

AGENDA ITEMS #: 23-13
COUNCIL MTG OF: January 17, 2023
FROM: David Caron, Town Administrator
OFFERED BY: Administration
PREPARED BY: Administration
SUBJECT: Seek authorization to sign Letter of Intent for Conservation Land

STAFF REPORT

PURPOSE: To seek Town Council approval to sign a Letter of Intent to partner with the Conservation Commission to purchase land at 82 English Range Road for both conservation purposes and the potential site for a municipal water tower.

TOWN ADMINISTRATOR COMMENTS: Please see comments within this staff report.

BACKGROUND:

The Town Council met with James Degnan, ConsCom Chair on September 20 to discuss the potential acquisition of 42.7 acres of land from the Donald Ball Irrevocable Trust. The purchase would involve approximately 43 acres of the 50.9-acre parcel; the land being secured by the Town would remain predominantly in conservation, with a carve out for a potential location for a water tank for the municipal water system as envisioned in the water system master plan.

DISCUSSION:

The property is being sold to a third party, who is aware of this transaction. Further, the potential buyer is seeking relief from the Zoning Board of Adjustment for the portion of the property which is planned for development. Thus, it is in the Town's best interest that all parties are aware of the potential future uses of this property.

This action would allow the Town Administrator to sign a Letter of Intent, which commits to the purchase pending satisfaction of the following:

- Purchase price of \$494,000 for 42.7 acres
- Property must appraise, at a minimum, for the purchase price
- Town Council supplemental appropriation of \$100,000 in unallocated fund balance
- Conservation Commission appropriation of \$394,000
- Satisfactory title search, survey, Phase 1 environmental.
- Other site assessments as the Buyer deems prudent.

Should all conditions be met to effectuate the sale, the following actions would still need to occur:

- Conservation Commission public hearing on the proposed acquisition
- Town Council approval of the ConsCom's recommended purchase
- Town Council approval of a Supplemental Appropriation from UFB in the amount of \$100,000 after public hearing.

FISCAL IMPACT:

- 1) The Town's share of \$100,000 recognizes the potential to locate a water tower on the site. Per the FY22 audit, the Town maintains a fund balance \$1.4M in excess of the Town Council's minimum retention.
- 2) The Conservation Commission share of \$394,000 would be drawn from its fund which currently has a balance of \$818,832.52

RECOMMENDED MOTION:

Please see Resolution #2023-011 as amended.

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RESOLUTION

Number 2023-011

To Authorize a Letter of Intent to Purchase Land on English Range Road for
Conservation Purposes

WHEREAS, Section 5.1 of the Town Charter designates the Town Council as the governing and legislative body of the Town and, as such, it is empowered to purchase real property for the benefit of the Town and to appropriate funds for such purposes; and

WHEREAS, The Conservation Commission has expressed interest in purchasing land for conservation purposes; and

WHEREAS, the Town Council envisions a contribution of One Hundred Thousand Dollars (\$100,000) toward acquisition of the parcel; and

WHEREAS, numerous conditions of the sale must be met prior to closing, including a public hearing conducted by the Town Council on a Supplemental Appropriation to raise One Hundred Thousand Dollars (\$100,000) from Unassigned Fund Balance towards the purchase;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to sign a Letter of Intent to acquire 42.7 acres from the F. Donald Ball Irrevocable Trust on behalf of the Town of Derry and Derry Conservation Commission.

This Resolution shall take effect immediately upon its passage.

Adopted: January 17, 2023.

Attest:

X _____

Joshua Bourdon, Council Chair

Date: _____

X _____

Cristina Guilford, Town Clerk

Date: _____