



CITY OF CONCORD

REPORT TO MAYOR AND CITY COUNCIL

FROM: Matthew R. Walsh, Director of Redevelopment, Downtown Services, and Special Projects

DATE: September 29, 2019

SUBJECT: Former Allied Leather Tannery and Amazon Realty Sites

Recommendation:

Set the attached resolution appropriating the sum of \$23,400 from Penacook Village Tax Increment Finance District fund balance for the purposes of renewing the Groundwater Management Permit for the former Allied Leather Tannery and Amazon Realty Sites for public hearing on November 8, 2021.

Background:

In 2002, the City initiated a redevelopment plan for the former Allied Leather Tannery Complex located on Canal Street in Penacook. During the period of 2003-2012, the City acquired 8 individual parcels, totaling 6.17 acres combined, for redevelopment.

In conjunction with cleanup and redevelopment efforts, various environmental permits and institutional controls were implemented by the New Hampshire Department of Environmental Services ("NHDES") for the site. These included a Groundwater Management Permit ("GMP"), for the City's property located at 11 Canal Street (the location of the future Riverfront Park), as well as real estate located at 33-35 Canal Street which the City sold to the Caleb Development Corporation in 2019.

The GMP, which was originally enacted in 2007, and last renewed in 2017. The permit requires biannual groundwater testing for Chromium, PFAS, and PFOA. The permit must be renewed every five years until such time as either 1) test results for contaminants are below applicable governmental standards or 2) the NHDES otherwise determines that the permit is no longer required.

Discussion:

The Groundwater Management Permit must be renewed this coming spring. The estimated cost for the renewal, as well as this year's round of biannual sampling and related monitoring well maintenance, is \$30,000.

The FY2022 Operating Budget included \$6,600 for groundwater sampling and reporting. However, additional funds are required for the permit renewal application process, as well as monitoring well maintenance.

Therefore, City Administration is requesting that the City Council appropriate \$23,400 from Penacook Village Tax Increment Finance District fund balance to fund these activities.

Because the GMP governs the City's property located at 11 Canal Street, as well as Caleb Development Corporation's property at 33-35 Canal Street, the City and Caleb entered into a Groundwater Management Agreement concerning administration and cost share for the Groundwater Management Permit. The agreement was executed on September 18, 2021, simultaneously with the closing on the sale of 33-35 Canal Street to Caleb.

Under the agreement, the City is responsible for the administration of the GMP. However, Caleb is responsible for assisting the City with certain costs associated monitoring well maintenance, as well as groundwater sampling and reporting.

Caleb will be invoiced for their respective share of the actual costs of these items once completed by the City.

In accordance with the terms of the current GMP, groundwater sampling and reporting will be completed this fall. The application to renew the GMP will be submitted to NHDES shortly thereafter, and the new permit will take effect in April 2022.