DRAFT

LEBANON CITY COUNCIL
MEETING MINUTES
Wednesday, July 15, 2026 7:00 p.m.
Council Chambers
Remote Via Microsoft Teams: LebanonNH.gov/Live

MEMBERS PRESENT:	Mayor Douglas Whittlesey, Assistant Mayor Devin Wilkie, Kellon Appleton, Nicole Ford Burley, Eric Cole, Andrew Faunce, Lori Key, Timothy McNamara and Laurel Stavis
MEMBERS ABSENT:	
STAFF PRESENT:	City Manager Andrew Hosmer, Deputy City Manager David Brooks, Director Planning and Development Nathan Reichert, Deputy Director Planning and Development Tim Corwin, City Engineer Rod Finley, Finance Director Alesia Williams

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1. **CALL TO ORDER:** Mayor Whittlesey called the meeting to order at 6:00 p.m.
   - City Manager Andrew Hosmer announced the meeting criteria for attendees.

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

Mayor Whittlesey announced that the order of business would be adjusted so that the Urban Land Institute could give their presentation to allow them to get home. This will take place before the Public Hearing items.

3. **BOARDS AND COMMITTEE REPORTS:**

LEAC: Clifton Below (Ward 3)
Mr. Below updated the Council on the following:
- A written report was given to the Council by Chair Bromberg.
- Community Power Coalition updates on elections, electrical rate changes/savings
- Legislation bills they supported
- Net metering for homes legalities/legislation explained to Councilor Key at her request

DEI (Diversity/Equity/Inclusion): Assistant Mayor Wilkie
Assistant Mayor Wilkie noted that their report has been submitted by the chair to the Council.

ARTS AND CULTURE COMMISSION: Assistant Mayor Wilkie
Assistant Mayor Wilkie updated the Council on the following:
- Artwork map
- Sidewalk poetry contest
- Participation in Tunnel Mural event at end of June
- Discussed other opportunities for the Commission which included proposal for another tunnel mural and possible opportunities in City Hall.

CONSERVATION COMMISSION:
Report to Council was received late. A written report was given to Council by Councilor Faunce on July 16, 2026

HERITAGE COMMISSION: Chair N. Ford Burley
Chair N. Ford Burley updated the Council on the following:

- Issued two (2) Certificates of Approval
- Have now reviewed three (3) such projects this year
- Preliminary review of plans to be included in the Pattern Zoning Plan book
- Commission was part of July 4th Planning Committee
- Approved reallocation of funds from the Dana House to the Soldiers' Memorial to help with surveying that site to make it accessible
- They voted to nominate the Soldiers Memorial for the New Hampshire Preservation Alliance's Seven to Save Program.

This portion of the meeting concluded at approximately 6:07 PM.

4. PUBLIC FORUM: Mayor Whittlesey made the Public Forum announcement.

5. CITY MANAGER REPORT:
City Manager Hosmer updated the Council on the following:

- Mack Ave. work**:** A couple of weeks ago there was a DPW Inspection crew and two private vendors to 1) Put a scope into the sewer system and take a look at how the sewer pipe is functioning, and 2) Do a smoke test. He noted the sewer pipe on Mack Ave. is very clean and clear on both ends. It may not have the pitch as it is supposed to but there is very minimal standing water in that pipe. There were no cracks/fractures/no significant sags or blockage.

  The smoke test indicated that there was one potential private plumbing issue being looked into. Right now, we are working with a surveyor crew and Rod Finley plotting out the street. He will bring back a list of options that might be needed at some point in the near future. This due diligence will lead us in the direction as to whether we want to dig up the whole street and relay the line and repave the street or whether there is something that can be done which would be less expensive but still has the impact we want.
- Water Department problems: We lost two filters over the course of the weekend which put us in a precarious position. Kudos to the DPW Director Jay Cairelli who was able to bring in 20 people at various times between Friday and Sunday to get the problem fixed. He also thanked our friends in Hanover, NH who provided water to us through their new pump station. This should remind us about the need to continue the maintenance of the City's infrastructure.
- Airport PFAS investigation/remediation: The City is moving forward with a required PFAS site investigation at the Lebanon Airport. Historically, the use of fire fighting foam containing PFAS was mandated by the FAA, so as we were using that foam, it was unknowingly polluting the Airport's ground water. We were required to use that foam to meet Federal safety requirements. As a result of that historic Federally mandated use, the NHDES is now requiring the City to investigate PFAS contamination at the site. The FAA is working on a plan now to replace the Air Traffic Control Tower but before the tower can be replaced some site work is being done to determine if there is some PFAS that has to be remediated. An item will be placed on the August

19th Council agenda to schedule a PFAS Site Investigation Public Hearing. This will put us in a position to have a formal Public Hearing on September 6, 2026 that would allow us to proceed with consultant contracting and coordination with the NHDES and required site remediation steps. We do have funding reserves at the Airport that we can draw from to pay for this. We did put out an RFP and the lowest bid came in at +/- $105,000 to do **just the investigation** work. The City was given 120 days to complete the work, but we will be asking for an extension of time.

Deputy City Manager Brooks clarified that the Public Hearing will be held on August 19, 2026 rather than bringing it before the Council for the first time on August 19th and then holding the formal Public Hearing on September 6, 2026. All the information from the DES letter will be made available along with the bids that we have received.

Councilor McNamara questioned if it might be possible for the Feds and/or the State to chip in (on costs) since they required that PFAS foam be used. Deputy City Manager Brooks was uncertain.

6. OPEN COUNCIL DISCUSSION:

Councilor McNamara gave kudos to the incredible work the DPW team did over the weekend to get the water system back up and running again, noting that water treatment is critical and things can go south very quickly. He also spoke about how a plan was made a couple of years ago to have DHMC and the State fund the pump station.

7. OPEN TO PUBLIC: No One Came Forth

8. RECOGNITIONS: NONE

9. ACCEPTANCE OF MINUTES:

July 1, 2026 (Regular Meeting)

Amendments:

- Page 10 line 36 – Change name to John Parrelli
- Page 12 line 32 and line 36 – Change name to Chuck Ferrara.
- Page 13 line 10 – Change name to Chris Hanvy
- Page 14 line 31 - Change name to Don Muck
- Page 15 line 1 – Change name to Nursultan Kalybek
- Page 19, line 16 - ADD at end of line after Agreement: The consensus of the Council was that the City would remain the administrator of any grants.

Councilor N. Ford Burley MOVED to approve the July 1, 2026 minutes as amended and presented in the July 15, 2026 City Council agenda packet.
Seconded by Councilor Appleton.

****The Vote on the Motion was approved (7-0-1). Councilor McNamara abstained because he was not present at the July 1, 2026 meeting. Councilor Faunce was not present at the time this vote was taken.***

10. APPOINTMENTS:

- Planning Board, Jacqueline Gesek (Regular Member)

City Manager Hosmer MOVED to Nominate Jacqueline Gesek as a Resident Member to the Planning

***Board.* TERM: 07/15/2026 to 07/15/2029**
****The Vote on the NOMINATION was approved (8-0). Councilor Faunce was not present at the time this vote was taken.***

- Strategic Plan Task Force, George Blike (Regular Member)

***Councilors Key/Appleton MOVED to Nominate George Blike as a Regular Member of the Strategic Plan Task Force.* TERM: TBD**
****The Vote on the NOMINATION was approved (7-1). Councilor Cole apposed. Councilor Faunce was not present at the time this vote was taken.***

- Strategic Plan Task Force, Francis Casale (Alternate Member)

***Mayor Whittlesey MOVED to Nominate Francis Casale as an Alternate Member of the Strategic Plan Task Force.* TERM: TBD**
****The Vote on the NOMINATION was approved (8-0). Councilor Faunce was not present at the time this vote was taken.***

*** The following Item below was taken out of order from what was presented in the Council Agenda Packet. All other items will be discussed as presented in the agenda packet.**

13. NEW BUSINESS:

A. Housing Chapter of the Master Plan
Review and Discussion of the draft Housing Chapter of the Master Plan
Report by the Housing Task Force with analysis by Urban Land Institute

Included in the agenda packet: ***(All supportive documents and information can be found on page 59, Council agenda packet. Minutes do not include screenshots, maps, graphs, or images.)***

Not Included, but Available:

1. June 17, 2026 City Council Agenda Packet, including draft Housing Chapter of the Lebanon Master Plan entitled "Living in Lebanon 2035, A Housing Chapter for the City of Lebanon Master Plan"

Members of the Urban Land Institute were present, along with the Planning and Development Department and members of the Housing Task Force to review/discuss the draft Housing Chapter and provide recommendations on how best to implement the actions and achieve the goals of the Housing Chapter based on their two-day TAP workshops. While their 66 page in-depth presentation and report was not included in the Council agenda packet, their video and can be viewed on the City's Website for this meeting (July 15, 2026). Note: This presentation was to give a preliminary glimpse of what the ULT's final report would include. **All panelists donated their time to participate on the TAP Workshops**.

BACKGROUND
On July 17, 2024, the City Council established a Lebanon Housing Task Force with a stated goal of producing a report on housing and, based on the findings of said report, recommending changes to (i) the Housing chapter of the City's 2012 Master Plan, and (ii) the Neighborhood and Housing functional area of the City of Lebanon Strategic Plan. The Housing Task Force was directed to complete the final report and recommended Master Plan and Strategic Plan changes no later than July 1, 2026.

In Spring 2025, the City was awarded a $100,000 Housing Opportunities Planning grant through the InvestNH program, which was used to engage Resilience Planning, a planning consulting firm, to assist the Housing Task Force with data collection and analysis and rewriting the Housing chapter of the Master Plan. The Housing Task Force recently held its last formal meeting and made final edits to the draft Housing chapter, which is enclosed for the Council's review.

In addition, in August 2025, Lebanon was selected to participate in a national Housing Supply Accelerator Challenge, an initiative of the American Planning Association and the National League of Cities designed to accelerate the implementation of proven and innovative housing strategies in communities across the country. Participation in the Accelerator Challenge makes the City eligible for additional technical assistance.

Summarization of Council/Staff Comments:
Mayor Whittlesey noted this work fits in nicely with the work we have been going through this year to understand our history in context. We will very rapidly take this work, as well as the work we have done, and start looking at what do we want to see developed in the City and where do we want to see it.

In response to Councilor Key's question about how we communicate what a return on investment would look like (i.e., overcoming the hurdle of increasing property taxes), different members of TAP Group gave her suggestions.

Councilor Stavis spoke about empowering the Planning Board and their limitations on authority. Giving our legislative framework in NH she was wondering how that could happen. Mr. Tim Cummings (TAP) felt that for this community there are ways to look at it. While using your police power through the PB regulatory process is limited that does not mean you, as a community, can't do proactive engagement to help the community understand your norms, your culture, your values and, if you develop strategic partnerships (i.e., other municipalities, businesses, etc.) you are leveraging them so you can align your goals and gave examples.

ACTION: ***No action required at this time. This item was for informational purposes only***

The Council resumed their regularly scheduled agenda items as listed below.

11. PUBLIC HEARING ITEMS:

A. Barrows Street Housing Development Project
Supplemental Appropriation of up to $2,050,000 for a new Barrows Street Housing Development Project; Authorization for City Manager to Apply for Loans up to $1,700,000 to Supplement Existing Grant Funding from NHBEA for Construction and Disposition of the Barrows Street Housing Development Project; Designation of City Manager as Authorized Representative of the City – A public hearing for the purpose of receiving public input and taking action to appropriate up to $2,050,000 for expenditure in the Redevelopment Properties Revolving Fund for planning, design, permitting, subdivision, construction, sale, and disposition of a new Barrows Street Housing Development project; to authorize the City Manager to apply for loans up to $1,700,000 to supplement existing grant funding from the NH Department of Business and Economic Affairs (NHBEA) for construction and disposition of the Barrows Street Housing Development project; and to designate the City Manager as the authorized representative of the City. R-2026-7

Included in the agenda packet: ***(All supportive documents and information can be found on pages 39-49, Council agenda packet. Minutes do not include screenshots, graphs, or images.)***

1. Barrows Street Pattern Zone Subdivision, Draft Site Plan, prepared by Granite Engineering, Project #25-0103-1, dated June 12, 2026
2. Barrows Street Housing Unit Elevations, Floor Plans, and Rendering, prepared by Preferred Building Systems, Project #PB250716-PB250717, dated December 22, 2025

Councilor McNamara gave an overview of the background/history behind this request. He noted that as reported at our last discussion on Barrows Street we had a contractor who was interested in doing the entire project. It was decided that the house design provided, in the context of that proposal, was not optimal given the fact that we had a long discussion on who should be included in the potential buyer pool. The original intent to limit the buyer pool to City, School District and Land Housing employees was probably too narrow and there was interest from the Council to expand/change that pool to include current Lebanon residents. We proceeded on the assumption that we would be changing the potential buyer pool and looked at the design and pricing, which is now approaching +/- $400K/unit. He further described the differences between the previously proposed housing design and the proposed housing design now, noting the design prepared by PBS (Preferred Building Systems) from Claremont, NH who wanted to modify the design to exactly the same dimensions as the previous design the Council had been looking at. The design included the cost for the homes only, was more than the original pricing, and it did not include the site work. We went out to bid on the site work and when we received the bids on June 30, 2026, the lowest bidder for the site work was more than the amount that was carried by the previous bidder for the site workt. We are now at a project that is, if we are lucky, just shy of $400K per unit.

Councilor McNamara also felt that the cost as discussed at previous Council's meetings is still appropriate and explained his reasoning, noting this would be a construction loan. We can utilize the funds that have already been received through our State Grant and current Housing fund to make up the difference. What we are not at yet is the exact price but feel comfortable moving forward with at least talking to lenders to get prices on the cost of a construction loan (interest rates, etc.). He also spoke about his previous discussions with Councilors Cole and Key regarding how this can be done, moving forward, with potential buyers (i.e., opening up the pool to current Lebanon residents; requiring a non-refundable deposit; and, having a pre-approved financing). He also suggested having a series of Open Houses that PBS would sponsor so they could show prospective buyers how the buildings would be manufactured (i.e., show prospective buyers housing plans; views, interior design options, etc.).

The goal would be to try and get started this fall with the site work and to have the houses ready for occupancy by the end of the year or shortly after.

Deputy City Manager Brooks reiterated that there are no property tax dollars involved in this project. The City has +/- $600K in grants that have already been received. The rest of the funds would be borrowed and paid back as these units are sold. Councilor McNamara also added that this is land that has not generated any property taxes since the 1940's and the five (5) homes that we have here are likely to generate something on the order of +$40K/yr. in property taxes that the City is currently not receiving.

Councilor McNamara explained to Councilor Stavis what individual homeowner's costs would be for their common shared spaces on these lots and gave examples.

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 properties have redevelopment potential, and authorized the City Manager to pursue redevelopment of the properties, including two parcels 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. The City subsequently had survey work completed, including the boundary of the merged properties along with wetlands and topography.

In August 2024, the Lebanon Planning Board granted Site Plan 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 in preparation for further development.

On January 27, 2025, the Planning Board granted conditional approval for the project consisting 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. The application and development layout were in compliance with the adopted Cottage Development regulations set forth in Section 509 of the Zoning Ordinance.

In January 2024, the City received $440,000 from the State's InvestNH grant program managed through the NH Department of Business and Economic Affairs (NHBEA). 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."

On April 15, 2025, NHBEA notified the City that Lebanon's Housing Infrastructure Municipal (HIM) grant application through the Housing Champions program was recommended for approval. On June 25, 2025, the HIM grant award was finalized for 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.

During the summer of 2025, the City issued a Request for Proposals (RFP) for modular housing units. The City received three responses and ultimately selected Preferred Building Systems (PBS) of Claremont, NH, and worked with the modular builder to finalize the cottage unit plans. Later in the fall, the City issued RFPs for the remaining site work, and the sub-trades, including mechanical, electrical, and plumbing work, and finish carpentry, in order to develop more accurate cost estimates for each unit and for the overall project.

Based on the initial bid responses, the cost of each finished unit was estimated to be considerably higher than the project team was comfortable with. Subsequent efforts by the City to revise the project layout helped reduce the estimated finished costs to an amount comparable to other dwelling units currently available within the City.

In February 2026, Councilor McNamara and City staff provided an update on the status of the proposed Barrows Street Cottage Development Project. 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 modified the proposed development concept to utilize the recently adopted Pattern Zoning provisions instead of the Cottage Development provisions.

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. 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 target price.

Prior to the last project update in June, the City confirmed access to the Housing Infrastructure grant in the amount of $158,805 specifically for the Barrows Street project. In addition, the project team distributed an online survey to employees of the City, School District, and Lebanon Housing Authority to gauge the potential level of interest from local public employees. Based on the survey responses, the project team is comfortable that sufficient market demand exists if the City elects to move forward with initially making the project available to public employees before expanding availability to the general public, if needed.

At the end of the project discussion in June, the City Council scheduled this public hearing for a supplemental appropriation to move forward with construction and disposition of the proposed housing units, and to authorize the City Manager to apply for short-term construction loans that would be repaid following the sale and disposition of the housing units.

Summarized Clarifying Questions from Council:

In response to Mayor Whittlesey's question, Councilor McNamara noted they have assumed a very conservative interest rate in building their budget but could not recall what that rate is at the moment, noting these would be short-terms loans.

In response to Councilor Stavis' question regarding what if someone wants to pay cash for one of these houses (i.e., $550K), Councilor McNamara noted this has not been talked about, but the intention here is to provide affordable owner occupied housing.

Assistant Mayor Wilkie was curious at what point the decision was made to shift this focus from what he previously understood to be a focus on public employees. He also questioned if: 1) the suggested purchasing pool would be for any Lebanon residents, and 2) how would we ensure that somebody would not turn one of these homes around and rent/sell it for a profit. Councilor McNamara noted a determination has not been made yet as to who is eligible. This was a discussion that the Council had at one of our last meetings and was part of the discussion he would like to have tonight. With regard to Assistant Mayor Wilkie's 2nd question, additional language could be incorporated into the Deed(s) and an agreement(s) saying a person cannot flip this (property) within a certain period of time; you cannot rent this out; you cannot create a situation that is contrary to what we are doing, which is to provide people (with housing) who otherwise could not afford to purchase a home. He emphasized these units are not intended to be a money-making enterprise for anyone who purchases one of these.

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

- **Mr. Clifton Below (Ward-3)**: He spoke about his reasons for supporting this project and felt it should proceed. He suggested having this open to public employees for a certain amount of time and if this goal is not achieved, then opening the pool up to existing Lebanon residents.
- **Mr. Jay Simms (Ward-2)**: He concurred with Councilor McNamara that before a shovel goes into the ground a person must have: 1. Preapproved financing; 2. A significant non-refundable deposit (20%), and: 3. Bank financing. He was against offering these houses to just municipal/school employees. He also wanted to know what the true value of the land is. Councilor McNamara explained how these home/land values were calculated.

  Deputy City Manager Brooks added that the $2.050M represents $410K/unit for the five (5) units (gross appropriation amount for the project), noting that Councilor McNamara has already described the grants we have and the balance that we are trying to get permission to borrow to get to that $2.050M. Some of the grants are specific to this project and are based on reimbursement. One is for the infrastructure that will be built (i.e., roads, water/sewer, electricity, etc.) and we can apply to the State to get reimbursed up to $158K. The $440K that we have been using as seed money for the planning/design/permitting phases came through the InvestNH Program with no strings. Some of the money spent was general (i.e. preliminary site work, permitting) and those costs will be rolled into the purchase price of the house that is represented in that $395K or $405K or wherever we end up. Some of the other costs were specific to the Cottage Development concept, which is now not moving forward, noting that +/- $86K will not be recouped by the City. When these units are calculated at costs and the loan is repaid, and we have been reimbursed for the specific infrastructure, we expect to end up with +/- $350K of the $440K which can then be used for the next project.

- **Ms. Samantha Townsend (Ward-2)**: She spoke about her reasons why she felt concerned that these homes would be purchased/rented and then turned them over for a profit. Councilor McNamara spoke about explained his reasons why he felt this could be prevented.
- **Mr. Donald Collins (Ward-2)**: He questioned what would happen if a bank foreclosed on one of these properties: would the owners be free to sell this home for anything they wanted. Councilor McNamara noted they have not thought about potential foreclosure.
- **Ms. Joan Townsend (Ward-2)**: She questioned why Lebanon would not accept an offer (i.e., $550K) that is over the asking price and further explained her reservations.
- **Mr. Steve Cole (Ward-2)**: He was disappointed that the City is getting into the Real Estate business and agreed with Ms. Townsend's comments. He also noted that a $400K home is not an affordable home. He agreed that parameters need to be set in place and agreed with Jay that we should not move a rock until we have solid commitments.
- **Mr. Ben Swanson (Ward-2):** He spoke about his reasons why he felt the Council should open up the lottery pool to not just Lebanon residents but to everyone because someone else who lives outside the City of Lebanon might be just as valuable to the City (i.e., nurses, etc.) He also spoke about his reasons for increasing the cost of these homes a little and having the excess funds used for covering other improvements throughout the City.

- **Mr. Fran Casale (Ward-2)**: He questioned the motion at hand regarding having the City Manager to apply, negotiate a loan for this project and to execute the loan or it just to apply and execute the terms? Councilor McNamara hoped it would be to execute. Deputy City Manager Brooks agreed and explained his reasoning. He also questioned whether or not the City was in the real estate business and Councilor McNamara explained his reasons why this was not happening.

  Mr. Casale also spoke about his reasons why he wanted to make sure all vendors have been properly vetted and hold a performance bond (i.e., excavation workers to plumbers, electrical, finish carpenters, etc.). Councilor McNamara informed Mr. Casel about who would be doing all this work and whether or not they have been vetted. City Engineer Rod Finley also reiterated that this is a very simple site and described all the work that would be done by contractors and subcontractors, noting that having a Performance Bond could increase the purchase price of these units to +/-$3K to $9K/unit, depending on a person's creditworthiness.

  Deputy City Manager Brooks added that when we received the additional $440K Grant from InvestNH Program the Council created a Revolving Fund and those funds were put into this account to pay for the planning/design/permitting and execution of various projects. The Barrows Street project is just one of at least three (3) properties that the Council identified as having the potential for redevelopment and further described how the use of the Revolving Funds would be used.
- **Ms. Rebecca Kidder (Ward-2)**: She is an abutter to this project and spoke about her reasons why she felt her property needed a formal survey done. Councilor McNamara assured her this would be done if this project moves forward.
- **Ms. Lynne Goodwin (Ward-1)**: She spoke about her reasons why she felt the Council should stick to their original plan of creating more affordable housing and not looking to make money.
- **Ms. Heather Johnson** (Ward-2): She spoke about her reasons why she felt these houses should be opened up to current Lebanon residents and the need to have sale caps set on the property owners.
- **Mr. Paul Roberts (Ward-2)**: He asked what the original project intent was to build these homes, and Councilor McNamara responded that the two (2) intentions were: 1. Demonstrate that this project could be done using the new elements in the Zoning Ordinance and explained the history, and 2. Provide several homes for sale at an affordable price. Mr. Roberts agreed and wanted it stated for the records that he did not be believe the City of Lebanon should be in the real estate business and suggested the Council look into what he believed was called the Dillon Rule which was approved. Councilor McNamara was not aware of that previous discussion but noted the Council can always change their mind. Mayor Whittlesey spoke about the reasons why there are public elections every year with 2-year terms: It is to get fresh eyes if people so choose. Mr. Roberts noted, also for the record, that as a licensed Real Estate Broker in the State of NH, $400K is not affordable housing.

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

Summarization of Council/Staff Comments:

Councilor Key: She questioned what the median price of a home in Lebanon is today (assessed value of a home is $489K). She felt it was a wonderful idea to build these homes on a plot of land that has stayed dormant since the 1940's with no benefit to the citizens of Lebanon and spoke about her reasons why she felt the City should not cut any corners in getting this project done. She also noted it is outside the norm of Lebanon to not have a Performance Bond which ensures that the developers/contractors are going to complete the job as designed Councilor McNamara addressed her concern(s) noting that if there is a real concern among the Council that a Performance Bond is required for this project we can make this happen. Further discussions on a Performance Bond ensued between Councilors Key and McNamara took place.

Councilor Appleton: Fully supported this project. The project is very solid and made sense to her. In terms of whether or not this is something we should be getting into, she thought this had a relatively small risk that the City is taking in order to incur a public good, which is the role of government. In terms of the cost, she noted this is not an affordable housing project, this is a market rate project and the point of the demonstration here is to show that there can be market rate housing adding lower costs to the median cost of housing that we see right now for new construction. She further discussed her reasoning, noting that she would hate to see a deposit prevent people from being able to afford these houses when they would otherwise be affordable at this price on the market. Mayor Whittlesey clarified that the deposit would become part of the downpayment a person would make on these houses and further explained how the sale of a house/property works. Councilor McNamara also explained his reasons why and how this project would be fully transparent to any contractor who wants to see what the costs are on this project and gave examples.

Assistant Mayor Wilkie: He spoke about his reasons why he would like to see this project move forward but wanted to address some of the concerns/thoughts brought up tonight:

- The shift from employees to all Lebanon residents: He appreciated Mr. Below's suggestion that this could be a preliminary period for public employees before opening the project up to all resident of Lebanon and spoke about his reasons why he felt starting with Lebanon's public employees is fair, noting they are salaried employees paid by taxpayer dollars and have value in our community. When we open this to all Lebanon residents the benefit of this project goes to five (5) people. When we put the focus on public employees this will reduce the turnover (of staff) for us and will make housing affordable to a few of our workers. The original intention was to make this (project) serve a public good and, while having this shift serves a public good it reduces the public good if we are no longer focusing on people whose livelihoods are being paid for by the community and further discussed his reasoning.
- Non-refundable deposit: This (project) is not meant to be a profit-making opportunity, it is not meant to be a massive amount, it is meant to be an indication that someone is purchasing. He spoke about his reasons why he does not see a $20K deposit viable a non-refundable deposit.

Councilor Stavis: Was in full support of moving this project forward. One of the things that is deforming the real estate market these days is that homes are being bought as investments rather than homes. Can we legally prevent someone who purchases a property from renting that property in the future. City Manager Hosmer noted that City Attorney Decker was present if she wanted a legal answer but noted that a Deed Restriction defines what can/cannot be done on a piece of property. However, a Deed Restriction may not control the price of the property when there is a transaction in the future. Councilor McNamara could not think of anything more legal than having a Deed restriction with appropriate language and spoke about his reasoning. Mayor Whittlesey added that the Council can look into this as part of the crafting of the Purchase & Sale Agreement. As a solution to a Deed restriction to prevent someone from flipping (one of these homes) at a profit, he suggested that the City include a Right of First Refusal for the

1st five (5) years of the sale, and further defined his reasoning (i.e., a way to prevent a home from being flipped for a profit and give the City a hedge in case of foreclosure).

Councilor Key spoke about her reasons why she felt this project should be opened to renters who live in the City.

Councilor N. Ford Burley: Agreed with former Councilor Below's suggestion about starting with public employees first and his phased plan. She spoke about her reasons why she was against the idea of opening this up to just current Lebanon residents (i.e., no opportunity for someone who works in Lebanon but lives outside the City). The deposit should be something low/affordable, so people are not excluded because they do not happen to have the cash on hand.

Councilor Cole: He addressed the deposit first, noting that the City is putting taxpayer dollars at risk and we need to be sure that we have serious/qualified buyers; we need to have all these five (5) units sold before we even touch the ground and spoke about the differences of buying an existing house vs. something that has not been built yet. There is a risk involved for a person who is developing the property (in this case it would be the City). He felt that a $10K non-refundable deposit should go against the payment. He further spoke about his reasons why he felt the City should not be in the situation we are in, noting that being in the development business is not something the City should be doing, etc. He wanted to see the sale of these properties take place as soon as possible (with as little contingencies, restrictions) so the City can see some revenue. He did not want the City to keep track of whether or not someone was making a profit (on sale/rental of homes) and felt the pool of people who want to purchase a house would be lower if there is a right of first refusal. He also spoke about his reasons why he did not want to do anything until people went through the process (i.e., bank appraisal of properties, etc.). He also spoke about his concerns regarding not requiring a Performance Bond; his reasons why he could not support this project unless it was opened to all Lebanon residents: why the Motion (as it appears in the agenda packet) needs to be reworked; and, his reasons why the Council needs more hard costs on this project.

City Manager Hosmer spoke about a couple of takeaways from the Urban Land Institute noting they made it clear that if we own the land, we are partners and we can demand what we want to see happening on that land and gave examples. This is a policy decision, and every policy decision has a certain price tag associated with it. I don't think anyone up here believes that the $400K is truly affordable. The only way to make it truly affordable is to find other subsidies that drop that purchase price by 25% and he did not feel they existed right now. It is level of our/your commitment to this policy to make it as affordable as possible so we can continue to build that housing base that does drive revenue. He pointed out that one of the sub costs that the City will never get back is the cost of the Police force (i.e., the cost of the Police Academy) and further explained his reasoning (i.e., City loss of funds when someone goes through the Police Academy and is not able to afford to purchase/rent in Lebanon and then leaves the City). We are so at the mercy of a market that is completely out of control with the price of real estate, and we are doing as much as we can to get our essential public employees to live in the community, or at least live close by. We are not succeeding in this, and these five (5) units will not solve our problem. This is a problem that is creeping in on us slowly and steadily: none of our employees can afford to live in the City and continued to explain his reasoning. As a policy body in Lebanon, there are things that the City Council will need to come to grips with if it goes forward with this project. Five (5) to ten (10) years down the road it may be more expensive to get people to live here and felt it was this body's obligation to do something about it.

The Council continued discussions/debates regarding whether or not these units should stay open to public employees for a limited time or opened up the all residents of the City of Lebanon; reviewed the data from the number of responses the City received from public employees who express interested in potentially purchasing one of these units and who live inside/outside of Lebanon; potentially considering a hybrid (i.e., citizens of Lebanon/current residents and Employees of Lebanon); how is may become a speculative market if opened to all resident's of Lebanon (i.e., investment properties no matter what is put into the Deed); an ambulance driver who works for the City but lives in Keene, NH; how the State laws should be changed because not everyone can afford to live in the City they work in; the idea of desirability – no way the City will be saddled with these houses, they will still be completely desirable even if we limit the pool; sticking with the original pool and if we do not get the loan approvals/deposits for these five (5) properties then opening the pool up; the need to be careful about restricting the pool of demand; whether or not a person should be prequalified before entering the lottery for the purchase of these units; what the prequalifying process should be; having the City Manager be responsible for monitoring these properties (i.e., flipping for a profit; renting for a profit, etc.).

ACTION:
NOTE: After further discussion, the Council took the following Action:
MOTION Items #6 and #8 were modified from the original packet version).

Councilor N. Ford Burley MOVED the following resolution:

RESOLVED, by the Lebanon City Council, that funds in the amount of up to $2,050,000 (Two Million Fifty Thousand Dollars) be appropriated for expenditure in the Redevelopment Properties Revolving Fund for planning, design, permitting, subdivision, construction, sale, and disposition of a new Barrows Street Housing Development project on City-owned land located at Barrows Street, Lebanon, Tax Map 77, Lot 106, including any lots created through the subdivision of such property. Said appropriation shall be funded through existing grant proceeds in the Redevelopment Properties Revolving Fund and loan proceeds in an amount not to exceed $1,700,000.

WHEREAS, the Lebanon City Council, by action taken on February 7, 2024, in accordance with City Council Policy, CC-102, Real Property Transactions, determined that City-owned properties, including Tax Map 77, Lots 106 and 107 situated on Barrows Street, have redevelopment potential and are suitable for redevelopment as part of designated Redevelopment Areas; and further authorized the City Manager to pursue redevelopment of the parcels for the purpose of achieving the goals and objectives of the City, including those expressed in the City Council's April 2022 Resolution on Housing, as well as the 2012 Master Plan, and the 2024-2027 Strategic Plan; and

WHEREAS, the Lebanon City Council hereby determines that the development, construction, sale, and disposition of the Barrows Street Housing Development project, consisting of five (5) new housing units on a parcel of City-owned land, is desirable and in the public interest by virtue of (i) providing for the construction of new housing units that are affordable to local residents; (ii) generating new taxable value from a vacant parcel of land owned by the City for approximately 80 years; and (iii) demonstrating the potential value and benefit of using the Pattern Zoning provisions to construct infill housing units on properties already served by City roads and infrastructure.

NOW THEREFORE BE IT RESOLVED, by the Lebanon City Council, that:

1) The City Manager is hereby authorized on behalf of the City of Lebanon to file an application(s) for a loan(s) for up to $1,700,000 (One Million Seven Hundred Thousand Dollars) to supplement existing grant funding received from the NH Department of Business and Economic Affairs, for the planning, design, permitting, subdivision, construction, sale, and disposition of the Barrows Street Housing Development project;
2) If such loan(s) be made, the City agrees to repay the loan(s) as stipulated in the loan agreement(s);
3) The City Manager is hereby authorized to furnish such information and to take such other actions as may be necessary for the City to qualify for the loan(s);
4) The City Manager is hereby designated as the authorized representative of the City for the purpose of furnishing such information, data, and documents pertaining to the City for a loan(s) as may be required, and otherwise to act as the authorized representative of the City in connection with this application(s); and
5) Certified copies of this resolution shall be included as part of the application(s) submitted for such loan(s);
6) The City Manager is authorized to sell and convey the residential lots and dwelling units created as part of the Barrows Street Housing Development project in accordance with applicable City Charter provisions, City Council policies governing the disposition of municipal real property, and any other required Council approvals;
7) All proceeds received from the sale of residential lots and dwellings associated with the Barrows Street Housing Development shall be deposited into the Redevelopment Properties Revolving Fund and applied to eligible project costs, including repayment of any outstanding debt incurred for the project. Any remaining balance shall remain in the Redevelopment Properties Revolving Fund for future redevelopment activities in accordance with NH RSA 31:95-h and prior Council authorization.
8) Additional stipulations shall include that any and all contractors shall retain a performance bond in accordance with standard City practice; that any such purchase and sale agreement executed by the City Manager in accordance with this project shall require a non-refundable good faith deposit of $1,000 upon selection for purchase and a second non-refundable deposit of $9,000 shall be required at the determination of the City Manager and prior to the start on construction, both of which shall be applied to the final purchase price; and that candidates for these houses shall first be pre-qualified by a lending institution for the loan amount and be drawn from City Staff, SAU Staff and Lebanon Housing Authority Staff, and should there be insufficient candidates (no fewer than 10 applicants) within 30 days from announcement of the proposed lottery, then current city residents as of July 15, 2026 shall also be considered for any remaining properties.

This resolution shall be effective upon passage.

Seconded by Councilor Faunce.

Councilor Key spoke to the Motion noting she was probably going to vote not because she felt strongly that a good potential compromise would offend any City employees not able to be housed and living in Lebanon and any Lebanon residents. This should be open to them. There are other people really struggling within our City.

****The Vote on the Motion was approved (8-1). Councilor Key opposed.***

Assistant Mayor Wilkie Moved to extend the time of this meeting to 10:45 PM.
Seconded by Councilor McNamara.
****The Vote on MOTION was approved (9-0).***

Before moving on to the next session, Deputy City Manager Brooks requested that Item 13.C. : Discussion of Future Redevelopment Goals for City-Owned Properties at 14, 28, and 30 Main Street, West Lebanon be postponed until the Council's meeting on September 2, 2026.

Mayor Whittlesey noted that under New Business, Item 13. B- Presentation on Potential Housing Development Capacity Constraints **–Would Not Be Discussed**

B. Boys and Girls Clubs of Central and Northern NH
Community Development Block Grant (CDBG) Public Facilities Application for Boys and Girls Clubs of Central and Northern NH; Adoption of City of Lebanon Residential Anti-Displacement and Relocation Assistance Plan for Boys and Girls Clubs of Central and Northern NH - Public hearings for the purpose of receiving public input and taking action on a Community Development Block Grant (CDBG) application proposed by the City of Lebanon to the NH Community Development Finance Authority (CDFA).

Counties and communities can apply for CDBG grants up to $750,000 annually on a competitive basis for housing, public facilities, economic development, and for emergency activities that directly benefit low- and moderate-income persons. Up to $25,000 is available for planning grants. Public hearings are as follows:

1. A public hearing on a proposed CDBG application for up to $750,000 in CDBG Public Facilities funds to be sub-granted to Boys and Girls Club of Central and Northern New Hampshire (BGCCNNH); and to authorize the City Manager to sign, submit, and execute any documents which may be necessary to effectuate the CDBG Application and contract; and
2. A public hearing to adopt the City of Lebanon Anti-Displacement and Relocation Assistance Plan for Boys and Girls Club of Central and Northern New Hampshire (BGCCNNH).

Included in the agenda packet: ***(All supportive documents and information can be found on pages 50-58, Council agenda packet. Minutes do not include screenshots, maps, graphs, or images.)***

1. Project Description – Boys and Girls Clubs Upper Valley Childcare Center
2. City of Lebanon Residential Anti-Displacement and Relocation Assistance Plan for the Boys and Girls Clubs of Central and Northern New Hampshire
3. July 7, 2026 Certification of Public Notice Posting

Ms. Rebecca Owens (Planning Department Senior Planner) reviewed the request as listed above.

PROJECT DESCRIPTION (SUMMARY FROM 7/15/2026 COUNCIL PACKET)

The proposed project is the Boys & Girls Clubs Upper Valley Childcare Center, a new childcare facility to be constructed, owned, maintained, and operated by the Boys & Girls Clubs of Central and Northern New Hampshire at a Lebanon location on publicly owned land to be leased for the project, subject to final local approvals.

The project is anticipated to serve approximately 50 children from infancy through age five and create approximately 12 full-time early childhood education jobs. The facility would provide new licensed childcare capacity in Lebanon and would be designed to meet applicable childcare licensing, building, life safety, accessibility, site design, parking, circulation, utility, stormwater, and outdoor play area requirements.

The project responds to a documented and persistent shortage of childcare capacity in Lebanon and the Upper Valley, particularly for infants and toddlers. Childcare access has been identified locally, regionally, and statewide as a workforce participation issue, family affordability issue, economic development issue, and long-term community sustainability issue. Lack of available childcare affects families' ability to work, employers' ability to recruit and retain workers, and the region's broader economic vitality.

The project is structured as a partnership-based community development effort. The Boys & Girls Club would lead fundraising, construction, ownership, operations, staffing, licensing, and facility maintenance. The City's role includes public process coordination, grant alignment, permitting coordination, and consideration of a lease of public land for the project. The Grafton Regional Development Corporation is assisting with funding strategy, grant coordination, and regional childcare capacity-building efforts.

The proposed facility would provide substantial public benefit by expanding childcare access, supporting working families, strengthening workforce participation, creating early childhood education employment, leveraging outside federal, state, philanthropic, nonprofit, and regional funding sources, and establishing a long-term community asset in Lebanon without creating a City-owned or City-operated childcare center. CDBG Public Facilities funding is being sought as one component of the project's capital funding stack to help close the remaining funding gap and allow the project to proceed toward final design, permitting, construction, and eventual operation.

As part of the CDBG application process, Ms. Owens requested that Mayor Whittlesey read, verbatim, the following statement and that this statement be included in the minutes in its entirety.

Community Development Block Grant funds are available to municipalities for economic development, public facility, and housing rehabilitation projects and feasibility studies that primarily benefit low- and moderate-income persons. The purpose of the public hearings required for CDBG funding is to solicit the view of the citizens on community development; furnish the citizens with information concerning the amount of funds available and the range of community development activities which may be undertaken under the Community Development Act.

For each of the two funding rounds in 2026, there will be approximately $1.3 million dollars available for housing and $1.3 million for public facilities projects. Approximately $1.3 million will be available in the same funding year for economic development and $600,000 for planning grants. Economic development and planning grant applications are submitted on a rolling basis until the funds are used up. The City of Lebanon is eligible for up to $750,000 per year for housing applications, $750,000 for public facilities, and up to $500,000 per year for economic development projects. Planning grants are available for up to $25,000 per year for traditional planning grants and $100,000 for transformational planning grants.

CDFA has approximately $3.6 million in Recovery Housing Program (RHP) funds available on a rolling basis. The City of Lebanon is eligible to apply for up to $1,000,000.

A handout was made available that described the proposed project.

PUBLIC HEARING B.1 – Grant Submission CDBG
This is a Public Hearing for the submittal of a Community Development Block Grant (CDBG) application for up to $750,000 in CDBG Public Facilities funds to be sub-granted to the Boys and Girls Clubs of Central and Northern NH (BGCCNNH); and authorizes the City Manager to sign, submit, and execute any documents which may be necessary to effectuate the CDBG Application and contract, as described in the July 15, 2026 City Council Agenda Packet.

Mayor Whittlesey opened the Public Hearing at 10:03 PM. Hearing no further comments from the public, the Public Hearing was closed

Summarization of Council/Staff Discussions:
In response to Councilor Key's question, Ms. Owens informed her about the two (2) grant cycles: July 31 (later corrected to July 27) and the second round is in January.

Councilor Cole asked what the conditions the City will be held to in receiving the money if something went array and the Boy's and Girl's Club was not running in the same capacity that it proposed to be after we have received these funds: is the City responsible for paying these funds back. Ms. Owens explained the BGCCNH would have a Performance Lien and summarized the details of a Performance Lien. Mayor Whittlesey described the mechanisms/remedies for paying back the loan if a default took place and if the BGCCNH was unable to perform under the terms/conditions of the grant.

Mr. Jay Simms (Ward-2): He wanted to make sure the Council understands what the City's legal obligation is. We (the City) is the recipient of the grant and the Boy's/Girl's Club is the subrecipient. The City is responsible for making sure that the Boy's/Girl's Club enrolls 51% of the children enrolled are required to be low/moderate income. If there is only 50% the CDBG can come back to the City and demand payment of the full $750K. If it was anything other than a Child Care only facility (i.e. senior education) the Boy's/Girl's Club could get around this 51% (enrollment requirement). This requirement is for the life of the facility as long as it is a Child Care Facility. There is reporting for the first five (5) years but requires continued reporting for the life of the project. There are yearly reporting requirements and either the internal staff has to be the program and administrator, or we subcontract those duties over to a Certified Program Administrator, so we have to provide oversite every year.

Ms. Owens made one clarification noting that based on our discussions with CDFA, if you (City) are not meeting the online requirement (51%), it does not happen overnight that suddenly the money goes away. The City could make a plan and address it.

Councilor Cole assumed we would be gathering this information and will be monitoring this. Ms. Owens noted that as part of our subrecipient agreement with the Boy's/Girl's Club, that when we have our reporting cadence set, and once there is a contract and they are in operation, this is where the reporting requirements would be. Again, as per the subrecipient agreement, they may be required to share that information with us so that we can fulfill the reporting requirements and spoke about the other projects who have received these types of grants before.

Councilor Cole questioned what the administrative compensation would be to the City and questioned if there was predetermined amount of funds that is given to the administrator. Ms. Owens explained the reimbursements noting the time is tracked and the cap is set at $30K. The $30,000 covered for grant admin costs is mostly for the first 18 months of the project, before it is completed; that can be 10-25% of administrator time depending on the week but after that there is little grant admin over 5 years total beyond semi-annual reports and close-out report, and it's not continuous. The main variable is if HUD audits."

City Manager Hosmer informed the Council that he knows of one person in the State of New Hampshire whose job it is to oversee CDBG grant administration. This person is hired by some municipalities to monitor their whole grant program. The City of Lebanon has not hired someone to oversee this grant and for right now, administering this grant will be assumed by the City.

Councilor Cole asked if this would cost the City/taxpayers money and, if so how, how much. City Manager Hosmer stated yes, noting that anytime we dedicate any portion of an hour of staff time to a grant/project, we are putting tax dollars into this. It is difficult to gage just how much, but it does take some staff time.

Mayor Whittlesey noted (unrelated to the above) that HUD defines low/moderate housing costs at 80% of an area median income. For Lebanon, NH it is +/-$98,147. To the point of meeting the requirements (CDBG grant), Lebanon's median income is so high he felt the City would not have to struggle to fill the 51% requirement of slots.

Councilor Cole questioned whether or not 50% of the slots would be Lebanon slots.

Councilor Key thought this was the whole point: that we were going to help families in Lebanon.

Mayor Whittlesey stated this is going to be hard to say until the actual applications are received and further explained his reasoning, noting there is a significant pent up demand for childcare for people who either live or work here.

In response to Councilor Stavis' question regarding the selection/enrollment process, Mr. Chris Emond (Boys and Girls Clubs) stated it depends on the site, noting that the Boys and Girls Clubs and the Lebanon's School District (#SAU 88) have certain parameters. If we had a scenario where we had set up a criteria, and if our employees at the Daycare Center (and SAU) had kids, they would be first in-line, then the remaining slots would go to Lebanon residents and the LMI. If that goal (51%) was not achieved we would go outside of Lebanon. We (Boys and Girls Clubs) have lots of experience with block grants and if they do not get the $750K in grant funds, they (Boys and Girls Clubs) would not be able to go through with the project.

Councilor Faunce first spoke about his strong support for childcare service for residents of limited means. He supported this project moving forward. After reading what the purpose of this project is for block grant funding and in looking at the language in its broadest form, he was reminded about how this project has been talked about but has not found any mention of the Childcare Project without it being linked to the Seminary School location: this includes the March ballot. He was concerned that Lebanon's support for childcare, with only the Seminary Hill, might be conflated as endorsing the location rather than understand the locations use and the significant trade offs that that entails. He questioned what public forums did the discussions take place regarding the best community use of the Seminary Hill property ahead of the decision to advance a proposal to offer childcare there.

City Manager Hosmer noted that while Councilor Faunce deserves an answer to his question, it has now become a moot point in the just the last couple of hours.

Mayor Whittlesey noted we could go into this further now or just focus on the grant application. Councilor McNamara wanted to focus on the Grant Application if in the last couple of hours that site (Seminary Hill) has become not viable.

Mayor Whittlesey noted that we can focus on this discussion instead of Item D. under New Business.

Assistant Mayor Wilkie noted this is not a Public Hearing on the location of the project. There has not been an approval of that location. This is a Public Hearing on the CDBG application. There is a separate conversation that needs to be had by the Council about whatever the location may be chosen. Councilor Faunce was happy to hear the news and was ready to move forward.

Councilor Stavis wanted to echo what Councilor Faunce said and was totally on board moving forward with the grant application. She, too, had serious misgivings about the Seminary Hill (#SAU88) location.

Mayor Whittlesey noted these are critical funds needed to support a Childcare Facility that the City desperately needs to have.

ACTION:
Councilor Key MOVED, that the Lebanon City Council hereby approves the submittal of a Community Development Block Grant (CDBG) application for up to $750,000 in CDBG Public Facilities funds to be sub-granted to the Boys and Girls Clubs of Central and Northern NH (BGCCNNH); and authorizes the City Manager to sign, submit, and execute any documents which may be necessary to effectuate the CDBG Application and contract, as described in the July 15, 2026 City Council Agenda Packet.
Seconded by Councilor McNamara.

****The Vote on the MOTION was approved (8-1). Councilor Cole opposed.***

PUBLIC HEARING B.2 – Anti Displacement and Relocation Assistance Plan
This is a Public Hearing to adopt the City of Lebanon Residential Anti-Displacement and Relocation Assistance Plan for the Boys and Girls Clubs of Central and Northern NH (BGCCNNH).

Ms. Owens (Planning Department Senior Planner) noted that if any displacement takes place as a result of the project, the Federal Uniform Relocation Act must be followed, which requires that any displaced household or business in a project using any Federal Fund must be found in a comparable neighborhood and at a comparable price. Under the Certification section of the application, the City will Certify that the Residential Anti-Displacement and Relocation Assistance Plan is in place, and, in the event that it is discovered that this specific project does displace persons or household, and implementation plan must be submitted to New Hampshire CDFA prior to obligating or expending funds.

Mayor Whittlesey opened the Public Hearing at 10:29 PM. Hearing no comments from the public, the Public Hearing was closed at 10:29:32 PM.

ACTION:

Councilor McNamara MOVED, that the Lebanon City Council hereby adopts the City of Lebanon Residential Anti-Displacement and Relocation Assistance Plan for the Boys and Girls Clubs of Central and Northern NH (BGCCNNH), as presented in the July 15, 2026 City Council Agenda Packet. Seconded by Councilor N. Ford Burley.

****The Vote on the MOTION was approved (9-0).***

Mayor Whittlesey announced that later tonight (July 15, 2026) the MOU (Memorandum of Understanding) for Deconditioning was not approved by the School Board. Under the MOU, the Council had temporarily agreed to split decommissioning costs 50-50 with the School District subject to certain rights. (i.e. option to take over the facility once the Boy's/Girl's Club they were not going to run it anymore after 40-60 years). The School Board (SAU #88) voted 4-4 on adopting the Order Authorizing the execution of said lease so it FAILED. The SAU property is no longer an option (for a Childcare Facility). In full credit to the City Manager, he had a contingency plan that he and I discussed. We started preparing the Letter of Intent (sent to the Council) because there was ongoing concerns that the stipulations, even with what we agreed to with the School Board, were being altered, and we were both equally concerned that it was likely not going to be passed by the School Board, but we do want this (Childcare Facility) to move forward. The secondary site is 226 Mascoma Street, Lebanon, NH (City owns this property outright). The property was purchased some years ago and in doing a walkthrough of that property last year, it was deemed uninhabitable. Since there is really not a purpose or use for this building, this is what we would like to move forward on and will provide a Letter of Intent. We will also need to come up with a Lease Agreement, which will need to be brought back before the Council.

Councilor's Faunce, Stavis and Assistant Mayor Wilkie spoke about the need for the Council to have a discussion about the highest and best use for the Seminary Hill School property, regardless of the City's control over the building. Mayor Whittlesey suggested this conversation take place by the West Lebanon Revitalization Committee (WLRAC).

Senior Planner Rebecca Owens commented that perhaps the purpose of the Joint School Board/City Council meetings needs to be revisited.

Ms. Owens also explained that non-binding Letter of Intent from the City (re: 226 Mascoma St.) could be considered by the CDFA. Environmental reviews simultaneously needs to be completed for the Federal Grantors to be satisfied. Mayor Whittlesey noted this would fall under the City Manager's preview.

City Manager Hosmer requested an informal Straw Poll from the Council to take the next steps to open up negotiations on the 226 Mascoma Street location so it could be utilized for a Childcare Facility. This would be built, owned and operated by the Boys and Girls Clubs. He will bring his findings back to the Council for their review and formal consideration. The Council agreed.

Mr. Emond (Boys and Girls Clubs) noted they had spent a lot of money getting Site Engineering and the Architects for the other property. He knows they will not be reimbursed for those costs, but whatever we do here we (Boys and Girls Clubs) have to have some insurance because his Board will not let him make that mistake twice.

Assistant Mayor Wilkie MOVED to extend the meeting by 5 minutes to 10:50 PM. Seconded by Mayor Whittlesey.

***The Vote on the MOTION was approved (9-0)**

12. OLD BUSINESS: NONE

13. NEW BUSINESS:

A. Housing Chapter of the Master Plan **ITEM MOVED TO AFTER ITEM 10. APPOINTMENTS**.

ACTION: ***No action required at this time. This item was for informational purposes only***

B. Presentation on Potential Housing Development Capacity Constraints – **NOT DISCUSSED** 14, 28, and 30 Main Street, West Lebanon

D. Discussion and Authorization for the City Manager to Execute a Donation and Right-of-Entry / Construction Agreement for Land at 6 Aldrich Avenue to Boys and Girls Clubs of Central and Northern New Hampshire **NOT DISCUSSED**

E. Release of Collected Public School Impact Fees (2nd Quarter 2026)

Included in the agenda packet: ***(All supportive documents and information can be found on pages 196-200, Council agenda packet). Minutes do not include screenshots, maps, graphs, or images.)***

1. Impact Fee Report as of 06/30/2026
2. November 22, 2021, Memorandum of Understanding between the City of Lebanon and The Lebanon School District, SAU#88

BACKGROUND

A Memorandum of Understanding (MOU) was developed in 2010 between the City and the School District for the quarterly transfer of collected Public School Impact Fees to the Lebanon School District for application toward the payment of debt on the (then) new Lebanon Middle School.

On October 12, 2021, the Planning Board authorized a broader use of Public School Impact Fees to include construction, renovation, improvement, or expansion of K-12 school buildings and related building systems, equipment, and furnishings. A revised MOU was developed and signed on November 22, 2021.

To date $1,150,461.42 in impact fees have been disbursed to the Lebanon School District.

7/17/2013	$83,690.78	11/6/2013	$14,651.99	5/21/2014	$19,407.00
8/6/2014	$2,122.75	2/18/2015	$723.00	5/20/2015	$2,819.00
7/15/2015	$1,627.50	11/4/2015	$936.00	3/2/2016	$3,156.00
5/18/2016	$864.00	5/17/2017	$5,230.00	12/6/2017	$6,140.75
2/7/2018	$41,262.70	9/5/2018	$12,564.45	2/6/2019	$1,833.10
8/7/2019	$8,822.20	4/15/2020	$40,432.02	7/15/2020	$123,709.65
12/2/2020	$57,567.42	1/21/2021	$102,409.40	8/4/2021	$12,695.86
1/19/2022	$9,035.45	4/20/2022	$3,216.15	10/19/2022	$261,738.35
2/1/2023	$2,185.00	4/19/2023	$3,824.44	9/6/2023	$3,142.57
11/15/2023	$9,740.60	2/27/2024	$6,341.26	5/15/2024	$11,899.60
9/4/2024	$140,359.34	1/22/2025	$46,642.06	4/16/2025	$25,345.80
7/16/2025	$13,994.41	10/15/2025	$21,646.65	1/21/2026	$7,057.04
4/15/2026	$41,627.13				

This request was for the City Council to authorize the disbursement of $31,204.48 in collected Public School Impact Fees (through 06/30/2026) to the Lebanon School District.

Council/Staff Discussions: NONE

ACTION:
Assistant Mayor Wilke MOVED, that in accordance with Section 213.10 (Administration of Impact Fees) of the Lebanon Zoning Ordinance, and the November 22, 2021 Memorandum of Understanding between the City of Lebanon and the Lebanon School District, SAU 88, the City Council hereby authorizes the disbursement of $31,204.48 in collected Public School Impact Fees to the Lebanon School District to be applied toward the construction, renovation, improvement or expansion of K-12 school buildings and related building systems, equipment, and furnishings.
Seconded by Councilor McNamara.

****The Vote on the MOTION was approved (9-0).***

14. NON-PUBLIC SESSION: NONE

15. ADJOURNMENT:
Councilor N. Ford Burley MOVED for adjournment.
Seconded by Councilor Faunce.

****The Vote on the MOTION was unanimously approved (9-0)***

The meeting was adjourned at 10:51 PM.

Respectfully submitted,
Dona E. Gibson
Recording Secretary