



## THE STATE OF NEW HAMPSHIRE DEPARTMENT OF TRANSPORTATION



Victoria F. Sheehan Commissioner

His Excellency, Governor Christopher T. Sununu and the Honorable Council State House Concord, New Hampshire 03301 Bureau of Right-of-Way November 5, 2019

## REQUESTED ACTION

Pursuant to RSA 4:39-c and 228:31, authorize the Department of Transportation to sell a 2.1 +/- acre parcel of State-owned land located on the westerly side of North Main Street, just south of the Spaulding Turnpike Exit 15 Northbound off ramp in the City of Rochester, to 400 North Main Street, LLC for \$33,100.00 which includes the \$1,100.00 Administrative Fee, effective upon Governor and Executive Council approval.

It has been determined by the Division of Finance that this parcel was originally purchased with 80% Federal Funds, 20% Highway Funds.

Funding is to be credited as follows:

04-096-096-960015-0000-UUU-402156 Administrative Fee	<u>FY 2020</u> \$1,100.00
04-096-096-960015-0000-UUU-409279 Sale of Parcel (20% of \$32,000.00)	<u>FY 2020</u> \$6,400.00
04-096-096-963515-3054-401771 Consolidated Federal Aid (80% of \$32,000,00)	<u>FY 2020</u> \$25,600.00

## **EXPLANATION**

The Department has received a request from 400 North Main Street, LLC who wishes to acquire a parcel of State owned land on the westerly side of North Main Street, just south of the Spaulding Turnpike Exit 15 Northbound off ramp in the City of Rochester.

The parcel, consisting of 2.1 +/- acres, was acquired by the Department in 1957 in connection with the construction of the Spaulding Turnpike. It was brought to the Department's attention that this parcel has been incorporated with the use of the abutting parcel for many years which has included Thompson Center Arms, and Smith and Wesson and not used for right of way purposes. The State parcel has been noted on City of Rochester Tax Maps as being part of the abutting parcel. Both parcels are contaminated as a result of their prior use. 400 North Main Street, LLC is currently remediating both its site as well as the State parcel through the Brownfields Program. This site is also registered on the DES OneStop website.

The abutting parcel was purchased by 400 North Main Street, LLC in 2012 and was the former Thompson Center Arms (TCA) manufacturing facility. Adjacent to the Spaulding Turnpike, 400 North Main Street, LLC intends to

redevelop the site with Brownfield status. 400 North Main Street, LLC had no reason to believe that it did not have a clean title to the entire 13.1 acres including the State owned parcel. The State-owned parcel had been used and occupied openly by TCA for decades.

400 North Main Street, LLC purchased their property for \$1,150,000.00 and have spent more than \$1,317,000.00 cleaning up the property sufficiently to redevelop the land. In addition there will be monitoring costs of \$25,000 to \$30,000 per year related to the contamination once the site is cleaned up.

Conditions of this sale will include:

- No access will be granted along North Main Street or the Spaulding Tumpike to the parcel.
- The Department should retain slope easement as shown on the highway plans.
- The Department will retain a landscape easement where existing evergreen trees will not be cut down.
- Buyer is releasing the Department from any and all claims and causes action the Buyer may have against the Department related to the Department's ownership and transfer of this property.

This request has been reviewed by this Department and it has been determined that the requested area is surplus to its operational needs and interest.

An appraisal completed by Bergeron Commercial Appraisal (an appraisal firm approved to provide appraisal services for the Department ) factoring in the clean-up costs for this parcel estimated the value of the parcel to be \$32,000.00.

The Long Range Capital Planning and Utilization Committee at their September 10, 2019 meeting approved the request that the Department may sell this portion of state owned land directly to 400 North Main Street, LLC for \$32,000.00, plus an Administrative Fee of \$1,100.00.

In accordance with RSA 4:39-c, the Town of Rochester has been offered this property at the approved purchase price and they did not express an interest in purchasing the property. The New Hampshire Housing Finance Authority was also offered the property at the approved price in accordance with RSA 204-D: 2 and they did not express an interest in purchasing the property.

Authorization is respectfully requested to sell this portion of State-owned land to 400 North Main Street, LLC.

Sincerely.

Victoria F. Sheehan

Commissioner

VFS/PJM/sjn Attachments



LRCP 19-030

MICHAEL W. KANE, MPA Legislative Budget Assistant (803) 271-3161

CHRISTOPHER M. SHEA, MPA Deputy Legislative Budget Assistant (603) 271-3161

## State of New Aampshire

OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

STEPHEN C. SMITH, CPA Director, Audit Division (603) 271-2785

November 7, 2019

Stephen G. LaBonte, Administrator Department of Transportation Bureau of Right-of-Way John O. Morton Building Concord, New Hampshire 03301

Dear Mr. LaBonte,

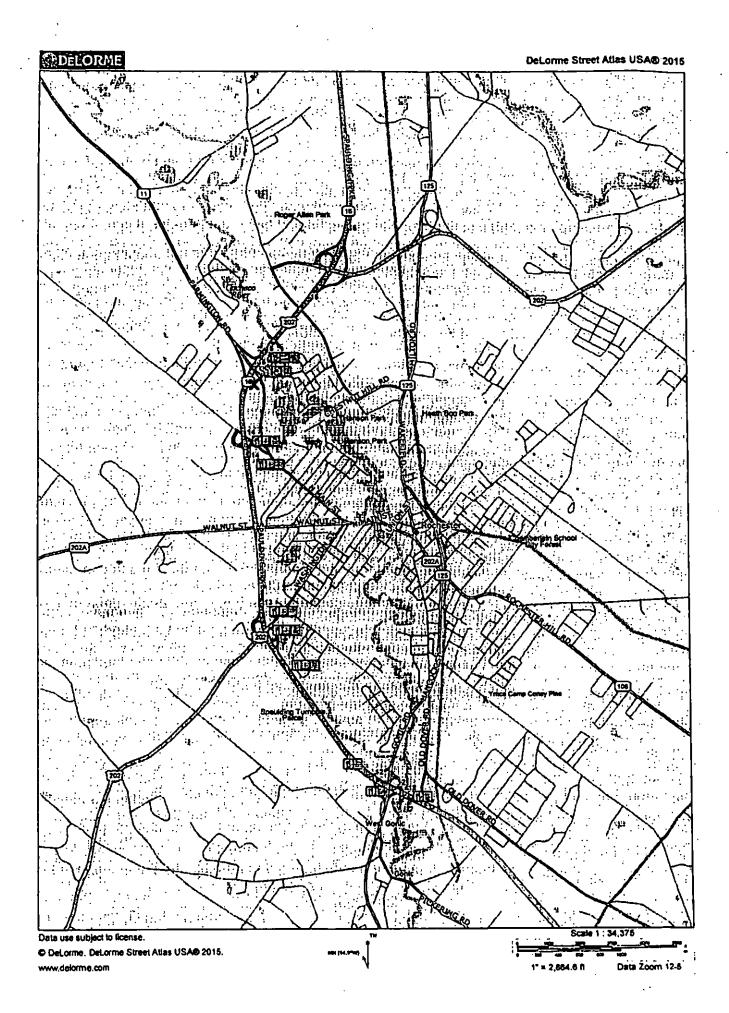
The Long Range Capital Planning and Utilization Committee, pursuant to the provisions of RSA 4:39-c, on September 10, 2019, approved the request of the Department of Transportation, Bureau of Right-of-Way, to sell a 2.1 +/- acre parcel of State owned land located on the westerly side of North Main Street, just south of the Spaulding Turnpike Exit 15 Northbound Off Ramp in the City of Rochester directly to 400 North Main Street, LLC for \$33,100 which included a \$1,100 Administrative Fee, subject to the conditions as specified in the request dated September 5, 2019.

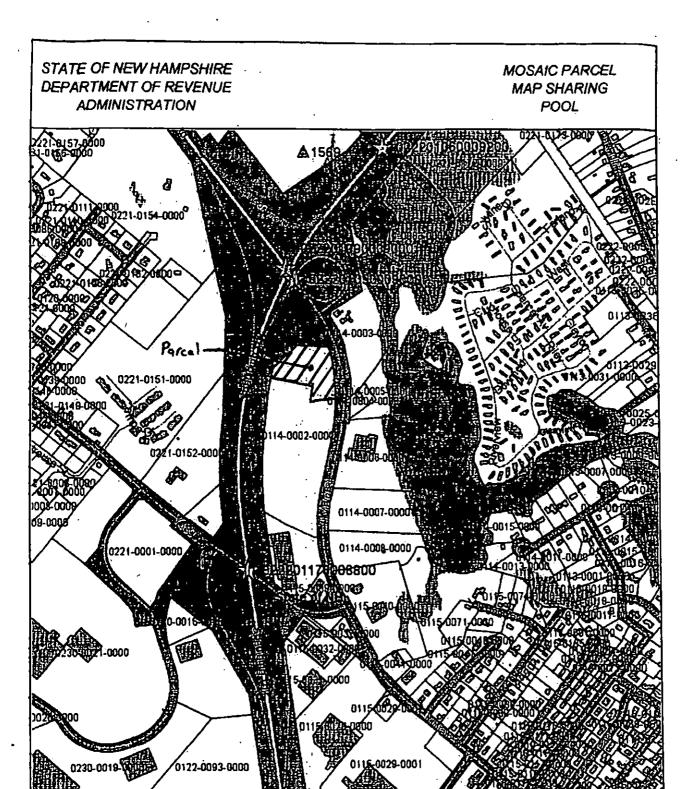
Sincerely,

Christopher M. Shea

Deputy Legislative Budget Assistant

CMS/pe Attachment





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