



CITY OF CONCORD

REPORT TO MAYOR AND CITY COUNCIL

FROM: Matthew R. Walsh, Dir. of Redevelopment, Downtown Services
& Special Projects

DATE: November 27, 2017

SUBJECT: East Concord Community Center
Authorization to Sell Property

Recommendation:

Accept this report and approve the attached consent resolution authorizing the City Manager to divest of the East Concord Community Center located at 18 Eastman Street.

Background:

The East Concord Community Center is a 7,204 square foot building (including basement and attic space) set on a 0.11 acre lot located at 18 Eastman Street. The property is zoned Neighborhood Commercial ("CN"). Various land uses are permitted in the CN District, including, but not limited to, single family, duplex, and multifamily residential uses; childcare and adult daycare facilities; service uses (up to 5,000SF); offices by Conditional Use Permit; Bed and Breakfast establishments; retail (up to 5,000SF); and restaurants by Conditional Use Permit. The property's current assessed value is \$422,800.

Constructed circa 1878, the facility previously served as a fire house for East Concord. Specifically, the land upon which the structure was built was acquired by the City in 1877 from Samuel and Mary Eastman for \$25.00. Following construction of the City's current network of fire stations during the 1960s-1970s, the property was converted to a community center.

In 2010, the City completed a facility needs assessment of the East Concord Community Center in conjunction with planning efforts for the new City-wide Multigenerational Community Center, which is currently under construction at 14 Canterbury Road. The needs assessment determined that the facility was deficient on several levels, and would require approximately \$973,000 of improvements in order to be suitable for continued public use. Consequently, as detailed in a December 30, 2010 staff report to the City Council, City Administration recommended that the City close and divest of the facility upon completion of the new City-wide Multigenerational Community Center, as all recreational programming at East Concord would be

relocated to the new city-wide facility. Construction of the new City-wide Multigenerational is scheduled for completion in June 2018. Adjusted for inflation, the 2010 cost estimate for repairs and renovations recommended in 2010 would cost approximately \$1.25 - \$1.45 million today.

Over the past several years, City Administration has taken steps to prepare the property for sale. Chief among these was petitioning Merrimack County Superior Court to quiet title for the property. This process was necessary due to a deed restriction on the property dating from 1877, which required that the property be continuously used for municipal purposes. The quiet title process was extremely long and complicated as it required the City to track down all living heirs associated with Samuel and Mary Eastman. The City's petition was granted by Merrimack Superior Court on May 31, 2017.

Discussion:

1. **Heritage Commission Input:** In accordance with the City Council's request, the City Administration met with the Heritage Commission on October 5, 2017 to get their input concerning sale of the property. The Heritage Commission understood the City's rationale for divesting of the facility and offered the following recommendations:
 - a. That a qualified historic preservation consultant be hired to prepare a historic inventory of the property. The Commission felt the inventory would be valuable on several levels. First, the inventory would document the history of the property, which the Commission felt could be helpful with marketing efforts. Secondly, the inventory would determine whether the property qualifies for the State or National Register of Historic Places; which, in turn, could make the property eligible for historic tax credits and other financing programs. Staff estimates the cost of such a survey would be approximately \$5,000.
 - b. That deed restrictions be placed on the property at the time of sale requiring the preservation and adaptive reuse of the existing building. However, the deed restrictions should include provisions stating it would terminate in the event the building suffered some type of casualty, such as fire, flood, or collapse, thereby rendering the building economically infeasible to repair or rebuild.
2. **Highest and Best Use:** Given the property's village setting, small lot size (0.11 acres or 4,792SF), limited supply of on-site parking, as well as the large and unique character of the existing building, staff believes the highest and best use of the property is either residential or mixed use featuring ground floor commercial with upper story residential uses. However, recognizing the unique nature of the property, staff plans to let the market determine the highest and best use of this real estate.
3. **Sale Price:** The City Administration plans to engage a real estate broker to determine the fair market value of the property, as well as handle all marketing efforts for the sale.

Summary & Recommendation:

City Administration recommends the following course of action regarding divestment of the property:

1. That the City Council approve the attached consent resolution authorizing the City Administration to sell the property.
2. That a public hearing shall not be required in order for the City Manager to enter into a purchase and sale agreement, provided:
 - a) The sale price is not significantly less than the asking price;
 - b) The buyer agrees to deed restrictions requiring that the existing building be preserved in perpetuity or until such time as the building suffers a casualty which renders it economically infeasible to repair or rebuild the structure;
 - c) The buyer's proposed use for the property is permitted by right, conditional use permit, or special exception by the Zoning Ordinance; and,
 - d) The buyer does not require any significant concessions or development incentives from the City.
3. Staff does not object to the Heritage Commission's recommendation that a historic inventory be prepared for the property. However, funding is not currently available in the FY 2018 budget for this purpose. Therefore, staff recommends that City Council consider funding for this effort as part of the upcoming FY 2019 budget process. While the potential exists that the City may no longer own the East Concord Community Center in FY 2019, it is not unusual for the City to complete historic inventories of private properties. Examples of such undertakings include:
 - a. 2012 Historic Survey of 19th Century Manufacturing Facilities Along South Main Street Corridor;
 - b. 2008 Agricultural Resources Inventory Project (43 properties);
 - c. 2004 South End Area Broadway / Rollins Park Historic District;
 - d. 1999 Downtown Concord Historic Survey (108 properties);
 - e. 1996 South End Redevelopment Area Survey (9 properties);
 - f. 1991 Penacook Architectural Survey (320+/- properties); and,
 - g. 1988 Concord Architectural Survey (600+/- properties).

Many of these studies were funded with Certified Local Government Grants (LGC) through the NH Division of Historic Resources. As such, it might make sense for the Heritage Commission to study this property together with other historic former fire stations throughout the City as part of a larger historic inventory project. This strategy could make the project attractive for a LGC grant. Other historic former fire stations in the Concord include Penacook Village (19 Washington Street), West Concord (450 North State Street), and Downtown (44 Warren Street).