 2026

Amendment: Page 33, lines 43-44: Sentence should read as follows: He did feel the language, the way it is written, does **not** preclude a budget-to-actuals or in depth financial reviews.

Councilor McNamara MOVED to approve the May 20, 2026 (Regular Session) minutes as amended and presented in the June 3, 2026 City Council agenda packet.
Seconded by Councilor Appleton.
The Vote on the MOTION was approved (7-0)

9. APPOINTMENTS:

- Strategic Plan Task Force, Daniel Paepke (Resident Member). **Not discussed because Mr. Paepke is moving.**

- Trustees of Trust Funds, Clara Cole (Trustee)

Mayor Whittlesey (on behalf of Jay Simms, Chair of Board of Trustees) MOVED to Nominate Clara Cole as a Trustee of the Trustees of Trust Funds for a three-year term. Term: 6/03/2026 – 6/03/2029

****The Vote on the NOMINATION was approved (6-0-1). Councilor Cole abstained.***

10. PUBLIC HEARING ITEMS:

A. Ordinance #2026-04: Amendment to C-PACER District Ordinance – Public hearing for the purpose of receiving public input and taking action on a proposed amendment to Ordinance #2026-04, originally adopted on March 18, 2026, to address a clarification requested by NH Business Finance Authority.

Included in the agenda packet: (All supportive documents and detailed information, as listed below, can be found on pages 58—65, Council agenda packet.)

1. May 13, 2026 Memorandum from Attorney Matthew Decker RE: Recommended Amendment to C-PACER Ordinance, #2026-04, Section 10
2. Ordinance #2026-04, Commercial Property Assessed Clean Energy and Resiliency (C-PACER) District Ordinance, adopted March 18, 2026

Deputy City Manager Brooks reviewed the background behind Ordinance #2026-04.

BACKGROUND

On March 18, 2026, the Lebanon City Council voted to adopt NH RSA 53-F, Energy Efficiency and Clean Energy Districts, and established a Commercial Property Assessed Clean Energy and Resiliency (C-PACER) District encompassing the entire city. As part of the adoption process, the Council also adopted Ordinance #2026-04, the Commercial Property Assessed Clean Energy and Resiliency (C-PACER) District Ordinance.

Following the Council's action, the City Manager's Office executed a C-PACER Participation Agreement and filed all necessary documents with the NH Business Finance Authority (BFA), which administers the C-PACER program in the state. During its review of the City's documents, BFA noted and has requested the deletion of the last sentence of Section 10, which reads "A capital provider may otherwise accelerate the re-sale of the property by acting on its foreclosure right pursuant to RSA 53-F:8, II."

As summarized in the memorandum from Attorney Matt Decker, which states that although the C-PACER statute currently allows capital providers to foreclose on real estate, BFA's concern is that capital providers should not have such authority after a municipality takes ownership of the property by executing a tax deed. BFA may explore legislative amendments to RSA 53-F in the future to clarify the other collection procedures available for capital providers, and in the meantime, legal counsel supports the requested deletion of the last sentence of Section 10 of the C-PACER Ordinance #2026-04.

Clarifying Questions from Council:
Councilor Key questioned if there was any risk to the City with this change. Mayor Whittlesey noted that if someone gets foreclosed on, the City has priority over a tax lien and further explained the process.

Mayor Whittlesey opened the Public Hearing. Hearing no comments from the public, the Public Hearing was closed.

ACTION:
Councilor N. Ford Burley MOVED, that the Lebanon City Council hereby amends Ordinance #2026-04, the "Commercial Property Assessed Clean Energy and Resiliency (C-PACER) District Ordinance", originally adopted on March 18, 2026, by deleting the final sentence in Section 10 thereof, as requested by the NH Business Finance Authority, and as presented in the June 3, 2026 City Council Agenda Packet.
Seconded by Councilor Faunce.

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

11. OLD BUSINESS - NONE

12. NEW BUSINESS

A. Warrant for Civil Forfeiture Notice

Included in the agenda packet: (All supportive documents and detailed information, as listed below, can be found on pages 66-69, Council agenda packet).

1. Warrant for Civil Forfeiture Notice
2. Excerpts of NH RSA 466, Dogs and Cats

Deputy City Clerk Jay Bishop reviewed the background behind the Warrant for Civil Forfeiture Notice.

BACKGROUND
In accordance with RSA 466:1, all dogs four (4) months old or over must be licensed annually by April 30th by their owner or keeper. To obtain a license, the City Clerk's Office must have a current rabies vaccination certificate on file. A grace period is provided during the month of May to allow dog owners time to update expired rabies vaccinations and complete the licensing process. Beginning June 1st, any dog that remains unlicensed is assessed with a $25.00 Civil Forfeiture fine and $1.00 late fees, which accrue each month that the dog remains unlicensed.

Council/Staff Comments:
In response to Councilor Key's question regarding the number of Civil Forfeiture Notices, City Clerk Ewing spoke about how new people in the community may not know or be familiar with the Chapter 466 procedures. We do the best we can to communicate these rules and laws. Moving forward we will also try to communicate more with Veterinarian Offices in order to reduce the number of Civil Forfeiture Notices and further explained her reasons, noting this formality happens every year.

ACTION: ***Councilor Appleton MOVED, that the Lebanon City Council hereby issues a warrant to City Clerk, Jaseya Ewing, authorizing the issuance of a civil forfeiture for each dog that remains unlicensed at the close of business on June 20, 2026.***
Seconded by N. Ford Burley.

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

C. Discussion of the Status of Class VI Roads Advisory Committee

Included in the agenda packet: (All supportive documents and information, as listed below, can be found on pages 75-84, Council agenda packet).

1. March 25, 2026 memorandum from Mark Goodwin RE: Class VI Roads Advisory Committee Status
2. Draft Class VI Road Map, prepared by City of Lebanon Planning and Development Department, dated May 8, 2014
3. Official Street Centerline Map, prepared by City of Lebanon Planning and Development Department, dated January 2025.
4. Class VI Road Inventory Spreadsheet

Deputy City Manager Brooks reviewed the background behind the Class VI Advisory Committee.

BACKGROUND
The Class VI Roads Advisory Committee was established by the City Council on September 1, 2004, to review the status of all of the Class VI roads within the City to include their current, historic, and possible future uses, and to report findings and make recommendations to the Council for their action to continue the present use, upgrade, discontinue, or otherwise change the status of the roads.

As a reminder, within the state's highway classification system [RSA 229:5], Class VI roads consist of "all other existing public ways and shall include all highways discontinued as open highways and made subject to gates and bars, … and all highways which have not been maintained and repaired by the town in suitable condition for travel thereon for 5 successive years or more except as restricted by RSA 231:3, II."

The Advisory Committee has been active for more than two decades reviewing maps, documentation, and physical evidence concerning more than 50 potential Class VI roads and making recommendations to the City Council. Specifically, the Advisory Committee has reviewed every road that was originally believed to be a potential Class VI road on the enclosed 2014 map, and the committee has provided a recommendation to the Council for every road that was supported by sufficient documentary evidence to be confirmed as a Class VI road. Any roads that failed to meet the threshold for adequate evidence were removed from further review and consideration by the committee. The City Council has already acted on dozens of recommendations from the Advisory Committee and the committee's recommendations for the remaining roads can be taken up by the City Council at any time in the future.
Senior Planner Mark Goodwin, who has been the staff liaison to the Advisory Committee for nearly all of its duration, prepared a memo providing an overview of the committee's work to date. Also included in the agenda packet is a portion of a spreadsheet created and used by Goodwin to track the review and status of the various Class VI roads reviewed by the committee over the years. As noted in the memo, it is the Planning Department staff's view that the committee's work is substantially complete, though there remain some administrative tasks to be completed including the installation of appropriate signage on the remaining Class VI roads and Class A trails.
The City Council was asked to review the status of the Class VI Roads Advisory Committee and to decide if the committee has completed its original tasks, and whether it is appropriate to dissolve the Advisory Committee.

Mr. Nathan Reichert (Director of Planning and Development) noted that Mr. Mark Goodwin (GIS Coordinator) was not in attendance at this meeting due to medical reasons. In the conversations he has had with Mr. Goodwin, he recommended the same recommendation that he put in writing to the City Council, which is effectively that the Board has done an enormous amount of research and work over the last 20 years. While there are a number of roads that remain troublesome, we have identified those; we have done the legal work on those, and, at this point, it would be up to City Council and City Administration to further perfect those remaining roads. There may be large legal fees that would be involved in order to complete the final pieces of these roads, but this is in the purview of the Council to make that determination. At this point, the Committee has been wound down, and they have not met for nearly two years. While it is rare to see a committee go, he also challenged the Council to say that there are recommendations that this Committee has made for actions that need to be reviewed. He noted there are members of the public that are very passionate about this topic and have spent an enormous amount of their time volunteering for the City over the years and suggested the Council listen to their comments. However, it is ultimately up to the Council to retire the Committee or decide what the next steps are.

Mr. Reichert also spoke about the underlying law, the underlying Deeds, the underlying research that has been done on these roads noting that whether or not we take action on these recommendations today or 10 years from now, this will not change and further explained his reasons why. The City can assert our rights as the owners of those rights-of-ways at any time, now or into the future. Working with the landowner(s) can be very complex and contentious, but in the end, the City should assert our rights to pass and repass on these roads to maintain them for future generations.

Public Comment(s):

Mr. Erling Heistad, Ward 3, came forth and noted he was a past member of the City Council and a long-term member of the Class VI Roads Committee. He noted the reason why this Committee has not met in the last two years is because they have been waiting for the Council to take action on any one of the half dozen roads that they have already done work on. He did not hear that this was going to be on the agenda until this afternoon, but he did prepare information on the half dozen roads that they already approved with the consent of the Council. He also noted that this City runs on volunteerism and when that work is not recognized, it does not make the volunteer pool any bigger. We, as a City, need to be able to take their work and move forward with it to take some action instead of sitting on it for two years and hoped the Council would take some action tonight, and if not tonight, soon. He also added that a Class VI Road(s) interrupts people's lives and further spoke about his reasons why and gave examples. He also spoke about Class A Trails, which are much more representative of the owner (of the land) because the owners can control what is being done on it and gave examples.

Ms. Barbara Hirai (Ward-1, and member of the Class VI Roads Committee): She spoke about her concerns regarding signage, noting there are no signs designating what is a Class VI Road or Class A Trail. The Class VI Committee pushed for these signs and have gotten nowhere. She was concerned that if the Class VI Roads Committee is dissolved, there would not be anyone pushing for signs to be put up. She asked the City Council for a commitment to broker DPW to get signs up.

Council/Staff Comments:
Mayor Whittlesey agreed with Mr. Heistad, noting there is a lot of work that goes into road classifications and the Class VI Roads Committee has done a nice job of simplifying the process for us. He felt having that information is important because, instead of just taking action, it helps to inform the Council about why we are taking an action. There are a handful of recommendations to do Class A Trail conversions and what makes sense to him is to continue this in the way it has been done in the past (i.e., have a formal hearing on these). However, this may need to be done starting in September and it makes sense to have the Class VI Roads Committee present their findings/recommendations for the Class A Trail conversions and one (1) discontinuance (to the Council).

Councilor McNamara was uncertain if this could be done in one hearing and, based on his past experience, he suggested that the Council needs to have a separate Public Hearing for each one.

Mayor Whittlesey requested that the Council take up two (2) Public Hearing meetings over three Council meetings as follows:

- Two roads during the 1st and 2nd Council meetings in September 2026,
- Two (2) roads at their first meeting in October 2026.

The Class VI Roads Committee should be present for each of these meeting to present their findings/recommendations. Once the issues have resolved for these roads, the next step would be for the Council to take action on whether or not the Class VI Roads Committee should be dissolved, noting it is probably premature to dissolve the Committee at this time. This timeframe will also give us time to notify property abutters for the roads in question.

Councilor Key mentioned the cost of signage and Mayor Whittlesey suggested that City Administration figure out how much the cost would be. The Council can handle this separately because it is a separate issue from the recommendations on Class A Trails. Councilor Cole noted he brought up this question because he felt there was an urgency to dissolve the Class VI Roads Committee and felt there were two deliverables (that need to be resolved): 1) Our financial costs on their recommendations, and 2) the (cost) of posting signage and other resources that may be needed.

Mayor Whittlesey, Mr. Heistad, and City Manager Hosmer continued a discussion regarding signage (i.e., would they be prohibitively expensive and how large they would need to be).

Councilor Key noted she did not know the difference between a Class VI Road or a Class A Trail. Mayor Whittlesey noted this is what the Class VI Road Advisory Committee did and is the reason why he would like them to present for each of the meetings as discussed. Mr. Mark Goodwin did a really good job at explaining those differences, which can be very complex, and he would also be able to discuss what kind of liability the City would be taking on.

Councilor Cole questioned if there was a written policy on Class VI Roads regarding what can/cannot happen and the times of year when it can/cannot happen, noting he owns some property along a designated Class VI Road. He and his family have spent a fair bit of money over the years maintaining that road. He called the City (before he was a City Councilor), the DPW and Mark Goodwin to ask what the policy was, and they were unable to answer his question about whether or not it was okay for people to be riding 4 wheelers and side-by-sides on those roads during March/April. He also questioned that when these roads are posted, what would be they posted for as far as accessibility for these roads.

Mr. Heistad stated there is no policy, but there is a law, noting that if it is a road then anybody can use it if they use a registered vehicle. However, if it is a Class A trail, during the winter it can be used by snowshoes, skis, snowmobiles with conditions permitting. In summertime (Class A) trails can be used by horses, people on foot, etc. Mayor Whittlesey added that the Council accepted roads individually, but there were certain roads that the Council only accepted with some Class VI Roads restrictions. Mr. Heistad noted restrictions cannot be put on the road unless it is a Class A Trail noting this is the advantage of becoming a Class A Trail.

Discussions continued on Class VI Roads versus Class A Trails. City Staff will be looking into this and what the City has, within our rights, to legislate the things that are causing problems. Mayor Whittlesey also noted that he believed it was within the City Manager's powers to determine road openings/closures.

Mayor Whittlesey reiterated that the Council would take up two (2) Public Hearing meetings over three Council meetings as follows:

- Deputy City Manager Brooks and Director Reichert will determine which roads will be discussed at each meeting
- Two roads will be discussed during each of 1st and 2nd Council meetings in September 2026,
- Two (2) roads will be discussed at their first meeting in October 2026, and
- Abutters of each of the properties to be discussed should be notified ahead of time so they can attend the meeting.

ACTION: NONE TAKEN.

D. Discussion of the Status of Barrows Street Development Project

Included in the agenda packet: (All supportive documents and detailed information, as listed below, can be found on pages 85-89, Council agenda packet).

1. Floor plan and elevation drawings, prepared by Bill Lake Modular Homes, Project #PR-2773, dated February 27, 2026, revision #4 – May 15, 2026
2. Barrows Street Housing Project, Overall Existing Conditions Plan overlaid with Conceptual Pattern Zones Subdivision layout

Not Included in agenda packet, but Available

3. February 18, 2026 City Council Agenda Packet for Barrows Street

Councilor McNamara reviewed the background and status of the Barrows Street Development Project.

BACKGROUND

On February 18, 2026, Councilor McNamara and City staff provided an update on the status of the proposed Barrows Street Cottage Development Project. At that time, the anticipated cost of each proposed cottage dwelling unit was higher than the City's original goal, but comparable to other dwelling units currently available in Lebanon and surrounding towns. A link to the February 18th City Council agenda packet is available below.

As a result of local press coverage of the February 18th discussion, the City was contacted by several businesses expressing renewed interest in the project. Based on subsequent communications with some of those businesses, the project team has modified the proposed development concept to utilize the recently adopted Pattern Zoning provisions instead of the Cottage Development provisions. It was determined that costs were cut for the site by about half to go into a Pattern Zoning overlay for six lots, five for new homes and one to be retained by the City. This also enabled us to physically give each landowner a lot of +/-4K, sq. ft., so they would have some control over their own property, unlike a Cottage Community which is more like a Condo. Association.

Over the last several months, the project team has continued to enhance the development layout and the prospective unit design and has obtained refined cost estimates for the project which takes these units down to below $400K. With the new layout concept and additional cost information, the project team believes that five new units can be constructed for an amount closer to the City's original goal of below-market rates.

Councilor McNamara noted that the Barrows Street properties has not provided a nickel of tax revenues coming into the City since at least 1947. If we could get 5 houses at just under $400K each, they will be charged for property taxes, including the land, so we would be looking at +/- $40K/yr. coming into the City for property taxes.

Since the last project update, the City has confirmed access to a Housing Infrastructure Grant in the amount of $158,850 specifically for the Barrows Street project. The reimbursement grant was received from the New Hampshire Department of Business and Economic Affairs based on Lebanon's designation as a Housing Champion community.

In addition, the project team has recently distributed an online survey link to City employees, the School Superintendent, and the Lebanon Housing Authority Executive Director to be shared with their respective staffs. The survey was intended to help us begin to gauge the potential level of interest from local public employees in the proposed new housing units on Barrows Street. Based on the early responses to the survey, the project team is comfortable that sufficient market demand exists if the City elects to move forward with the project, with the understanding that any units remaining unsold, after interest from local public employees is exhausted, would be made available to the general public.

Councilor McNamara would like to continue to pursue this and come back to the Council around July 15, 2026, but ultimately, we would need a supplemental appropriation and explained his reasons why this would be needed. He also noted that in addition to coming back to the Council, a revised Site Plan would be needed from the Planning Board because the original Site Plan is for the Cottage Development setup. The Heritage Commission has approved one of our designs.

The goal would be to try and get these houses built by the end of the year, given they are modular.

Deputy City Manager Brooks elaborated on the survey that was sent out to City employees, the School District and the Lebanon Housing Authority, noting it was a simple and direct survey that included questions such as: where do you live now; who do you work for (of those three organizations); do you own/rent; do you live in the City; do you live within 30 minutes of the City or farther away; and included an introduction to the project because not everyone was aware of what we have been talking about at the Council level for a couple of years now. The survey also included a sense of what the project would entail, what potential costs might be, asked whether they had an interest in doing a lottery proposal, whether they were pre-approved for a loan or were willing to get a pre-approval. To date, we have received 78 responses (20 expressed interest in purchasing these building should they come to fruition; of the 20 responses, 4 were City employees and 16 were School District employees. He felt very confident there was a solid demand. He also noted that if one or more of those units were not sold to these employees, they could be made available to the general public or some other tiered system. He also spoke about the change from a Cottage Design to a Pattern Zone design and went back to the Business and Economic Affairs Department to confirm whether or not we still would have access to the Housing Infrastructure Grant (that would cover roads, water, sewer, electric, etc.) which was tailored specifically for this project. He then explained the amount of grant funds that would be used for this project.

Councilor McNamara spoke about rents in the City and how it was difficult for people to save and gave examples of what rent costs vs. fixed mortgage rates would be over 30/25/15 years, noting a fixed rate mortgage would be roughly the same amount as renting. The differences from renting a property vs. owning a property is that these units would come with additional costs such as property taxes and insurance. The benefit of owning one of these units is that the property owners would be building equity and spoke about further benefits to the City. Most importantly, this is a Pilot Project that will show local developers what they might be able to do.

Councilor McNamara, noted that if they get consensus tonight, they will come back to the Council on July 15, 2026 with a Resolution that would allow them to borrow funds to do this project.

Council/Staff Comments:
Councilor Faunce questioned if there was limitation on the resale market, which would be assuring affordability in a perpetual fashion. Councilor McNamara noted they did initially look at limitations because their original goal was to get these units built for under $300K, which would have been below the market rate and explained his reasons why he felt this is a complicated process and why it costs a fair amount of money. As we get closer to $400K, we are close to what we consider to be market rate (if there was a house out there like that), these properties would be market rate. These are no longer submarket rate houses; they are market rate houses of a type that does not exist in the market today and further explained his reasoning. He felt these houses will run with the market and there will not be a sharp jump in prices in the future.

Councilor Key questioned if a realtor would be involved in the sale of these properties because she felt the City should not be in the business of trying to be a real estate agent. Mayor McNamara talked about the lottery system and did not feel the City needed to get a real estate agent. He noted the Mascoma Bank has offered to give them a fair amount of support for potential buyers (i.e., down payments, etc.). Our thought was to refer potential buyers to one or more banks. Paying a real estate agent would increase the costs for these houses. Administrative costs were discussed.

Councilor Appleton felt this was a good project and spoke about her reasons why she felt the City will see the benefits. She also requested the Council/Councilor McNamara to think about what City regulations might need to be changed and add this to the report. In putting this project forward, we want more projects like this to be happening on the free market by developers and questioned what regulations might need to be changed in order to make these possible in places that does make sense outside of the Pattern Zone areas. How will we incentivize this? Councilor McNamara spoke about the census work Mark Goodwin has done regarding undeveloped lots within the City and in different zones.

Councilor Cole asked the following questions before giving his thought regarding this development.

1. Who is the project team? Councilor McNamara said it was himself, City Engineer Rod Finley (DPW), and Deputy City Manager Brooks. Originally, they did hire a temporary owner’s representative to help get the original bid documents together; to talk to manufacturers, etc.

2. Grants. If these units were to sell at market rate, would these grants be available to any developer and do we have access to grants that other people would not necessarily have access to? Councilor McNamara noted that the Grant they received for infrastructure was specifically for affordable units. The State has determined that these homes are affordable units so we can use that Pattern Zoning Grant for infrastructure ($158K divided by 5 = +/- $30K per unit). This Grant is currently not available to commercial developers and explained his reasons why, noting this grant needs to be used by July 1, 2027. Deputy City Manager Brooks added that the $158,805 was through the BEA based on the City of Lebanon being one of the Housing Champion Communities and further explained how Lebanon achieved this designation. He also spoke about the grants that came from the Lebanon Housing Authority and the InvestNH Program.
3. Do we have any sense from the survey of how many people are renters right now? Deputy City Manager Brooks said that out of the 20 people interested in potentially purchasing one of these units, 10 are currently renting. Of those that are renting, 5 were located in Lebanon, 4 are within 30 minutes of Lebanon, and 1 is more than 30 minutes from Lebanon. Of those that own property, 3 are in Lebanon, 5 are within 30 minutes of Lebanon, and 2 are more than 30 minutes from Lebanon.
4. Is the term Mascoma Bank is giving us (for a construction or residential loan), are we getting special treatment or are they giving us rates that anybody on the street would be able to get? It is up to the prospective buyer to procure their own loan. There is no guarantee on any rate.
5. Currently, how much has the City spent on Site Plan costs, engineering, etc.? Councilor McNamara noted that what they are proposing is that all of the numbers associated with the original wetland's delineation, wetlands permitting, initial survey (all survey assigned to this property), and the initial clearing of site, would be included in costs for the City. What will not be going into the costs for the City is the Landscape, Architecture and Design for the (Cottage Community) Site Plans (+/-$5K), and (+/-$9K) for final design for a 1 or 2 story Cottage and the costs for the Owner's Representative.

   Deputy City Manager Brooks noted that to date, the City has spent just under $210K. We would expect to recoup about $115K of the $210K. What would not be recouped is +/- $95K relative to the wetlands; the survey work; the preliminary grading that has already occurred; some of the electrical design work; the architect; the landscaping, some of the stormwater; and the owner's representative. A revised Site Plan would cost the City +/- $16K.

   Councilor McNamara wanted to make it clear that the City does not pay Building Permit fees for buildings built by the City.

Councilor Cole liked the idea that the City would convert these (properties) into taxable lots but was not 100% sure he was fond about us doing it and further explained his reasoning, noting he had a hard time calling this project a Pilot Program. It is not proving anything other than to the people who can build affordable housing in a municipality. Councilor McNamara noted they would make it very clear to any developers what the costs are, what we saved the City, and the costs that developers would have to include in the price and gave examples. He also noted that in order to make the site costs pencil out more density and more units are needed and further explained his reasons.

Discussions continued regarding the reasons why this project was called a Pilot Project; potentially calling this a Concept Project; how this project would provide the City $40K/year in property taxes with growth rate; other costs associated with the project (Fire Department, School aged Children and the impact it would have on the School District, etc.); what the market value of the land and the project would be if the City sells this on the open market; how the land value assessment is in the range of $80K-$90K for a 10th of an acre; whether or not it would be more valuable to the City if we sell the land; how the City does have the benefit of not paying the Building Permit Fees or the Planning Department Application Fees, which would be an additional cost for somebody (potentially 20% higher); the loss of grant funds if they are not used; and other financial evaluations.

Councilor Cole expressed his concern for the taxpayers of Lebanon, noting he thought there was a sense within the community that this project is not sensitive to the folks that already live here; and how the taxpayers of Lebanon feel they are shouldering the benefits for other folks. He worried that the costs are not going to be what we think they will be. It happens all too often that we go into (a project) with great intentions and it does not end up being the way we think it should be going. We might be better off selling it, letting someone else do it and have the City collect the tax revenue.

Public Comments:

- **Mr. Wyktor Cavalcante (7 Winter Street):** He spoke about his experiences with this type when he lived in Brazil and spoke about the corruption he saw in his country. He questioned if someone gets a house like this, what will keep them from purchasing this home and then selling it for much, much more. He also expressed his opinion on the lack of workers the City has to do this project, noting it's hard to find plumbers, electricians, etc. and the difficulty in finding government loans without a down payment (i.e., USDA, etc.).
- **Mr. Jay Simms (Ward-2):** He spoke about his concerns about the costs of this project being $415 per sq. ft. and spoke about his reasons why he felt the lottery should be done before construction starts and then get a commitment/credit approval for those chosen. Once a construction design is completed, those selected to purchase the property should make a non-refundable deposit on their unit.

Mayor Whittlesey concurred with Mr. Simms but wanted to modify his comments and spoke about the process that happens when purchasing property, noting that the pre-approval is the most important first step, then doing the lottery, and then having a good faith deposit made at time the Purchase & Sale Agreement is signed, for those who were selected to purchase a unit.

Councilor Key spoke about her concerns that we have selected the pool of people who will be eligible to buy market rate houses from a legal perspective, noting there are a lot of people in Lebanon who may want to participate in the purchase of one of these units. She felt uncomfortable that we were freezing a lot of people out of this opportunity. Councilor

McNamara said that while we could transition to that, he would like to personally request that folks live in Lebanon now to be prioritized.

Councilor Key also questioned if it would be discriminatory if others (outside of the selected groups mentioned) did not have an opportunity to participate in the lottery. Councilor McNamara was not sure and Deputy City Manager Brooks noted this is an area that the banks could probably help with since they have people involved with the Fair Housing Act.

In response to Councilor N. Ford Burley's question regarding the options, Deputy City Manager Brooks noted that if the intent is to move this project forward, one of the next steps is to go ahead and schedule a public hearing for a supplemental appropriation that authorizes the solicitation for loans, etc. He presented a Draft Motion for the Council's review. He noted there is more work for him, Rod Finley and Councilor McNamara to do on figuring out the money piece, requests for proposals (RFPs) from not just from Mascoma Bank but other lending organizations in terms of downpayment assistance, changing the pool of potential applicants, etc. This is all predicated on the cost estimates/proposals that we have now and those will not last forever.

Mayor Whittlesey suggested the Council move forward with the Public Hearing with the understanding that some of questions raised will be answered at the Public Hearing.

ACTION:
Councilor N. Ford Burley MOVED, that the Lebanon City Council hereby schedules a public hearing for Wednesday, July 15, 2026, beginning at 6:00pm in Council Chambers, City Hall, and Remote via the City's Virtual Platform, for the purpose of receiving public input and taking action to appropriate up to $2,000,000 for expenditure in the Capital Improvements Fund for planning, design, permitting, construction and disposition of a new Barrows Street Housing Development project; to authorize the City Manager to apply for loans up $1,700,000 to supplement existing grant funding from the NH Department of Business and Economic Affairs for construction and disposition of the Barrows Street Housing Development project; and to designate the City Manager as the authorized representative of the City
Seconded by Mayor Whittlesey.

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

Councilor McNamara and Mayor Whittlesey discussed the reasons why there is a need to get a legal opinion first on who can/cannot participate in the lottery. This is the place to start in order to get things moving. Hopefully this can be done sooner rather than later, and the Council can take this up separately from the Public Hearing.

13. NON-PUBLIC SESSION: NONE

14. ADJOURNMENT:

Councilor N. Ford Burley MOVED for adjournment.
Seconded by Mayor Whittlesey

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

The meeting was adjourned at 9:25 PM.

Respectfully submitted,
Dona E. Gibson
Recording Secretary