FINAL

LEBANON CITY COUNCIL
MEETING MINUTES
Wednesday, August 19, 2026, 6:00 p.m.
Council Chambers
Remote Via Microsoft Teams: LebanonNH.gov/Live

MEMBERS PRESENT: Mayor Douglas Whittlesey, Assistant Mayor Devin Wilkie, Kellen 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, City Clerk/Tax Collector Jaseya Ewing, Deputy City Clerk Jay Bish, Deputy Director Planning and Development Tim Corwin, Deputy Assessor Kimberlee Burkhamer, Library Director Sean Fleming, Airport Director Carl Gross, Senior Planner Rebecca Owens, Finance Director Alesia Williams, Deputy Finance Director Victoria Paquin

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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.

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

4. **CITY MANAGER REPORT:**

City Manager Hosmer updated the Council on the following:

- The pedestrian tunnel is now open.
- Dry Bridge Construction: Presently one lane has been closed. The Dry Bridge will be closing at 7:00am on Monday, September 14, 2026 and will remain closed for 365 days. If people have questions/concerns/ideas to improve on what the City is doing, he encouraged them to reach out to the Lebanon City Manager's Office.
- The 2024 City Audit took longer than anticipated and the Finance Department has made some changes. We are currently scheduled to have the audit completed by the end of September 2026. On Schedule.
- Municipal Solid Waste Facility Financial Assurances: As mandated by the State of NH, the City has been allocating funds (to the City's Trust Funds) every time solid waste items come through to make sure we are saving and creating reserves for not only the capping of Phase II (of III) but also for the long-term monitoring. What we learned within the past few months is that the funds set aside (+/- $12M of the anticipated $15M to do the capping and monitoring) the State DES (Department of Environmental Services) informed us that these funds were actually their money even though it was part of the City's Trust. We have a different opinion on this and have put a team together to prepare a Type 2 Permit Modification Application requesting that in order to meet our financial assurance obligations we are looking for an exception. City representatives have started meetings to prepare this appeal application, and it should be finished, hopefully by the end of September or early October. This will allow us to have access, as needed, to the funds we have set aside. He will keep the Council posted.

City Manager Hosmer explained the justification from the State as to why they view it as theirs, noting that the City had to create a reserve in case it decided it was not going to fulfill its obligations to cap and monitor (Phase II) the landfill. This law was written and put in place because there was broad concern that a private entity managing a landfill (in the State) could go bankrupt or just cease operations so there had to be some financial assurance that if a company did do this there would be money available for the State to cap and to monitor a landfill.

Mayor Whittlesey noted that if they (NH DES) claim the money is theirs, then the costs associated with capping the project should be theirs. We, rightfully, view these funds as ours and it is prudent financial management to manage these costs in the future, but if that money is not made available to us, he did not see how we would be doing the work that these funds have been set aside for.

- There is a new compactor at the landfill, and the old compactor has been sold.
- Airport rent increases: There was some pushback from people because the rents did go up considerably and resulted in one long-term tenant not renewing his lease going forward.

5. OPEN COUNCIL DISCUSSION:

In response to Councilor Key's question regarding updates on the Barrow Street Housing Project, City Manager Hosmer explained that we have had interest in the Construction Loans and have had interest from two proposals from local banks as well as some interest from a non-banking entity that may have a construction proposal for us as well. He was unaware of anyone responding to or submitting a pre-approval for the (project) lottery.

Councilor McNamara added that he has been meeting with other groups where there may be some grant funds available that the City could take advantage of, which would lower the purchase price of individual units as well. No guarantee, but we are still trying to reduce that price point to something that is more affordable. He also added that they are finalizing budget numbers with the selected contractors and are waiting on the performance bonding.

6. OPEN TO PUBLIC: NO ONE CAME FORTH.

7. RECOGNITIONS: RESOLUTION IN HONOR OF ERNST OIDTMANN

WHEREAS, Ernst Oidtmann served as a dedicated member of the Conservation Commission for the City of Lebanon from March 2008 to June 2026 and served as Chair from 2019 until 2022; and

WHEREAS, Ernst has given freely of his time and energy to the conservation of our natural resources, in the field as well as the meeting setting; and

WHEREAS, Ernst's unwavering dedication to the responsibilities of the Conservation Commission has significantly impacted the shaping of the city's future, reflecting his deep sense of civic duty and genuine concern for the well-being of our current and future residents, natural resources and 1919conservation lands; and

WHEREAS, Mr. Oidtmann's ability to engage with the community, navigate intricate issues, and make informed decisions has set a standard of excellence within the Conservation Commission that will leave a lasting legacy; and

WHEREAS, Ernst Oidtmann consistently went above and beyond, contributing to the creation and implementation of policies that have positively affected the lives of the residents of Lebanon, New Hampshire. His selfless service, leadership, and commitment have been instrumental in the successful operation and achievements of the City of Lebanon's Conservation Commission.

NOW THEREFORE BE IT RESOLVED, that the Lebanon City Council, on behalf of the City of Lebanon, extends its sincere appreciation for the dedicated service of Ernst Oidtmann for his years of service as a member and Chair of the City of Lebanon's Conservation Commission.

Dated this 19th day of August 2026 at Lebanon, New Hampshire.

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Douglas Whittlesey, Mayor
On Behalf of the Lebanon City Council

8. ACCEPTANCE OF MINUTES: July 15, 2026 (Regular Meeting)
Amendments: Page 11, line 19: Delete the words "***entire projec***t" and change to "***site work***"; Page 19, line 26: Councilor Key was informed that the clarifying language she suggested could not be changed in the minutes because it was part of the MOTION already voted on by the Council, however, the intention of the interpretation was to make sure that any current city residents are "***housed and already living*** in ***Lebanon as of July 15, 2026 shall be considered for any remaining properties"***: Page 19, line 31; change "***not***" to "***no***." Page 7, line 35: remove the word "***the***" between new and pump; Line 37: Remove the words "***some of***"; line 41; ADD "***water***" after ground; line 44; replace "***was***" with "***is***"; Page 9, Lines 4 & 5: Change "***Resident***" to "***Regula***r"; Page 9 lines 10 & 11: Change "***Resident***" to "***Alternate***"; Page 17, line 16: Should read – "***He did not want…***"

Councilor McNamara MOVED to approve the July 15, 2026 minutes as amended and presented in the August 19, 2026 City Council agenda packet.
Seconded by Councilor Faunce.

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

9. APPOINTMENTS:

- Conservation Commission, Erling Heistad (Regular Member)

Mayor Whittlesey MOVED to Nominate Erling Heistad as a Regular Member to the Conservation Commission. **Term: 08/19/2026 to 08/19/2029**
****The Vote on the NOMINATION was approved (9-0).***

- Tree Advisory Board, Phillip Mulligan (Citizen Member)

Councilor N. Ford Burley MOVED to Nominate Phillip Mulligan as a Citizen Member to the Tree Advisory Board. **Term: 08/19/2026 to 08/19/2029**
****The Vote on the NOMINATION was approved (9-0).***

- Upper Valley Lake Sunapee Regional Planning Commission, Dan Nash (Reappointment as the Planning Board Representative)

Mayor Whittlesey on behalf of the Planning Board MOVED to Nominate Dan Nash for Reappointment as the Planning Board Representative to the Upper Valley Lake Sunapee Regional Planning Commission.

Term: 08/19/2026 to 08/19/2031
The Vote on the NOMINATION was approved (9-0).

- Welcoming Lebanon Task Force, Martha Tecca (Local Nonprofit Organization Representative)

Assistant Mayor Wilkie MOVED to Nominate Martha Tecca as the Local Nonprofit Organization Representative to the Welcoming Lebanon Task Force. **TERM: TBD**
The Vote on the NOMINATION was approved (8-0-1). Councilor Cole abstained.

10. PUBLIC HEARING ITEMS:

A. Reclassification of an Existing Class VI Highway (a Portion of Old Kings Highway) as a Class V Highway pursuant to NH RSA 231:22-a – Public hearing for the purpose of receiving public input and taking action to reclassify a portion of the Old Kings Highway right-of-way from a Class VI highway to a Class V highway pursuant to NH RSA 231:22-a; and Authorization for City Manager to accept an easement for turnaround for City vehicles.

Included in the agenda packet: (All publicly available documents and detailed information can be found on pages 44-60, Council agenda packet.)

1. Letter dated July 16, 2026, from Robert S. and Carolyn M. Townsend
2. Lebanon Planning Board Notice of Action for application PB2026-12-MIN, dated March 16, 2026.
3. Plat titled, "Proposed Subdivision for Robert S. & Carolyn M. Townsend Rev. Trust, Dated May 4, 2006," prepared by Cardigan Mountain Land Surveys, LLC, dated February 3, 2026, Project #: 25-4089,8292.
4. Plan titled, "Plan of Petitioned Road Reclassification – Old Kings Highway (at end of Storrs Hills Road)," prepared by Cardigan Mountain Land Surveys, LLC, dated March 31, 2026, and revised May 20, 2026.
5. Draft Easement Deed executed by Robert S. and Carolyn M. Townsend
6. NH RSA 231:22-a, Reclassifying a Class VI Highway, and NH RSA 231:133, Names; Changes; Signs

Mr. Tim Corwin ((Deputy Director of Planning and Development) reviewed and summarized the background information as presented in the Council agenda packet and as listed above.

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

ACTION:
Councilor McNamara MOVED, that the Lebanon City Council hereby reclassifies a +/-166-foot-long segment of Old Kings Highway from a Class VI highway to a Class V highway, pursuant to NH RSA 231:22-a, as shown on a plan titled, "Plan of Petitioned Road Reclassification – Old Kings Highway (at end of Storrs Hill Road)," prepared by Cardigan Mountain Land Surveys, LLC, dated March 31, 2026, and revised May 20, 2026, as presented in the August 19, 2026 City Council Agenda Packet.

BE IT FURTHER MOVED, that the Lebanon City Council hereby authorizes the City Manager to execute and accept a proposed 50' x 50' easement to provide a turnaround for City vehicles over land of Robert and Carolyn Townsend, as depicted on the "Plan of Petitioned Road Reclassification" referenced above.

BE IT FURTHER MOVED, that the Lebanon City Council hereby changes the name of the

+/-166-foot-long segment to be reclassified as a Class V highway from Old Kings Highway to Storrs Hill Road, pursuant to NH RSA 231:133, I.
Seconded by Councilor Appleton.

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

B. Supplemental Appropriation of up to $104,500 for Airport PFAS Site Investigation Capital Project as Required by NHDES; Authorization to Transfer up to $104,500 from Airport Fund Balance – Public hearing for the purpose of receiving public input and taking action to appropriate up to $104,500 for expenditure in the Capital Improvements Fund for a new Airport PFAS Site Investigation Capital Project as required by NHDES; and to authorize the transfer of up to $104,500 from Airport Fund Balance to the Capital Improvements Fund to fund the supplemental appropriation. – R-2026-8

Included in the agenda packet: (All publicly available documents and detailed information can be found on pages 61-77, Council agenda packet.)

1. May 1, 2026 Letter from NHDES RE: Lebanon-Lebanon Airport, 58 Airport Road, NHDES Site #199406006, SITEEVALHW Project #44343
2. Excerpts from June 29, 2026 Airport PFAS Site Investigation Proposal from Sanborn Head
3. NH Env-Or-606 (excerpt of 606.01 - 606.04)

Deputy City Manager Brooks reviewed and summarized the background information as presented in the Council agenda packet and as listed above. He noted that some of the groundwater testing done by the Airport and submitted to the NH DES turned up PFAS at concentrations higher than allowed ground water standards. NH DES notified the City that it must complete a Site Investigation pursuant to NH Administrative Code, which is outlined in the agenda packet. We have a limited amount of time per that Administrative Code to complete this work. It was his understanding from Airport Director Carl Gross that we should be able to get an extension of time. He emphasized that we do not know what the study will turn up, and we do not know what NH DES is going to say about it just yet.

Mayor Whittlesey noted again that the City is being mandated to get this study done by the NH DES.

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

Council/Staff Comments/Discussions (Summarized):
Councilor Key questioned if the work required went out to bid and Airport Director Gross noted they reached out to the NH DOT/Aviation Department for contractor recommendations they have used for this type of study. Three names were provided and we provided a copy of the FAA Investigation and results and requested that the consultants perform a study pursuant to the RSA. We received three (3) bids.

Councilor McNamara spoke about his concerns regarding the off-site drinking water wells for residents who abut the Airport and requested that the City put together a list of contractors that individuals could use if they wanted their wells tested. Director Gross will provide this list to the City Manager so it can be posted to the City's Website.

ACTION:

***Assistant Mayor Wilkie MOVED the following Resolution*:**

RESOLVED, by the Lebanon City Council, that funds, in the amount of up to $104,500 (One Hundred Four Thousand Five Hundred Dollars), be appropriated for expenditure from the Capital Improvements Fund for a New Airport PFAS Site Investigation capital project.

BE IT FURTHER RESOLVED, by the Lebanon City Council, that funds in an amount not to exceed $104,500 be transferred from the Airport Unassigned Fund Balance to the Airport PFAS Site Investigation capital project to fund the supplemental appropriation.

This resolution shall be effective upon passage.
Seconded by Councilor N. Ford Burley.

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

11. OLD BUSINESS
A. Proposed Amendments to the Lebanon Zoning Ordinance

Included in the agenda packet: (All publicly available documents and detailed information can be found on pages 78, Council agenda packet.)

On June 17, 2026, the City Council initiated the review process for proposed amendments to Section 205 and Section 604 of the Lebanon Zoning Ordinance to facilitate the potential development of a childcare facility by the Boys and Girls Clubs of Central and Northern New Hampshire (BGC) on City and School District properties near the former Seminary Hill School in West Lebanon. At the time, the Council tentatively scheduled a public hearing on the proposed amendments for August 19th.

However, on July 15, 2026, the Lebanon School Board failed to approve preliminary decisions necessary for the Boys and Girls Clubs' proposed childcare facility to proceed on the School District property. As a result, the proposed project will not move forward at the Seminary Hill location, and the proposed zoning amendments intended to facilitate the development are no longer necessary.

This memorandum is intended to close out the zoning amendment review process.

ACTION: ***This agenda item is for informational purposes only. No further action is required by the Council***

B. Appointment of 2026 Chair and Vice-Chair for Finance Advisory Committee

Included in Council agenda packet:
1. FAC Member Roster

On June 17, 2026, the City Council approved Ordinance #2026-07 to amend City Code Chapter 31, Boards, Committees, and Commissions, to update Article XVIII, related to the Finance Advisory Committee (FAC).

According to §31-63.C, the City Council shall annually appoint a Chairperson and a Vice-Chairperson from the members of the Committee to serve for the upcoming calendar year.

ACTION:
Mayor Whittlesey ***MOVED, that Jay Simms be appointed as Chair of the Finance Advisory Committee for the remainder of calendar year 2026.***

BE IT FURTHER MOVED, that Robert Moses be appointed as Vice-Chair of the Finance Advisory Committee for the remainder of calendar year 2026.
Seconded by Councilor Key.

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

12. NEW BUSINESS

Mayor Whittlesey announced he was going to swap Items 12.G and 12.F in the agenda packet because item G for the Kilton Library HVAC System is just to set a Public Hearing and he thought there would be a more robust discussion around the City and Boys/Girls Club potential Lease Agreement. All other items will in the order as presented in the agenda packet.

A. Review and Discussion of Elderly Exemptions Program

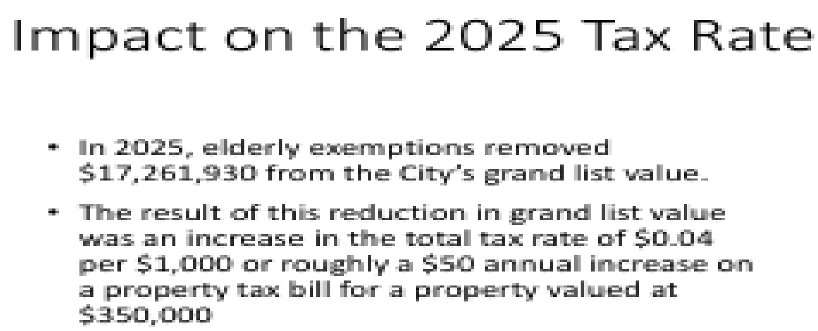
Included in the agenda packet: (All publicly available documents and detailed information can be found on pages 81-92, Council agenda packet.)
1. Review of the Elderly Exemption Program Presentation

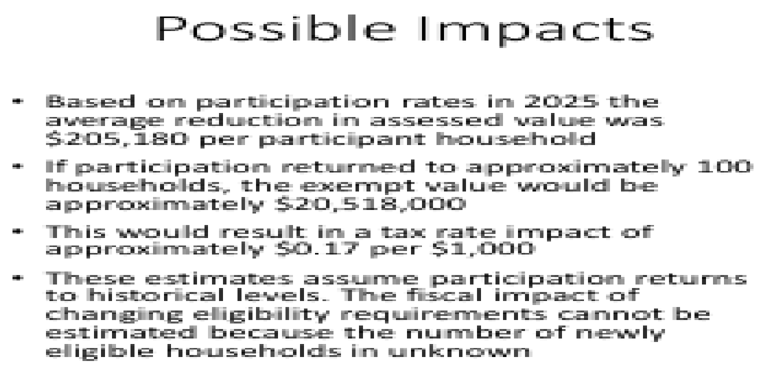
Deputy City Manager Brooks briefly reviewed the background information for the Elderly Exemptions Program as presented in the Council agenda packet before turning the conversation/presentation over to the Finance Department and Assessing Division.

Deputy Finance Director Victoria Paguin and Deputy Assessor Kimberlee Burkhamer were present and reviewed/explained their PowerPoint presentation, noting they would not be making any recommendations this evening. They just wanted to present the background information to the Council for their consideration on potential options.

The topics explained and covered in the presentation included: Review of the Elderly Exemption Program and its current Elderly Property Value Exemption amounts; Primary Issues previously identified by the Council; the number of elderly exemptions broken down by year and age groups; Tax Bill and Pre-exempt Valuation Amounts for 2025; the Impact on the 2025 Tax Rate; US Census Data broken down by housing types, age demographics and income/poverty levels; Social Security Income Fast Facts; Lebanon's Estimates based on Census Data; How to apply and what the process/requirements are for submitting an application and qualifying examples (for a Single person/Joint-married couple); Asset/income limits history and inflation comparisons for years 2005-2026; Income limitations and Exemption History Amounts; How Lebanon compares with other cities towns/municipalities in New Hampshire; possible Policy Option(s) for the Council to consider and the hypothetical possible impacts they may have for the City of Lebanon, NH.

Please Note the below:





Council/Staff Comments/Discussions (Summarized)
Councilor Key noted that assumptions cannot be made that 25% (of 50%) of Lebanon's population aged 65 years and older are living in their own home and renters should be included in this formula. She also questioned whether or not the State of New Hampshire would accept other novel ways in the way they look at elderly people so they could stay in their homes (i.e., a freeze on the value/revaluation of an elderly person's property value beginning at a certain age). Ms. Paquin added that one thing this presentation does not specifically address is the homeowner's opportunity to apply for a Tax Abatement if they are facing a hardship. They could apply for a Property Tax Deferral if they do not qualify for an Elderly Tax Exemption.

Councilor Stavis added that the change Councilor Key was speaking about would need a massive change in the NH State Law, since the portion of property taxes that goes to the state-wide education tax is derived, in part, from those (property) assessments and further explained her reasoning.

Councilor Appleton agreed with some aspects of what Councilor Key said and felt that the number of potential eligible applicants might be a bit of an underestimate. We are assuming that homeownership and owner occupancy is constant across all age demographics, which is not true because older folks are more likely to own their own homes. It looks like 35% of the net houses in Lebanon are occupied by people that are 65 years or older and thought this was an important note when looking at the potential impact of this. In terms of an action: Councilor Appleton was concerned about increasing the eligibility for this program and explained her reasoning noting that we want to make sure everyone in Lebanon has the same priority – to stay in their homes and live affordably. She did not want these costs to be inadvertently passed onto others.

Council McNamara noted the last increase in this program was done in 2022. He also felt that +/- $100K as an asset limit is ridiculously low given inflation and recommends increasing the asset limits and further explained his reasoning. He agreed that it would be a heavy lift at the State level to do what Councilor Key suggested. To be clear, Ms. Paquin noted the numbers in the presentation (Asset Limit History and Inflation Comparison Chart) were just generated as an example of what type of assets a person might have. There is no set structure as to what asset types are allowed in this program (i.e. car).

In response to Mayor Whittlesey's question regarding whether or not the Council had the ability to differentiate asset types (liquid vs assets) Ms. Burkhamer stated that nothing is an asset unless it is a sale from a business or from a Life Insurance Policy. Outside of these two things, assets are very generic according to the RSA and leaves these (assets) up to the municipality (to determine). Mayor Whittlesey requested a legal review regarding assets in the RSA to see what the City's options might be and whether or not we can exempt personal property (i.e., auto, coin collection, valuable antiques, jewelry, etc.). Ms. Burkhamer noted she can provide this information to Council for free.

Assistant Mayor Wilkie noted that Councilor Key brought up a good point and spoke about his reasons why he felt it is not an ideal metric because a person would have to draw down their liquid assets in order to meet the asset requirements. He agreed that the numbers calculations we see here are not necessarily accurate and was concerned whether or not the City's current limits should be higher/lower or whether they should stay where they are noting an increase in this program took place twenty-one years ago and have not been reviewed since that time. He did not feel that the asset limit should go from $100K to $190K but did feel it was worth increasing it more gradually and reviewing the Elderly Tax Exempt Program every 1-2 years.

Councilor Cole wanted to know the reasoning behind why this (program) could not be brought to the 2026 level, at the very least, and explained his reasoning. Assistant Mayor Wilkie explained that while he does not agree with a $100K asset limit, we do have people in these age brackets who are struggling to pay taxes, but they are not the only people who are struggling. We have heard from people of all ages that are having trouble paying for property tax increases and who are suffering. He would like to see an increase in the Elderly Tax Exemption Program but in a way that allows us to see and moderate that increase, noting that two years ago when there was a significant tax rate increase it caused a lot of upset within the City. We need to be responsible and careful so that we do not make decisions that could do that again.

Councilor Appleton concurred with Assistant Mayor Wilkie and thought we should avoid that affordability shock in the other demographics, knowing that the affordability crisis is very widespread.

Mayor Whittlesey noted that in looking at the various Veterans Tax Credit increases we actually saw a much higher turnout in application requests for exemptions than what we were expecting. It's that rule of unintended consequences that causes his hesitation.

Councilor Stavis also added this is not the only Tax Exemption that the City offers – there are many, noting it is awkward to increase one and not look at all the others. She also spoke about the State limits regarding what we could/could not exempt in RSA. We, in fact, tried to raise the floor of the exemption for the Elderly Tax Exemption substantially in this last legislative session and the State Senate killed it. However, since the RSA does not define assets, the City is wide open to do so.

Ms. Burkhamer read Administration Rule 413.04 for net assets, noting that it is the market value of all the assets (i.e., the coin collection, the antiques, gambling winnings, cash, etc.). These are included in the application and in good faith we expect people to give those assets and further explained the process and her reasoning noting that if you have something you can sell to support yourself, it is an asset.

Councilor Key requested the data showing how many people in Lebanon who are actually struggling to pay property taxes. Ms. Burkhamer noted that per the RSA she was not allowed to put together a list of elderly people. She also spoke about how, if an elderly person comes in and they do not qualify for the exemption, she either offers them a tax abatement or lets them know they can enroll in other programs that may help them. In response to Councilor Key's question regarding what other programs were available for the elderly to take advantage of, Ms. Burkhamer informed/explained to her the Hardship Tax Abatement and Elderly Tax Deferral Programs, noting she has received no applications for these programs to date.

Councilor Stavis reiterated that the State sets the tax rate not the municipality.

Councilor Cole noted that what he was hearing was the apprehension of bringing the numbers (for the Elderly Tax Exemption) to the 2026 numbers because we do not want to offend one group for the benefit of another. He had a hard time with this and stated that most of these elderly folks have lived here for many decades and did everything right. He wanted to bring the Council's attention to the fact that we go through pretty substantial efforts (i.e., the $700K Mechanic Street sidewalk) to make concessions for other demographics within the City and even outside the City. We do things for everybody, and he thought it was the right thing to do to bring these numbers up to 2026 standards/levels and further explained his reasoning. He was uncertain why (the Elderly asset limits) has not been done/updated since 2021 and would like to see the City Council update these numbers yearly based on inflation.

Councilor N. Ford Burley noted she was in favor of increasing the (elderly asset limits) but was hesitant to do the full amount because that would be a very massive shock to the taxes on other residents. While we would love to give every resource available to those (aged) 65+, this would be offset by the tax rate paid by other residents (i.e., people who are 62, 55 and people who are not necessarily in a difficult financial situation). She also took issue with the idea that once you hit 65 you don't use sidewalks anymore and explained her reasons why she felt that some folks (in other age groups) would feel unintentional financial pressure.

Assistant Mayor Wilkie agreed with Councilor N. Ford Burley noting that people over 65 are using sidewalks. He was not opposed to the (elderly asset limits) increase to $190K but this was something he did not want to recommend because he felt we (Council) need to be responsible for all Lebanon residents. We should keep in mind that we are not simply looking at everybody aged 65 or older, we are also looking at renters, noting that renters will not be eligible for this incentive because they will simply continue to pay rent, which will go up as a result of other abatements being offered. His personal preference would be something <$190K, noting the asset limits should probably be increased.

Councilor Faunce questioned how Lebanon arrived at the numbers in the table of different towns. He also questioned what these towns tax rates were, how they determined their property values, and how these compare to the tax rate of Lebanon. He would like to look at property values and effective tax rates for our associated peers in other communities.

The Council, Ms. Paquin and Ms. Burkhamer continued discussions regarding reasons why the Elderly Tax Exemption should be simplified (i.e., a tax cap based on a reasonable percentage of their income); how the City is always bound by the structure of the State's RSAs, which they leave up to individual town/municipalities to manage; what the State RSAs limits are on income and asset eligibility; reasons why a percentage of an elderly person's income could not be used by the City to qualify for this program; whether or not the Council should increase the asset limit; how addressing the income thresholds or exemption amounts do not need to be determined right now; how the program needs to be different than what it is now; whether or not the Council should change asset limits; and, planning a Public Hearing that offers a range of increased asset limit (low end/high end – suggested between $120K up to $190K).

City Manager Hosmer spoke about his concerns regarding: What the impact would be on our taxes; how are we going to pay for them, and how we might shift that obligation to others. We need to be careful about arbitrary numbers until we know the exact impact on others within the City. He advocated that the Council not shock the system right now with a wild, very high increase and felt the increase needed to be measured, structured, and then revisit this next year after we know what the potential impacts would be. This would give the Council and City time to analyze this in a pragmatic way that does not rapidly shift a tax obligation to those that are as equally vulnerable, just not at the senior citizen level.

The Council continued discussions regarding what types of data was needed for a Public Hearing; having data available to the Council well in advance of the April 15th deadline; how any action taken by the Council needs to be done by the end of this year (2026) in order to have the appropriate timeframe for people to know the information and to come in and fill out an application by the April 1st deadline; the need to add this to our other tax exemptions and get this on a regular cycle for its review by the Council every 1-2 years; the potential unexpected increase in applications for the Elderly Tax Exemption and how this would this be funded; whether or not the City would be able to afford an increase in the Elderly Tax Exemption (by increasing asset limits/income requirements); using a phased approach to increasing the funding for the Elderly Tax Exemption.

Mayor Whittlesey noted that no action will be taken tonight and spoke about the potential next steps before setting a Public Hearing:

- An analysis of the financial impact of the proposed determined ranges (between $145K up to $165K)
- Outreach to some of the regional communities asking them how they arrived at their numbers (tax rate)
- A MOTION needs to be prepared by the City's Administration
- Once all the information/data has been received, then a Public Hearing date can be set.

Deputy Finance Director Paquin informed the Council that there is nothing outside of this presentation that the Finance Department could provide to them that would support either increasing or decreasing the Elderly Tax Credit. There is no data source out there that allows them to have access to some of these asset limits. We only have this information after someone has completed an application and gave examples. When it comes to the budget itself, there is nothing additional that they can provide because they would not know the impact on the Grand List Value.

After further lengthy discussions regarding the Elderly Tax Exemption and setting a Public Hearing, the Council decided to take **NO ACTION** at this meeting. They are looking to have a Public Hearing at their first meeting in January 2027, after budget season, and after they have had a chance to look at more specific data. In the interim, City Staff will be preparing options/variables/data (as best as they can) which can be added to the Public Notice.

- **Mr. Donald Lacey (Ward 3**): He spoke about his reasons why he was encouraging the Council to increase the exemption amount.

ACTION: NONE TAKEN.

B. Discussion of Sewer Development Charge Abatement Request from Renee Costa for Lady Rich Express Carwash, 1 Martin Drive, West Lebanon

Included in the agenda packet: (All publicly available documents and detailed information can be found on pages 93-116, Council agenda packet.)

1. July 14, 2026 Email from Renee Costa, Lady Rich Express Carwash, requesting clarification and Council consideration of waiving sewer development charges, including sample invoice of catch basin cleaning
2. July 16, 2026 Email from City Engineer Brian Vincent summarizing history and status of sewer use permitting for the carwash property, including May 11, 2026 email to Ms. Costa and supporting documentation
3. City Code Chapter 136, Sewer Service, Article XV, Sewer Development Charge as adopted in December 2019 and in effect in 2023 when subject applications were received.

Ms. Renee Costa (owner of Lady Rich Express Carwash) and her attorney were present and reviewed and summarized the background information, as presented in the Council agenda packet for this topic. This carwash was constructed in the late 1980's and the first sewer connection was permitted/created in 1990.

Ms. Costa's attorney referred the Council to the Sewer Connection Notice dated November 20, 1990 and the Permit Request for a Commercial and Industrial Sewer Connection. Ms. Costa bought this property in 2023, with the existing improvements that had existed since the property was constructed. She then sought and obtained a building permit to renovate the existing carwash (i.e., replace the siding, equipment, and various mechanical upgrades). As part of that permitting process, his client was subjected to a Sewer Impact Fee, and he read § 136-121 Imposition of Sewer Development Charges noting that his client did not seek to enlarge the existing sewer services. There was already a sewer permit, and Ms. Costa did not seek to expand the number of (bay)connections; she did not seek to expand the size of the connections, and; did not seek to add additional facilities on the property. He spoke about the past and present Sewer Development Charges, noting that Ms. Costa was seeking an abatement of her Sewer Development Charges under § 136-124, which gives the City Council the authority to abate any sewer development charge assessed pursuant to this article. They did not believe a Sewer Development Charge should have been imposed when the Alteration Permit was sought in 2023 because there was not an enlargement of sewer-related activity on the property. There are no additional car bays on the property, and as part of the review process in 2023, there was some discussion and a review related to the sewer connection permit that makes reference to what the company was doing – Self Service Car Wash. Notably, in the Code, there is no definition of a Self Service Carwash.

At the request of City Manager Hosmer, Ms. Costa's attorney described and explained the layout of the Lady Rich Express Carwash property.

Council/Staff Comments/Discussions

Councilor McNamara recapitulated what was said noting that the number of buildings have not increased, the size of the building has not increased, and the number of bays have not increased. All that has happened from the 1990 approval to today is that the equipment has been replaced and they have cosmetically improved the looks of the buildings, but capacity has not increased.

The Council, Ms. Costa and her attorney, continued to discuss the language within the Ordinance itself; the infrastructure of the buildings when the original permit was granted in 1990 vs. today; the consumption of sewage throughout the year; the upgrade of the equipment used at the carwash (i.e., you replace your refrigerator or toilet in your home, which may be more efficient than the old ones); how what was bought still consists on the same footprint (i.e., same number of bays, same types of systems perhaps with better technology); and the containment catch basin systems, how it flows into the sewer lines, and it's cost.

Mayor Whittlesey read the definition of new source under § 136-B, and Ms. Costa's attorney noted that while the equipment has been replaced it still serves the same function as it had been before. It was a carwash with self-serve bays, had, and still has, an automated tunnel. If the broader interpretation were to be applied anytime there was some type of mechanical work done (i.e., to replace a filter, valve or component) you could say that was an alteration or replacement. He did not feel that was what was intended. The system that is presented here is still performing the same function and doing so the way it was before in the (same) location. Further discussions took place between Mayor Whittlesey and Ms. Costa's attorney regarding the Sewer Development charge as defined in § 136.

The Council continued discussions on the following: interpretational issues regarding the permit issued in 1990 for a self-service carwash use on the property but no additional sewer permits were found for a drive-thru carwash on the same site, and what was approved in 1990; what is a reasonable range of sewer usage discharge; and whether or not a sewer Development Charge is interchangeable with the term Impact Fee.

Mr. Brian Vincent (City Engineer) came forth and spoke about the Sewer Development Charge and what this charge goes toward. He noted the Sewer Development Charge is a one time fee and goes with the property to pay for capital infrastructure charges. It does not pay for usage on a daily basis. The more flow through the system, especially through the treatment plant, is added stress to the system. At some point, the features we have in place at the plant get overwhelmed by the flow they manage.

Councilor Cole questioned if the carwash was putting more sewage capacity into the Lebanon system now as a result of their upgrades vs. what was used 1990. In response to this question, Ms. Costa's attorney referred Councilor Cole to the original permit condition #6: If flow exceeds 5,000/gal. per day, or is an industrial waste, NO permit will be approved until application has been filed by the City……. Back in 1990 there was a 5K/gal limit per day that was applicable in order to get the permit. The calculations today are still below that threshold and the same infrastructure is still there.

The Council continued discussions regarding: Why is a Sewer Development fee being charged if the infrastructure remains the same as it was back in 1990; how this is about capacity and allocation of our water treatment system; the fees charged in 1990; what the purpose of the Sewer Development Charge is; whether or not the carwash is using more (sewage) capacity; whether or not the City's water records indicate what was used by the previous owner (back in 1990), and how DPW analyzes the usage, which only goes back to the last 5 years; what the facilities usage was, even though the facility was not being used that much during the past 5 years and DPW's water records only goes back to 2000; how Ms. Costa was never informed by the previous carwash owner or her consultant about a Sewer Development Fee before purchasing the property; how this property was never reviewed by the Planning Board and it was just issued a Building Permit; the Sewer Development Charge Acknowledgement and Payment Plan from the City dated June 27, 2024, and how DPW is bound by what the Code says; what the water consumption is today; and the difference between the Water Fee vs. the Sewer Fee.

City Manager Hosmer noted for the record that there were back funds owed to the City, and given the tight timetable for payment, Ms. Costa paid those promptly. He was uncertain how this would impact the Council's decision tonight, but said that for someone coming into the City, investing into a property, and bringing it back into productivity, is worth mentioning. Ms. Costa's efforts over the past few weeks have been exemplary as far as coming up with large sums of money in a tight timeframe. He suggested the Council look at a compromise (in funds owed) because of what she brings into the community so she can continue her business.

The Council discussed the total amount due from Ms. Costa, the total amount paid, the Sewer and water-related charges; their reasons (pros/cons) for issuing either a potential abatement or partial abatement; the reasons why a lien was issued on Ms. Costa's property and how this could be reversed; having the Council do everything in their power that is reasonable and fair to ensure that Ms. Costa is able to provide her services to the City, and; reasons why the City needs to better define enlargement and the costs included in the permit process.

Assistant Mayor Wilkie MOVED to extend the meeting to 10:45PM
Seconded by Mayor Whittlesey.
****The Vote on the MOTION was approved (9-0).***

The Council, the Finance Department, Ms. Costa and her attorney continued to have a lengthy debate on the financials for a potential abatement on the Lady Rich Express Carwash.

The Council took a short recess while Deputy City Manager Brooks prepared a Motion for the Council to vote on.

ACTION:
Councilor Stavis MOVED, that the Lebanon City Council, pursuant to City Code Section 136-124, Abatement of Sewer Development Charges, hereby abates the remaining balance due of $47,667.82, and associated interest charges, for the Lady Rich Carwash, LLC, for property at 1 Martin Drive, West Lebanon;

BE IT FURTHER MOVED that the Lebanon City Council hereby assesses a Sewer Development Charge of $24,000.00, to be paid within 24 months of the date of this decision, with the first payment due on October 1, 2026. This assessment shall not be subject to interest during the 24 month period, but shall be subject to lien, applicable interest and penalties if unpaid within the 24 month period.
Seconded by Councilor N. Ford Burley.

Councilor Cole spoke to the Motion noting that the City has some room for improvement on making people aware of these types of charges going forward.

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

C. City Council Review of Tax Deeding Waivers

Included in the agenda packet: (All publicly available documents and detailed information can be found on pages 117-167, Council agenda packet.)

1. Property Record Cards, Summary of Tax Payment Activity for the following properties:
    - 20 West Park Street
    - 10 Pumping Station Road
    - 330 Poverty Lane

- 695 Dartmouth College Highway, Unit #18
- 16 Michael Street
- 41 T Andrew Street

2. NH RSA 80:76, Real Estate Tax Liens

Jaseya Ewing (City Clerk/Tax Collector) reviewed and summarized the background information regarding Tax Deeding Waivers. She noted that 16 Michael Street taxes have been paid.

ACTION:
Mayor Whittlesey MOVED the following Resolution:

RESOLVED, that the Lebanon City Council, in compliance with the provisions of NH RSA 80:76, has reviewed the Tax Collector's compilation of outstanding tax liens for the 2023 tax year and hereby notifies the Tax Collector that the City will not accept tax deeds for the following properties because the property owners have active payment arrangements with the City and have consistently complied with their payment terms as noted on page 118, Council agenda packet:

NOTE: Property taxes on 16 Michel Street have been paid, and it has been removed from the list below.

Billed Owner/Location	Map/Lot	Type	2023 Lien	Total Due
20 West Park, LLC 20 West Park Street	91-232-0	Commercial	$38,360.51	$140,963.82
Griffin, Heather 10 Pumping Station Rd	93-117	Residence	$5,597.57	$18,995.38
Mason, Michael P. TTEE 330 Poverty Lane	188-1-0	Residence	$19,213.32	$65,023.21
Oliveira, Guy & Ann 695 Dartmouth College Hwy, 18	99-8-1800	Residence	$238.31	$2,692.62
Macadam, Daniel 41 T Andrew Street	90-42-4100	Residence	$1,539.50	$3,312.16

Seconded by Councilor Appleton.

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

D. Dog Licensing Civil Forfeiture Update

Included in the agenda packet: (All publicly available documents and detailed information can be found on pages 168-171, Council agenda packet.)

1. July 20, 2026, Memo from City Clerk Jaseya Ewing, re: Dog Licensing – Civil Forfeiture Notice – Returns
2. Excerpts of NH RSA 466

Jaseya Ewing (City Clerk/Tax Collector) gave an updated summarization regarding Dog Licensing Civil Forfeiture.

ACTION: ***This agenda item was for informational purposes only. No further action was required by the Council.***

E. Discussion RE: Council Housing Goals, Potential Zoning Amendments

This item was not discussed due to time constraints. It will be added to a future City Council meeting agenda.

G. Discussion and Set Public Hearing for September 2, 2026: Supplemental Appropriation of up to $94,000 for Replacement of Kilton Library HVAC System

NOTE: This item was taken out of order from the agenda packet and placed before Item F.

Included in the agenda packet: (All publicly available documents and detailed information can be found on page 190, Council agenda packet.)

Deputy City Manager Brooks gave a brief summarization of the background information regarding the need for a Supplemental Appropriation of up to $94,000 for Replacement of Kilton Library HVAC System.

Council/Staff Comments/Discussions
Mayor Whittlesey noted that this item is to set a Public Hearing and the Council will not be making a decision tonight.

In response to Councilor Key's question regarding what the responsibilities are of the company or an Architect who installed the system, since this has been a problem from the beginning. Councilor McNamara noted the HVAC Engineer who designed the system was a Lebanon resident and is now deceased, noting this was a one-man operation. His understanding about the system was that it was supposed to be state of the art at the time and further described the history of the present system.

Councilor Cole questioned whether or not it was the heating source that is the issue or is it the heating dispersal system, so if we just replace the boiler are we actually fixing the problem. Councilor McNamara informed the Council that at the Public Hearing there will be a presentation by the current HVAC Engineer regarding the solution to Kilton Library's HVAC System.

ACTION:
Councilor McNamara MOVED, that the Lebanon City Council hereby schedules a public hearing for Wednesday, September 2, 2026, beginning at 7:00pm in Council Chambers, City Hall, and Remote via the City's Virtual Platform, for the purpose of receiving public input and taking action on a supplemental appropriation of $94,000 to the FY2026 Library Operating Budget for the Kilton Library HVAC System Replacement project, to supplement existing operating budget funds with a transfer of $57,000 from the Library Facilities Capital Improvements Capital Reserve Fund, and a contribution of $37,000 from the Library Board of Trustees.
Seconded by Assistant Mayor Wilkie.

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

The following items were discussed by the Council in the order as presented below.

F. Discussion and Authorization for the City Manager to Execute a Ground Lease Agreement for Land at 226 Mascoma Street to the Boys and Girls Clubs of Central and Northern New Hampshire for a proposed childcare facility

Included in the agenda packet: (All publicly available documents and detailed information can be found on pages 174-189, Council agenda packet.)

1. Letter of Intent dated July 16, 2026
2. Draft Ground Lease Agreement between the City of Lebanon and The Boys and Girls Clubs of Central and Northern New Hampshire, Inc.

City Manager Hosmer reviewed and summarized the background information. The endeavor with the SAU to put a Childcare Center in the Seminary Hill School did not come to fruition. In looking at a backup plan, the City is now evaluating the City's property at 226 Mascoma Street for a proposed Childcare Center. He sent out a document to the Council from Fire Chief Wheatley noting that if this site was selected, the Fire Department would also like to use it as a fire training structure. Since the current structure will need to be demolished anyway, we now have an opportunity to control burn this structure, use it for training, and then demo what is left of the structure on the property and take it to the Solid Waste Facility, which would make the property ready for the site work to be completed by the Boys/Girls Club. He spoke about the funding received through Congresswoman Kuster's office; the funding received by the Boys/Girls Club from a CDBG grant; the tax credits for this project, and the +/-$4M that was raised by fundraising activities from the Boys/Girls for the development of a Childcare Facility in Lebanon.

Council/Staff Comments/Discussions

Councilor McNamara questioned if this facility would have the same number of enrollees that was proposed at 20 Seminary Hill location. The architect anticipated that it would be about the same number.

Councilor Cole questioned how this (226 Mascoma Street) came to be. City Manager Hosmer noted that the deal with the SAU just dropped dead, noting there was time during the process of negotiations with the SAU when he felt that opportunity there to be expired. The School Board still had to take their final vote, but you kind of know when a deal is ripe or overripen. In light of some of the time constraints, not only for us to use our Congressionally directed funds, but he also had conversations with Christopher Emond (CEO, Boys & Girls Clubs of Central and Northern NH) regarding his grant as well and felt it prudent to have a backup plan if the SAU and School Board voted down the opportunity to build on Seminary Hill. Just as a backup plan, City Manager Hosmer knew the 226 Mascoma Street property could probably serve what the Boys/Girls were looking to do. His point is that the need is immediate.

In response to Councilor Cole's question about whether or not the City needs to find another place for the Boys/Girls Club, City Manager Hosmer spoke about the need for childcare is such that time is of the essence. He further explained his reasoning, noting that the funding from some of these grants will be closing at some point.

Councilor Cole spoke about other Childcare Centers in the area that are at capacity but cannot find the labor and he was curious why speed was of the essence when we know there is plenty of capacity.

Mayor Whittlesey noted this was physical capacity and spoke about the footprint within their facilities. under their economic structure they are unable to afford the labor and cannot find people who are willing to work in their facilities for the amount they are able to pay them. These facilities literally have wait lists where applications are being received even before a child is born. He also spoke about the closing of a few childcare facilities and noted that while those individual facilities might have capacity (if they can find the people) that does not mean they currently have capacity to take on more children.

City Manager Hosmer spoke about the level of success that the Boys/Girls Club has had throughout the State in filling their staff centers, noting they also have the ability/experience in collaboration with a number of other non-profits and the Community College Systems to build the capacity they need to work in their facilities. They have taken the initiative to create programs and feeder systems, so they have professional help to come in and work in their childcare facilities. They have a plan in Lebanon to work with the River Valley Community College, as well as some of the other Career and Technical Education Centers, to begin to have people appreciate that these are really good professions.

Councilor Cole also questioned whether the Boys/Girls, because of the advantage they, would be able to pay their employees more than what surrounding childcare facilities are paying and questioned if they would draw from that pool and take away from those existing childcare facilities.

City Manager Hosmer spoke about private businesses looking to exploit opportunities as opposed to being a public entity that knows that if you can create a larger pool of qualified people to fill the jobs, not only will they benefit but the whole market will benefit as well and further explained his reasoning. He did not fell they would strip away other employees (from existing childcare centers).

Further discussions took place between Councilor Cole, City Manager Hosmer and Mayor Whittlesey regarding the reasons behind the $1 lease; reasons why the Boys/Girls Club would have to walk away from this initiative because they would not be able (financially) to make the Fair Market Lease work for them; how people should be given a voice in these matters (i.e., the location, an increase in traffic, etc.); concerns about property taxes and the cost of the City's purchase price for this property; concerns and reasons for giving up +/-$8K in tax revenue to the City.

Councilor Key requested an accounting across all of Lebanon's non-profit properties and further explained her reasoning, noting there is a limit to what Lebanon can provide.

Councilor N. Ford Burley respectfully noted services our residents have, is because these are non-profits that are providing very tangible services. She felt the Boys/Girls Club was a great opportunity to provide services at functionally no cost to us (the City) and further explained her reasons. This is the place where we do not have to worry about constructing the facility; we do not have to worry about maintaining the facility for 60 years, and; we have a really solid partner who is willing to do the fundraising, do the construction and do all the hard work. We found a place for them to do that on property we already owned. The precedent was already set that this property was going to be used to benefit residents anyway, so this is an opportunity to use that site to benefit residents in a different way, and for the next 60 years.

Assistant Mayor Wilkie MOVED to extend the meeting to 11:00 PM.
Seconded by Mayor Whittlesey.
****The Vote on the MOTION was approved (9-0)***

The Council continued their discussions regarding the Boys/Girls Club and the pros/cons of the property's potential uses.

ACTION:
Councilor N. Ford Burley MOVED, that the Lebanon City Council, pursuant to its authority to manage municipal property under RSA 41:11-a, hereby authorizes the City Manager to execute a Ground Lease Agreement with the Boys and Girls Clubs of Central and Northern New Hampshire for the potential construction and operation of a childcare facility on City property at 226 Mascoma Street, Lebanon, Tax Map 90, Lot 26, and to execute any related documents and take all actions necessary to implement the Agreement.
Seconded by Councilor Appleton.

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

13. NON-PUBLIC SESSION: NONE

14. ADJOURNMENT:

Councilor N. Ford Burley MOVED for adjournment.
Seconded by Councilor Key.
****The Vote on the MOTION was unanimously approved (9-0)***

The meeting was adjourned at 10:50 PM.

Respectfully submitted,
Dona E. Gibson
Recording Secretary