



CITY OF CONCORD
New Hampshire's Main Street™
Community Development Department
Planning Division

Staff Report for Planning Board

Meeting on July 15, 2026

Project Summary – Conditional Use Permit

Project: Conditional Use Permit to allow Residential Use on first floor (2026-068)
Property Owner: City of Concord
Applicant: RL Bellia Properties, LLC
Project Address: 3 Merrimack Street, Penacook
Tax Map Lot: 1412P 62

Determination of Completeness:

Per Section 34.05 of the Site Plan Regulations, a completed application for a conditional use permit without a companion site plan application will contain the required information listed in Section 14.02 *Design Review Phase* of the Site Plan Regulations and will be legible and competently prepared.

In making a determination of completeness, the Board shall consider the written recommendation of the Planning Division, as well as any written communications from the applicant, abutters, and parties of interest; **however, no hearing shall be opened nor shall testimony be received on a determination of completeness.** If the application is determined complete, the Board shall then open the public hearing.

This application is not subject to site plan review (see item 1.2 below), and as such the Planning Division has determined that the narrative Conditional Use Permit application contains sufficient information and detail for a full review and action by the Board.

As such, the Planning Division recommends that the Board move to:

- **Determine that the application is complete;**
- **State that the project does not meet the criteria for a development of regional impact per New Hampshire RSA 36:55; and,**
- **Open the public hearing.**

Project Description:

This project involves the adaptive reuse of the former Penacook Branch Library at 3 Merrimack Street. The City and the applicant (Ray Bellia) have the property under agreement to be sold, and Mr. Bellia is proposing to convert the building into a duplex residential use, with one unit on the first floor and another on the second floor.

The availability of this property for development purposes dates back to 2022, when the City Council moved forward with the project to partner with the Boys & Girls Club of Central NH (B&GC)

to develop a new community center in Penacook, which included the relocation of the Penacook Branch of the Concord Public Library to the new building (now located on Community Drive). The project entailed the partnership with the B&GC, receipt of a Community Development Block Grant (\$750,000), and the authorization to divest the property at 3 Merrimack Street upon completion of the new community center project. With the relocation of the Library Branch taking place in December of 2024, City Staff began the process of marketing the Merrimack Street property to bring it on to the tax rolls.

Staff engaged a real estate broker and marketed the property. Following negotiations, the City and Mr. Bellia, a developer from Windham, have agreed on a purchase and sales agreement such that the property will be developed for the duplex use.

The property is located in the Central Business Performance District, and a Conditional Use Permit is required to allow residential use on the ground floor of the building. Mr. Bellia is now requesting the CUP as the initial stage of the permitting process to finalize the sale of the property.

Community Development Administration staff is fully supportive of the proposal currently before the Board.

Compliance:

The following analysis of compliance with the Zoning Ordinance and Site Plan Regulations is based on a 3-page conditional use permit narrative; and, a 6-sheet schematic floor plan dated May, 2026, prepared by Right-Trak Design.

1. Project Details and Zoning Ordinance Compliance:

Zoning District:	Central Business Performance (CBP) District
Existing Use:	Former Penacook Branch Library, currently vacant
Proposed Use:	Duplex Residential
Overlay Districts:	
Flood Hazard (FH) District	None
Shoreland Protection (SP) District	None
Historic (HI) District	None
Penacook Lake Watershed (WS) District	None
Aquifer Protection (AP) District	None

1.1 The Planning Division conducted a zoning compliance review of the project and determined that the project as submitted is compliant with the Zoning Ordinance, should the Planning Board grant the requested Conditional Use Permit and Zoning Board grant the necessary variance for the duplex residential use of the property.

1.2 The project is exempt from site plan review per RSA 674:43, as only non-residential development and multi-family residential development of 3 or more units is subject to site plan review.

2. General Comments:

2.1 Staff notes that Section 34.04 of the Site Plan Regulations outlines the procedures for a Conditional Use Permit request that is independent from (or does not require) a formal site

plan approval from the Planning Board. Further, Staff notes that Section 34.05(4) authorizes the Clerk to determine that the requirements of Section 14.02 (as would typically be used for a Conditional Use Permit application) may not be relevant for the particular circumstances of the site or proposed use, for which a conditional use permit is requested. The Clerk has determined that none of the requirements of Section 14.02 are relevant to the application before the Board. Therefore, no waivers are necessary for this application.

- 2.2 Following the Planning Board action on the CUP, the project will need to proceed to the Zoning Board to allow the duplex use (multi-family residential is permitted in CBP, but a duplex is not). See Item 3 below.
- 2.3 As part of the Purchase and Sales agreement with the City, the applicant and City will need to finalize deed restrictions/covenants preserve the building, protect its historic façade, and prohibit demolition of the existing structure.
- 2.4 As part of the Purchase and Sales agreement with the City, a deed restriction will be required such that, in the event any tax-exempt entities come to own or lease the Property, they will be obligated to enter into a Payment in Lieu of Taxes Agreement with the City, requiring payment equivalent to all Municipal, School District, County and State property taxes.
- 2.5 The Fire Department did not provide comment prior to the completion of this report. Additional comment from Fire will likely be provided during the building permit process.
- 2.6 The General Services Department performed a review of this application and had no additional comment.
- 2.7 The Assessing Department performed a review of this application and had no additional comment.
- 2.8 The Engineering Services Division's general requirements are noted in the attached memo to Tim Thompson from Paul Gildersleeve and Pete Kohalmi, dated July 6, 2026.

3. Variances:

- 3.1 The duplex use of the property is not permitted in the CBP District. The applicant has chosen to proceed with the CUP application first, and if successful, will proceed to the Zoning Board of Adjustment for a variance to allow the duplex use of the property (see proposed precedent condition of approval).

4. Waivers:

- 4.1 No waivers are requested.

5. Conditional Use Permits:

- 5.1 The applicant requests approval for a conditional use permit pursuant to Section 28-5-48(a), to allow for the residential use on the ground floor of a building within the Central Business Performance (CBP) District.

Staff reviewed the applicant's analysis of the required criteria (included with provided supplemental materials) from Section 28-9-4(b) *Conditional Use Permits*. **Staff recommends the Board find that the criteria is satisfied by the applicant's proposal.**

6. Architectural Design Review:

6.1 No architectural design review is required.

7. Conservation Commission:

7.1 No conservation commission review is required.

8. Recommendation:

8.1 Staff recommends that the Planning Board discuss and adopt the findings of fact, which include: information provided in staff reports; the applicant's submission materials; testimony provided during the public hearing; and/or, other documents or materials provided in the public hearing

Based on the adopted findings of fact, staff recommends that the Planning Board make the motion outlined below:

Grant the conditional use permit from Section 28-5-48(a), the residential use on the ground floor of a building within the Central Business Performance (CBP) District at 3 Merrimack Street, Penacook, with the following precedent condition:

- (a) The applicant shall obtain a variance from Section 28-2-4, *Allowable Principal and Accessory Uses in Zoning Districts*, to allow the duplex use within the CBP District.



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Michael S. Bezanson, PE
City Engineer

MEMORANDUM

TO: Tim Thompson, Assistant Director of Community Development
FROM: Paul Gildersleeve, PE, Project Manager and Pete Kohalmi, PE, Associate Engineer
DATE: July 6, 2026
SUBJECT: 3 Merrimack Street- CUP Application- Engineering Review
3 Merrimack Street; Map 1412P, Lot 62, City Project 2026-068

The Engineering Services Division (Engineering) has received the following items for review:

- CUP Narrative, received June 17, 2026
- Floor Plan Schematic Design by Right-Trak Design, dated May 2026

As a supplement to any comments offered by the Planning Division, Engineering offers the following design-related comments. With subsequent submissions, the applicant shall provide a response letter that acknowledges or addresses each of these comments and discusses any additional changes to the plans.

General Information

1. According to the City of Concord GIS, the sewer line to 3 Merrimack Street is 6" clay constructed in 1945. Due to the age of this pipe, it needs to be video'd to ensure it has the structural integrity and capacity for these flows. At the ROW, this 6" VC pipe connects to a newer 6" PVC pipe laid in 2017, which connects to an existing 8" PVC sewer in Sanders Street. The pipe location between the Sanders Street ROW and 3 Merrimack Street is unknown and would need to be surveyed. An easement should be secured for this pipe through lot 60.
2. The ¾" copper water line servicing this building connects to an existing 12" water main in Merrimack Street. Merrimack Street is in moratorium until 2028. If multiple families are allowed to live in 3 Merrimack Street, the water service size would need to be increased and Merrimack Street would need to be excavated to make the connection.
3. The applicant shall coordinate with the City Surveyor to assign unit numbers for the residential units prior to renovation.