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STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
DIVISION OF PARKS AND RECREATION

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Web: www.nhstateparks.org

April 26, 2016

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court
and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Resources and Economic Development, Division of Parks and Recreation to budget and expend \$215,000 from the Parks Fund for the purchase of four (4) remote camps and associated buildings at Umbagog Lake State Park in Errol, NH upon Fiscal Committee and Governor and Executive Council approval through June 30, 2016. **100% Revolving Funds**

Funding is available as follows:

03-35-35-351510-370200000 State Parks Fund - - FC/GC Needed			2016 Current Budget	Requested Action	2016 Revised Budget
Revenue					
003	Revolving Funds	402197	(3,817,822)	215,000	(3,602,822)
<i>Total:</i>			3,817,822	(215,000)	3,602,822

Funding to be budgeted as follows:

03-35-35-351510-370100000 Parks Administration			2016 Current Budget	Requested Action	2016 Revised Budget
Revenue					
009	Agency Income	407423	(1,947,252)	(215,000)	(2,162,252)
Expense					
010	Personal Service Permanent	500100	601,348	0	601,348
011	Personal Service Unclassified	500126	97,563	0	97,563
020	Current Expenses	500200	24,700	0	24,700
022	Rents-Leases Other Than State	500255	1,500	0	1,500
026	Organizational Dues	500261	10,500	0	10,500
029	Intra-Agency Transfers	500290	421,609	0	421,609
030	Equipment New/Replacement	500300	4,000	0	4,000
033	Land Acquisitions and Easements	500150	0	215,000	215,000
039	Telecommunications	500180	5,500	0	5,500
042	Additional Fringe Benefits	500620	60,000	0	60,000
049	Transfer to Other State Agency	584935	0	0	0
057	Books Periodicals Subscriptions	500534	260	0	260
060	Benefits	500601	352,182	0	352,182

066	Employee Training	500543	4,840	0	4,840
069	Promotional Marketing Expenses	500567	140,000	0	140,000
070	In-State Travel Reimbursement	500700	7,500	0	7,500
080	Out-of-State Travel Reimb	500634	5,750	0	5,750
102	Contracts for Program Services	500634	210,000	0	32,641
<i>Total:</i>			1,947,252	215,000	2,162,252

EXPLANATION

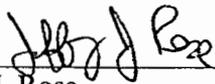
The Ellis Family has decided to sell the camps it has owned and maintained since 1961 through a lease on the shore of Lake Umbagog. As a condition of the lease, the State, (which now owns the shore) has the first option to purchase the camps in the event an owner should sell. Upon purchase, the four camps will become part of the campground and available for nightly rentals providing a unique remote camp experience to the State's citizens and visitors. Annual revenue is estimated between \$20,000 and \$35,000 based upon current occupancy at the campground and remote campsites.

A 50-year termination policy for camp leases was established for both state and federal ownerships when the Lake Umbagog National Wildlife Refuge was established in 1992. In 2010, a new policy was instituted where camps could be transferred to immediate family members; however, the state has first right of refusal and the US Fish and Wildlife Service (USFWS) had a second right of refusal if an owner wants to sell their property (NOTE: this was in response to USFWS opposition to continuing the camps). The purchase of the Ellis camps would preserve the historic North Country tradition on this land and make it available to the general public.

Umbagog State Park is the busiest state park in the North Country. Currently, the 9.6-acre mainland portion of the Park comprises a 30 site base campground and also serves as the management and launching point for 34 remote campsites spread out across much of Umbagog Lake. Sixteen (16) of the remote sites are on federal land operated through a permit with the USFWS.

Scot Heath of Heath Appraisal Services has appraised the market value of the camps and associated improvements at \$215,000. Authority to purchase real property with recreational or history value is provided under RSA 216-A:3 I.

Respectfully Submitted,



 Jeffrey J. Rose
 Commissioner

Heath Appraisal Services

140 SECOND NEW HAMPSHIRE TURNPIKE NORTH
FRANCESTOWN, NH 03043

SCOT D. HEATH
(603) 588-3020
FAX (603) 588-3048

March 11, 2016

William Carpenter, Administrator, Land Management
State of New Hampshire
Department of Resources and Economic Development
Division of Forests and Lands
172 Pembroke Road
Post Office Box 1856
Concord, New Hampshire 03302-1856

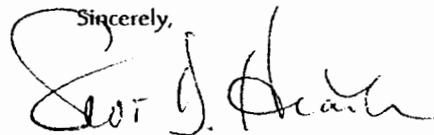
RE: Leasehold Interest; undefined area with the improvements thereon, located on Lake Umbagog, Errol, New Hampshire; interest of Harwood and Benjamin Ellis.

Dear Mr. Carpenter:

As requested, I have completed the appraisal of the above-referenced real property interest. Based upon my investigations and analyses, market value of the leasehold interest in the subject property, including the improvements thereon, "as-is" as of November 16, 2015, being the date of inspection, was concluded at the level of...

\$215,000

The accompanying report outlines the appraisal process and sets forth the rationale and methodology leading to the final opinion of market value set forth above. Your attention is called to the Table of Contents which outlines the report, the Assumptions and Limiting Conditions which apply to this report, and to the Certificate of Appraisal (Certification). Furthermore, it must be noted there is an Extraordinary Assumption in that it is assumed that there is clear title to the property without encumbrances or restrictions in addition to those identified, in the absence of a current title report.

Sincerely,


Scot D. Heath
Certified General Appraiser
(NHCG-211)

File No: 21-15

TITLE XIX PUBLIC RECREATION

CHAPTER 216-A EXPANSION OF STATE PARK SYSTEM

Section 216-A:3-i

216-A:3-i State Park Fund Established. –

I. The state treasurer shall establish a separate and distinct account to be known as the state park fund. The treasurer shall establish within the state park fund separate and distinct accounts, known as the state park account and the state-owned ski area account. The accounts shall be continuing and nonlapsing. The treasurer shall deposit in the state park account actual revenues from fees, services, accommodations, rentals, retail sales, net profit from concession operations, and special registration plate symbol fees collected under RSA 261:75-c in excess of budget expenses and excluding revenues associated with state-owned ski areas. The treasurer shall deposit in the state-owned ski area account actual revenues associated with the state-owned ski areas, derived by the department of resources and economic development from fees, services, accommodations, rentals, revenue from lift and tramway operations, retail sales, and net profit from concession operations in excess of budget expenses. Any federal moneys which become available and all donations and gifts shall be deposited into their appropriately designated accounts.

II. Any funds deposited into the state park account are hereby continually appropriated to and may be expended by the commissioner of the department of resources and economic development to cover budgeted appropriations provided the balance in the state park account does not go below \$1.5 million and any transfer is reported to the governor and council and fiscal committee of the general court within 60 days.

Source. 1991, 40:2. 1996, 210:7. 2010, 373:2, eff. Jan. 1, 2011. 2015, 276:26, eff. July 1, 2015.

TITLE XIX

PUBLIC RECREATION

CHAPTER 216-A

EXPANSION OF STATE PARK SYSTEM

Section 216-A:3

216-A:3 Department of Resources and Economic Development; Authority. – With the approval of the governor and council, the department shall have the following authority:

- I. Acquire, by purchase or gift, real property with recreational or historic value.
- II. Dispose of real property, by sale or exchange.
- III. Enter into agreements with other state agencies, the federal government, municipalities or other public and private agencies regarding the acquisition, development or operation of recreational areas or facilities.
- IV. Apply for and receive, with the approval of the governor and council, grants, donations, and other assistance to assist in the development and operation of the park system.

Source. 1961, 263:3. 1985, 389:5, eff. June 25, 1985.