



CITY OF CONCORD

New Hampshire's Main Street™

REPORT TO THE MAYOR AND CITY COUNCIL

FROM: Beth Fenstermacher, Assistant City Planner, on behalf of the Conservation Commission

DATE: August 30, 2017

SUBJECT: Resolution approving the acquisition of open space watershed protection property located on Lakeview Drive and West Parish Road, and authorizing the expenditure of up to \$300,000 from the Conservation Fund for this purpose, as approved by the Conservation Commission.

Recommendation

Set a public hearing for October 10, 2017 on a Resolution authorizing the City Manager to acquire land for open space and watershed protection purposes located off of Lakeview Drive and West Parish Road, and appropriate \$300,000 from the Conservation Fund for the acquisition of said parcel.

Background

In 2013, the City of Concord approached the Haller Family regarding the possibility of the City purchasing two parcels legally described as Tax Map 38Z Lot 37 and Map 51Z Lot 12, consisting of approximately 21.29 acres and 85.45 acres, respectively, located off of Lakeview Road and West Parish Road. The project links other protected land in the area, adding to a block of conservation land totaling nearly 900 acres. The land located directly across Lakeview Drive is part of a 685-acre area owned and maintained by the City to protect the water supply.

The City Council granted the City Manager the authority to apply for the Aquatic Resource Mitigation (ARM) Fund Grant on August 10, 2015; the City was notified that we were awarded the ARM grant on November 19, 2015. The City Council granted the City Manager the authority to apply for a Local Source Water Protection (SWP) Grant on December 14, 2015; the City was notified that we were



awarded the SWP grant on February 10, 2016. The City Council granted the City Manager the authority to enter into the two grant agreements with the NH DES on March 14, 2016.

On December 12th, 2016 the City Council passed Resolution No. 8967 to accept and appropriate the sum of \$320,000 from the NH Department of Environmental Services, including \$300,000 in grant funds from the Aquatic Resource Mitigation (ARM) Fund Grant to be used towards the purchase of the two parcels, and up \$20,000 from the Local Source Water Protection Program (SWP) Grant to be used towards due diligence costs, including survey, title opinion, and updated appraisal.

Discussion

In 2015, the Haller family agreed to sell the property to the City at a cost of \$600,000, the appraised value of the property as of October 21, 2013. Based upon this agreement, the Conservation Commission applied for and received grant funding to cover transaction costs and 50% of the purchase price. The Commission anticipates providing the remainder of the purchase price from the City’s Conservation Trust Fund, contingent on a City Council approval. Utilizing funds from the SWP grant, a boundary survey, updated appraisal, and title opinion were completed. The revised appraisal completed in December 2016 indicated that the value of the property increased to \$650,000. Despite the increase in property value, the Haller family has generously agreed to sell the property at the agreed upon price of \$600,000.

The Conservation Commission voted unanimously, at a public hearing on August 9, 2017, in favor of the acquisition of the ±106 acre two-parcel property, allocating no more than the sum of \$300,000 from the Conservation Fund. Further, the Commission declared that its purposes in acquiring this property and allocating the funding, are to maintain, improve, protect, limit the future use of, and otherwise conserve and properly utilize this property as open space together with other land and water resources within the City.

Summary

Appraised Value - Fee Simple Title:	\$650,000
Transaction Costs	\$ 18,481.54*
<u>Bargain Sale - Agreed Price with the Haller Family:</u>	<u>-\$ 50,000</u>
<i>Total Costs</i>	<i>\$618,451.54</i>
NHDES ARM Grant (50% of the value of the property):	\$300,000
NHDES SWP Grant	\$18,481.54
<u>Funding Request from the Conservation Fund:</u>	<u>\$300,000</u>
<i>Total funding for the land acquisition:</i>	<i>\$618,481.54</i>

*Includes the costs associated with the title opinion, appraisal, & preparation of a survey