

Hearing no further discussion, **Moderator Eaton ordered Article 6 to appear on the ballot as written.**

Moderator Eaton read Article 7.

ARTICLE 07. To see if the Town will vote to authorize the Selectmen to convey the Parsonage and ±0.4 acres to 500 Washington Road, LLC and to acquire in an exchange at par the former TD Bank building and its 3.7 acre parcel pursuant to a Contract for Property Exchange/Swap signed by the Selectmen and Daniel Philbrick, AND FURTHER, to authorize the Selectmen to grant a septic system easement to 500 Washington Road, LLC as set forth in said Contract. (Majority vote required.)

This article is recommended by the Selectmen (3-0)

Selectman Winslow moved Article 7 to the floor. Selectman Epperson seconded the motion.

Selectman Winslow stated that Articles 7, 8 and 9 address the Town Hall space needs and the ownership and use of four buildings in town. First is the Town Hall. The Town has spent over \$350,000 to date to develop a plan to identify Town Hall space needs; conduct a structural study of the Town Hall building and develop a schematic design for the building. Three Town Hall Committees have been chartered since 2012. In addition, over the past nine years, the Town has voted down seven plans for construction and further study of the Town Hall building. In 2019, a warrant was turned down for 3.5 million to build a new town hall on the current site. The electorate appeared to be unwilling, and appropriately so, to spend that amount of money to provide for space needs for the Town Hall. The second building is the Parsonage. The Parsonage first came under town ownership in 1995 for the purpose of expansion of the Rye Public Library. The Library chose not to use the building. In the year 1999, the Town voted to lease the building to The Housing Partnership for twenty years to provide affordable housing. In 2016, a committee was formed to determine the fate of the Parsonage. The committee's October 2016 report made it clear that the Town did not want to manage the Parsonage's tenants or the building repairs directly, as the Parsonage was in a serious state of disrepair, evident by the Lassel Architect report of 2015 which estimated at least a half million dollars was needed to bring the building up to standards. That half a million today is more likely \$750,000. He continued that The Housing Partnership, which is managing the building, is transitioning residents to alternate housing. Only three of the eight units are currently occupied. The Housing Partnership is offering to pay for moving costs, first month's rent and security deposits for the current occupants, as they transition to alternate housing. The building and adjacent structure are on .4 acres of land with eight parking spaces. The third building in the mix is the TD Bank building, which is directly across from the Rye Junior High. It is a one-story former bank building with twenty-one parking spaces and 3.71 acres of land. It currently has four formal offices, room for two additional offices, as well as suitable space for two office spaces in front of the drive-up window. The fourth building is the Old Trolley Barn, which is located across from the Rye Central Cemetery. The Old Trolley Barn has only been used recently for

storage and housing of the Senior Serve van. The building was approved to be sold by the Selectmen per Article 27 on the 2018 warrant.

Selectman Winslow continued that in 2019, the current owner of the TD Bank building offered to exchange the building for the Parsonage at par, which means no money with the exchange. The Town hired the services of B.C. Underwood, a highly respected real estate appraiser located in Concord, New Hampshire, to conduct an appraisal of the Parsonage and TD Bank building to determine both properties' highest and best use values. The report shows that the market value of the Parsonage is at \$390,000. The reason for that is because the building is in a substantiable state of disrepair. Essentially, the value is based upon the land. The TD Bank building with its 3.71 acres of land was valued at \$605,000., which is 65% more than the Parsonage. In the meantime, the Town Attorney and Town Administrator drew up a contract with Mr. Philbrick contingent on the results of the appraisal and approval by the town electorate at this March election to make the exchange. Concurrent with this process, Barba and Wheelock, an architectural firm, was developing a reconfiguration of the interior of the Town Hall to provide for additional space needs, make it ADA compliant and to recommend additional space. It was determined that the required space needed for the Town Hall equates to the approximate amount of footage at the TD Bank building. It would appear that if that trade is made and the TD Bank building is renovated, the Town would solve all the space needs problems for the Town Hall that have been worked on for the past nine years. In summary, if the exchange is approved by the voters, Mr. Philbrick, per the contract, is required to restore the Parsonage back to its previous historic condition consistent with zoning ordinances of the Historic District. Mr. Philbrick will invest a minimum of \$850,000 in order to do so. If the renovations do not reach that amount, the deficit or difference will be donated by him to the Rye Public Library. Mr. Philbrick's plans are to have apartments for lease in the building and either a coffee shop or office located in the large masonry building beside it. This exchange will give the Town the increased office space it needs to conduct town business. The plan would be to move the Town Clerk/Tax Collector, Deputy Tax Collector and also the Assessor's Office to the TD Bank building with its twenty-one parking spaces and drive-up window. In addition to the use of the drive-up window offering convenience for mobility impaired citizens, who would be able to drive up to conduct their business, parents would also be able to drive up and not be required to take their young children out of car seats to walk them into Town Hall, as is now being done. This is seen as a win-win for the Town and a final solution to get the space needs for the Town Hall resolved. The Selectboard asks for support of this plan.

Moderator Eaton called for further discussion.

Shawn Crapo, 676 Central Road, stated that it seems disingenuous to not put any money in the article. He would think that even a transfer would require the drafting of a deed, closing costs and transfer stamps. He asked if this should include costs to cover those items.

Selectman Winslow explained the Town has two options. One is that it can come out of the legal budget. Two, Article 9 addresses the sale of the Trolley Barn which would provide some funds.

Cathy Hodson, 616 Central Road, asked what the Town will do with the land behind the bank building, if this exchange occurs.

Selectman Winslow replied that the Rye Town Center Committee was configured as a result of the charrette which occurred this past year. The Rye Town Center Committee will be asked to make recommendations for the use of that land.

Steven Borne, 431 Wallis Road, stated there is a lot in what Selectman Winslow just said. In adding it all out, this is actually the plan for Town Hall. This is an exchange and the Selectboard is not in a position to manage buildings. The Parsonage needs more money and the TD Bank building will need less. The two Selectmen on the board were on the Parsonage Committee. The report of that committee said it can't really give a recommendation on what to do with the Parsonage, until it is all put into context, and that has not really been done yet. He continued that Plan New Hampshire came in and the Rye Town Center Committee was started. The people said that the first focus should be safety; however, that work has not been finished. He pointed out that the Library wants to expand and have a consultant come in. If the Town wants to do all these things, they cannot put all that burden on the taxpayers. The right thing to do, in a town as wealthy as Rye, is to have a public and private partnership to get all the work done. The only way to raise big money is to get big donations. He noted that big donors will not donate unless there is a long-term plan. The Town Hall has been going on for ten years. He reiterated that they really need to plan first and then move forward.

Dan Philbrick, 1393 Ocean Boulevard, noted that he is the other party in the swap agreement. He is open to answering any questions the voters may have. He pointed out that he is a long-time resident of Rye. His vision for Rye is a little bit different in the sense that he is looking at the history and the things that make up the community. He was very concerned about TD Bank leaving the community. He feels it is very important that the community have a bank and this is the reason he bought the building. Partners Bank was given the option of leasing the building on Washington Road or purchasing the land near the Post Office on Central Road. Through those options, they ended up taking the land near the Post Office and are building a new bank. Over the years, he has tried to do restorations that were appropriate for Rye. In regards to the Parsonage swap, he believes it is an opportunity to really achieve something for the Town. He is bringing forth this proposal because he feels it is a fiscally responsible proposal and he can vision it. The Parsonage is a tired building and is in total disrepair on a third of an acre. Just down the street, is a building that was occupied by a national bank, has a certificate of occupancy, meets ADA compliance and sits on almost 4-acres of land. Just on its space, when looking at the swap agreement, it makes logical sense. Furthermore, with regard to the Parsonage, he will certainly do his best to make sure the restoration is historically correct and is done in a manner that the citizens of the community can be proud of. He thanked everyone for their consideration.

Alex Herlihy, 55 Lang Road, pointed out that if the exchange happens, it opens up the second floor of the Town Hall to bring it back to what it was in 1985, which was the last time it was open. It has