## DEPARTMENTS OF THE ARMY AND AIR FORCE



JOINT FORCE HEADQUARTERS NEW HAMPSHIRE NATIONAL GUARD 1 MINUTEMAN WAY CONCORD, NEW HAMPSHIRE 03301

November 14, 2022

Mr. Stephen Duprey, Chairman Pease Development Authority 55 International Drive Portsmouth, NH 03801

Mr. Chairman:

The New Hampshire National Guard (NHNG) requests that the Pease Development Authority (PDA) Board of Directors consider the following proposed land exchange:

The NHNG, via an Air Force license, transfers approximately 3.5 acres of land, the former site of the Air Force / New Hampshire Air National Guard (NHANG) fire department and shown as "Parcel A" on the attached map, to the PDA in exchange for up to 16 acres of land abutting the current NHANG property on the "North 40" shown on the attachment as "Parcel B." The NHNG acknowledges this exchange is predicated upon receiving indemnification from the Federal government for Parcel A, as exists for PDA land previously conveyed from the Federal government.

Parcel A abuts and is adjacent to the PDA operations building and air terminal. Both reside on existing PDA land, enabling future expansion of the existing terminal. It resolves an awkward access issue by which PDA vehicles must cross NHANG land to access their building south of the control tower. Parcel A is immediately available for development, with all former infrastructure remediated, removed and utility connections terminated safely. We believe this conveyance will have significant future value for the PDA.

Regarding fair market value, two appraisals were completed on the subject properties, one in June 2021 by the NHANG and one in March 2022 by the PDA. The first appraisal estimates the value of Parcels A and B at \$102,000 and \$51,000 per acre, respectively, and the second appraisal estimates the value for Parcels A and B at \$212,000 and \$174,000 per acre, respectively. Parcel A has been structurally and environmentally remediated while Parcel B has not, representing significant costs that would need to be addressed for construction viability. Based on prior experience with similar environmental and geotechnical challenges, the estimated costs of remediation on the North Ramp could be as high as \$2 million per acre.

In summary, this exchange provides clearly predictable benefits to both the PDA and the NHNG. It secures construction-ready land for immediate development on the flight line for future terminal expansion for the PDA. For the NHNG, Parcel B creates increased stand-off distance from possible development on the North Ramp and room for mission expansion while strengthening our overall presence on the Tradeport.

We look forward to continuing this important conversation.

Sincerely.

DAY/D J. MIKOLA/TIES

Major General, NH National Guard

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