



CITY OF CONCORD

REPORT TO MAYOR AND CITY COUNCIL

FROM: Matthew R. Walsh, Deputy City Manager - Development

DATE: November 21, 2025

SUBJECT: Granite Place Property Acquisition

Recommendation

Accept this report and set the attached resolution appropriating the sum of \$370,000 for the acquisition of approximately 153.09 acres of real estate from 2 Granite Place LLC for public hearing on December 8, 2025.

Background

The former Lincoln Financial / Jefferson Pilot campus is located at the intersection of Rumford Street and Penacook Street. The complex is currently comprised of four separate lots totaling approximately 180+/- acres. Please see the attached map titled "Map of Granite Place Parcels 12/9/2024" for more information.

Three of the parcels (Lots 1, 3, and 4 on the attached 12/9/2024 map), totaling 175+/- acres are currently controlled by 2 Granite Place LLC, a limited liability company controlled by Stephen Duprey.

On May 28, 2024, the fourth lot, which totals 6.41 acres and identified as Lot #2 on the attached 12/9/2024 map, was sold by 2 Granite Place to the State of New Hampshire. Said lot contained the "south office building" located at the campus.

On December 9, 2024, the City Council approved Resolution #9705, which authorized the City Manager to accept the donation of a 27.92+/- acre lot (denoted as Lot #3 on the attached 12/9/2024 map) for the purposes of promoting future economic development and tax base expansion.

The donation was scheduled to be completed by the end of 2024, but was delayed due issues associated with conveyance of the 6.41-acre parcel.

Discussion

1. Updated Concept: Over the past 12 months, Mr. Duprey's vision for this property has evolved. Therefore, the scope, terms and conditions of the proposed real estate conveyance to the City have changed.

In October 2025, Mr. Duprey filed permitting applications with the Community Development Department to re-subdivide the remaining 175+/- acres of the campus, in order to achieve the following:

- To create two residential building lots, 10.51 and 0.62 acres respectively. These lots will be accessed from Penacook Street and Little Pond Road.
- A new 11.61-acre lot containing the "north office building", which will be sold to the State of New Hampshire, and merged with the 6.41-acre lot which the State purchased in 2024. City Administration understands that sale of the 11.61-acre parcel to the State is currently scheduled to occur in early 2026.
- A new 153.09-acre lot, which Mr. Duprey intends to convey to the City, of which approximately 134.89-acres will be subject to a conservation easement (or similar deed restriction), and approximately 18.2-acres will be available for future economic development and tax base expansion.

Please see the attached 2025 subdivision plan, which was conditionally approved by the Planning Board on November 19, 2025, for more information.

2. Key Terms and Conditions: Basic terms of the purchase are as follows. Prior to closing, a formal purchase and sales agreement will be established to memorialize these terms.
 - Price: The sale price of the 153.09-acre lot to the City will be \$335,500. The price reflects that the sale includes a partial donation of real estate by Mr. Duprey. Mr. Duprey reports that the appraised value of the development rights for this parcel are approximately \$2.77 million.
 - Closing Date: December 31, 2025, unless otherwise mutually agreed by the Parties. To take advantage of certain federal tax benefits stemming from the partial donation of this property to the City, Mr. Duprey desires to complete this transaction by the end of the calendar year.
 - Property Taxes / Current Use Penalties: The Seller shall pay all property taxes owed through March 31, 2026, and Current Use Change Penalties (if any) for this transaction.
 - Conservation Easement (or Similar Deed Restriction): A conservation easement, or similar deed restriction, shall be placed on 134.89 acres of the 153.09-acre property. This area of the property consists of wetlands, steep slopes, forests, as well as a network of hiking trails. This will be one of the largest acquisitions of fee simple conservation land undertaken by the City in recent memory.

City Administration prefers to have a conservation deed restriction on the property rather than an easement held by a third party as such an arrangement will be less complicated and more economical for the City.

Mr. Duprey will retain the naming rights for the 134.89-acre portion of the property which will be placed under conservation easement (or similar deed restriction), which shall be subject to City consent (which shall not be unreasonably withheld).

Said conservation easement or conservation deed restriction shall be expressly subject to all other matters of record on the property.

The easement or deed restriction shall be acceptable to the City Solicitor and City Manager.

- Development Zone: The remaining 18.2 acres of the 153.09-acre tract shall be reserved for future taxable real estate development.

The City shall have sole authority to sell or convey the property to a party, or parties, of its choice for any uses the City deems to be in the best interests of the community. As part of any future conveyance, any portion of the 18.2-acre area (or portion thereof conv) conveyed to a third party for the purposes of development shall be subject to a deed restriction requiring payment of property taxes in perpetuity.

The City shall use its best efforts to secure a Buyer for the 18.2-acre development area within 5 years after the date of acquisition from the 2 Granite Place LLC.

- Utility and Access Easements: The juxtaposition of the State's existing 6.41-acre parcel, the 11.61-acre lot to be that will be established per the pending subdivision application and merged with the State's 6.41-acre parcel, as well as the 18.2 acres "development area" of the 153.09-acre parcel to be sold to the City necessitates the need for the creation of several access and utility easements over these parcels.

Easements will include, but not be limited to, rights to access / utilize existing driveways and utilities on the State's property to support future development of the City's 18.2-acre development parcel.

Easements will also include access and utilities easements over the City's property, which benefit the State.

All easements shall be subject to all other matters of record on the property.

The easement or deed restriction shall be acceptable to the City Solicitor and City Manager.

- Due Diligence:
 - a. Environmental: Given the desired closing date of December 31, 2025, it is unlikely that the City will be able to complete a Phase I environmental site

assessment for the premises; however, funds have been carried for this purpose if time permits. The more likely scenario is that, to the extent available, the City plans to rely upon previous environmental assessments prepared for the property by 2 Granite Place LLC.

- b. Title: Closing shall be subject to title review with results acceptable to the City Solicitor and City Manager.

Prior to closing, a formal agreement between 2 Granite Place LLC and the City shall be prepared to formally codify these arrangements.

3. Budget: The total budget for this transaction is \$370,000, as detailed in the table below. The funding for this transaction will be derived from the City's undesignated fund balance. However, recognizing that 88% of the property being acquired will be reserved for conservation and open space purposes, City Administration may seek to have a portion of these dollars reimbursed, or replaced by, the City's Conservation Property Reserve Fund in the future. Said action would require future City Council approval.

Transaction Budget

<u>Item</u>	<u>Budget</u>	<u>Notes</u>
Purchase Price	\$ 335,500	
Legal Fees	\$ 5,000	
Transfer Taxes	\$ 252	\$0.75 per \$100 of Purchase Price
Property Taxes / Current Use Penalty	\$ -	To be paid by Seller through March 31, 2026
Title Insurance	\$ 3,355	1% of Sale Price
Due Diligence	\$ 15,000	Title, potential Phase I ESA Update (time permitting)
<u>Subtotal</u>	<u>\$ 359,107</u>	
Contingency	\$ 10,773	3%
<u>Total</u>	<u>\$ 369,880</u>	
<u>Rounded to</u>	<u>\$ 370,000</u>	

4. Benefits Accruing to the City: If the City Council elects to proceed with this transaction, the following benefits will accrue to the City:
- The City will acquire 153.09+/- acres for the sum of \$335,500, of which 134.89+/- acres will be reserved for conservation and open space purposes and 18.2+/- acres will be allocated for future economic development and tax base expansion.
 - The City will have the sole authority to control future development of the 18.2 acre "development area" of the parcel, thus ensuring that future taxable development thereof is in the best interests of the community.