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

172 Pembroke Road Concord, New Hampshire 03301 Phone: (603) 271-3556 Fax: (603) 271-3553 E-Mail: nhparks@dred.nh.gov Web: www.nhstateparks.org

November 3, 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

Applieved by Fiscal Committee Date

## REQUESTED ACTION

1.) Pursuant to RSA 14:30-a, VI, authorize the Department of Resources and Economic Development, Division of Parks and Recreation to budget and expend \$575,000 from the Parks Fund. This amount is for half of the cost of a total amount of \$1,150,000 for the purchase of a 396.4 acre parcel of land known as the Lafayette Brook Tract" abutting Franconia Notch State Park from Thomas G. Nonis, Trustee for the J and T Land Trust upon Fiscal Committee and Governor and Executive Council approval through June 30, 2017. 100% Revolving Funds

Funding is available as follows: Revolving Fund

03-35-35-351510-370200000 State Parks Fund FC/GC Needed		2017 Current Budget	Requested Action	2017 Revised Budget	
Revenue				-	
003	Revolving Funds	402197	(4,641,258)	575,000	(4,066,258)
		Total:	4,641,258	(575,000)	4,066,258

# Funding to be budgeted as follows:

03-35-35-351510-370100000 Parks Administration			2017 Current Budget	Requested Action	2017 Revised Budget	
Revenue						
009	Agency Income	407423	(1,954,562)	(575,000)	(2,529,562)	
Expense						
010	Personal Service Permanent	500100	619,301	0	619,301	
011	Personal Service Unclassified	500126	99,499	0	99,499	
020	Current Expenses	500200	25,000	0	25,000	
022	Rents-Leases Other Than State	500255	1,500	0	1,500	
026	Organizational Dues	500261	11,500	0	11,500	
029	Intra-Agency Transfers	500290	390,041	0	390,041	
030	Equipment New/Replacement	500300	5,150	0	5,150	
033	Land Acquisitions and Easements	500150	0	575,000	575,000	
039	Telecommunications	500180	5,665	0	5,665	

042	Additional Fringe Benefits	500620	61,800	0	61,800
049	Transfer to Other State Agency	584935	800	0	800
057	Books Periodicals Subscriptions	500534	500	0	500
060	Benefits	500601	367,613	0	367,613
066	Employee Training	500543	1,545	0	1,545
069	Promotional Marketing Expenses	500567	167,489	0	167,489
070	In-State Travel Reimbursement	500700	7,725	0	7,725
080	Out-of-State Travel Reimb	500634	5,923	0	5,923
102	Contracts for Program Services	500634	355,412	0	355,412
		Total:	2,126,463	575,000	2,701,463

2.) Pursuant to RSA 14:30-a, VI, authorize the Department of Resources and Economic Development, Division of Parks and Recreation to accept and expend \$578,395 from the Department of the Interior Land and Water Conservation Fund Lafayette Brook Tract Project #33-00704. \$575,000 will be for the cost of half of the purchase of a 396.4 acre parcel of land known as the Lafayette Brook Tract" abutting Franconia Notch State Park from Thomas G. Nonis, Trustee for the J and T Land Trust and \$3,395 will be for Indirect costs and Audit Fund Set Aside costs for this federal program, all upon Fiscal Committee and Governor and Executive Council approval through June 30, 2017. 100% Federal Funds

Funding is available and budgeted as follows: Federal Funds

	03-35-35-351510-37170000		2017		2017		
	LWCF Grants		Current	Requested	Revised		
			Budget	Action	Budget		
Revenu	Revenue						
000	Federal Funds	404951	(662,888)	(578,395)	(1,241,283)		
Expens	Expense						
020	Current Expenses	500200	6,695	0	6,695		
030	Equipment New replacement.	500300	2,500	0	2,500		
033	Land Acquisition and Easements	500150	0	575,000	575,000		
040	Indirect Costs	501587	60,450	2,820	63,270		
041	Audit Fund Set Aside	500801	750	575	1,325		
059	Temp Full Time	500117	10,300	0	10,300		
060	Benefits	500601	18,943	0	18,943		
070	In-State Travel Reimbursement	500700	3,000	0	3,000		
072	Grants Federal	500573	703,028		703,028		
080	Out-Of-State Travel Reimb	500634	10,250	0	10,250		
		Total:	815,916	578,395	1,394,311		

#### **EXPLANATION**

The Department was approached to purchase a 396.4 acre parcel in Franconia due to its proximity to Franconia State Park and the desire of the owner to conserve the property. The parcel is bordered by the State Park, the White Mountain National Forest, private owners, approximately 3,000 feet of road frontage along Route 18 and one mile of frontage on Lafayette Brook. State ownership of the parcel would provide the following benefits:

- 1. Protection of the view-shed from the Cannon Mountain and Mittersill ridges;
- 2. Maintenance and expansion of the existing trail use on the property and provide connections to trails in Franconia Notch State Park and the White Mountain National Forest:
- 3. Allow future state park recreational development on the flatter terrain to compliment the more mountainous terrain in the rest of the park;
- 4. Protection of the exemplary forest seep/seepage forest located on the lower slopes of Lafayette Brook;
- 5. Management and protection of wildlife habitat; and
- 6. Demonstration of sustainable forest management.

The Department held a public meeting attended by 19+ people in Franconia on August 11, 2016 to present the proposal and receive public feedback (the presentation can be seen at <a href="http://www.nhstateparks.org/news-and-events/projects/lafayette-brook-acquisition.aspx">http://www.nhstateparks.org/news-and-events/projects/lafayette-brook-acquisition.aspx</a>). The consensus expressed at the public meeting supported acquisition of the property by the Department. A 30-day comment period followed the public meeting. Nine written comments were received with one in opposition to the acquisition.

The purchase is consistent with RSA 216-A EXPANSION OF STATE PARK SYSTEM whose purposes include "To continually provide such additional park areas and facilities as may be necessary to meet the recreational needs of the citizens of all regions of the state."

The market value of the Lafayette Brook Tract has been determined to be \$1,250,000 by Scot Heath of Heath Appraisal Services, 140 Second NH Turnpike North, Francestown, NH and as approved by a review appraiser. The landowner has offered the property to the state for \$1,150,000, gifting \$100,000 of value.

Attached is an executed purchase and sales agreement approved as to form, substance and execution by the NH Department of Justice (DOJ), statement of value letter from the appraiser, and a survey plan. Final closing shall be subject to the terms of the purchase and sales agreement and final approval of the warranty deed as to execution by DOJ.

Respectfully Submitted,

Concurred.

Philip A. Bryce, Director

Jeffrey J. Rose, Commissioner

#### PURCHASE AND SALE AGREEMENT

Thomas G. Nonis, Trustee for the J and T Land Trust ("J&T LAND TRUST"), 26 Water Street, Essex, MA 01929 ("SELLER") agrees to sell, and the State of New Hampshire, through its Department of Resources and Economic Development, of 172 Pembroke Road, Concord, New Hampshire 03301 ("BUYER") agrees to purchase certain property on the terms and conditions set forth below:

- 1. <u>PROPERTY</u>: The property to be conveyed is a certain tract or parcel of approximately +/- 399 acres of undeveloped land, identified on the Town of Franconia Tax Maps as Map 20 Lot 1 ("PROPERTY"), currently owned by J&T Trust (c/o Thomas Nonis, 64 Eastern Ave., Essex, MA, 01929), located on the north side of Route 18, and abutting Franconia Notch State Park in the Town of Franconia, NH. The SELLER'S source of title is recorded at the Grafton County Registry of Deeds at Book 2445, Page 326.
- 2. <u>Purchase Price</u>: With full knowledge of an appraisal report dated July 26, 2016, prepared by Scot D. Heath, that reports the "Market Value" of the Property to be \$1,250,000 on July 21, 2016, the SELLER hereby agrees to sell, and the BUYER hereby agrees to purchase the Property at the purchase price ("PURCHASE PRICE") of One Million, one hundred fifty thousand dollars (\$1,150,000) to be paid by the BUYER to the SELLER by Certified bank check at the closing.
  - 3. Title and Deed: The SELLER shall convey the PROPERTY to the BUYER by warranty deed, conveying good and clear record and marketable title thereto, free and clear from all liens and encumbrances except usual public utilities serving the PROPERTY.
  - 4. <u>Closing</u>: A warranty deed shall be delivered and exclusive possession shall be given to the BUYER, and the BUYER shall tender the Purchase Price to the SELLER, no later than March 31, 2017. The date, time and location of the closing shall be mutually agreed to by the SELLER and the BUYER.
- 5. Real Property and Transfer Taxes: The BUYER is exempt from the real estate transfer tax under RSA 78-B. Payment of the July 1,2016 through June 30, 2017 property taxes shall be prorated to the time of closing and the BUYER'S portion paid to the SELLER by the BUYER at the closing.
  - 6. Examination of Title and Environmental Assessment: If the

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desires examination of title BUYER an orenvironmental assessment, it shall bear the cost therefor. If, examination of title or environmental assessment, it is found title is not marketable environmental ordetrimental to the BUYER, this Purchase and Sale Agreement ("AGREEMENT") may be rescinded at the option of the BUYER.

- 7. <u>Conditions Precedent</u>: The SELLER understands that the BUYER must secure the approval to purchase the PROPERTY from the Legislative Fiscal Committee and Governor and Her Executive Council prior to the closing.
  - 8. Risk of Loss: Risk of loss relative to any damage or loss to the PROPERTY shall be on the SELLER until closing. In case of loss, any sums recoverable from insurance shall be paid or assigned at the Closing to the BUYER.
- 9. <u>Time</u>: Time is of the essence for all dates and time periods in the Agreement.
- 10. <u>Default</u>: If either party defaults hereunder, then the other party shall have available to it all rights provided under law and in equity.
- 11. <u>Notices</u>: All notices shall be sent to the parties at their addresses set forth above. Any press release regarding this transaction shall be first approved by the SELLER.
- 12. <u>Merger</u>: All representations, statements and agreements made by and between the BUYER and the SELLER are merged in the Agreement which alone fully and completely expresses their respective rights and obligations.
- 13. Governing Law: The AGREEMENT is made in accordance with New Hampshire law and shall be interpreted, governed and enforced under New Hampshire law.
  - 14. <u>Counterparts</u>: The AGREEMENT may be executed in two (2) or more counterparts, all of which shall constitute but one (1) Agreement.

IN WITNESS WHEREOF the parties have caused this instrument to be executed this \_\_\_\_\_\_\_, 2016.

## **SELLER**

J and T Land Trust

Thomas X Nonis

Trustee G. L. HANGE

**BUYER** 

State of New Hampshire

Witness

By:

Jeffrey J. Rose,

Commissioner

Department of Resources and Economic Development

Approved as to form, substance and execution by the Office of the Attorney General.

Jeanine Girgenti Bran Buonagano

Associate Attorney General

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# Heath Appraisal Services

140 SECOND NEW HAMPSHIRE TURNPIKE NORTH FRANCESTOWN, NH 03043

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

July 26, 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

Fee Simple Interest; approximately 396.37± acres vacant land, located on State Route 18, Franconia, New Hampshire; property of J & T Land Trust; Julia F. Carpenter and Thomas G. Nonis, Trustees.

Dear Mr. Carpenter:

RE:

As requested, I have completed the appraisal of the above-referenced real estate. Based upon my investigations and analyses, market value of the fee simple interest in the subject property "as-is" as of July 21, 2016, being the most recent date of inspection, was concluded at the level of...

#### \$1,250,000

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.

× .....

Scot D. Heath

Certified General Appraiser

(NHCG-211)



