

## CITY OF PORTSMOUTH, NH

## CITY COUNCIL WORK SESSION ON FEDERAL MCINTYRE BUILDING

## FEBRUARY 18, 2014 6:00 PM EILEEN DONDERO FOLEY COUNCIL CHAMBERS

#### **AGENDA**

- Introduction of representatives of the offices of Senators Shaheen and Ayotte, and Representative Carol Shea-Porter, General Services Administration (GSA), City Councilors and staff
- II. Federal McIntyre Building history and 2004 federal legislation
- III. Current status of conveyance (of land/building) to City
- IV. Federal Urban Development/Good Neighbor Program
- V. Next Steps
- VI. Q&A/discussion

#### CHRONOLOGY OF FEDERAL MCINTYRE BUILDING RELOCATION

n	2004-2014			
2004:				
Jan	Passage of Public Law 108-199 Sec 408 regarding funds for relocation of federal building to Pease International Tradeport and conveyance of McIntyre Building to City of Portsmouth (Public Law 108-199 Sec 408 attached).			
Mar 1 <sup>st</sup>	Letter from Mayor Sirrell to Senator Gregg reaffirming City's intention to carry out acceptance and mixed-use redevelopment of federal McIntyre site.			
Oct	President Bush's appropriates \$11,149,000 originally planned for renovations to the McIntyre Building and appropriates an additional \$13.7 million in funds for relocation of federal building to Pease International Tradeport. Total funding of \$24.8 million.			
Nov.	GSA issues RFP for architects for building at Pease Tradeport. Includes proposed project schedule:  Design Completion Construction Award Project Completion September 2008			
2005:	Troject Completion September 2000			
March	Planning Board approval sought to subdivide 30 acres at Pease International Tradeport for new federal building.			
Aug. 30 <sup>th</sup>	Meeting with GSA representatives regarding process and schedule of anticipated relocation.			
Sept. 6 <sup>th</sup>	Letter from City Manager to Senator Gregg's Chief of Staff for arranging August 30 <sup>th</sup> meeting. Letter includes description of municipal planning process and commitment of CIP funding in the amount of \$200,000 for conceptual and site plan for the McIntyre parcel.			
Sept. 14 <sup>th</sup>	Meeting with Mayor, US Postal Service District Director, representatives of Senator Gregg's office and City staff to discuss keeping retail post office at McIntyre Building.			
2006:				
Nov. 20 <sup>th</sup>	Pease Development Authority sells 11.57 acres at 234 Corporate Drive to federal government for \$1.48 million.  Proposed project schedule: 2007 Start design process 2008 Complete design and advertise construction			

2010 Construction complete

McIntyre Building Relocation Chronology Feb 12, 2014

2007-2008

GSA architectural and construction design work for new building at Pease International Tradeport.

2009:

Jan14th

Senator Gregg sends response to Deputy City Manager's request for status report on federal tenant relocation. Letter includes update from GSA indicating reduced project scope and accompanying reduction in project funding from \$24.8 million to \$20.8 million reflecting smaller building size.

Updated project schedule:

Jan. 2009

Preliminary design 30% complete

Spring 2009

"Housing" plan finalization

No construction date provided

2010:

Feb 23rd

Mayor Ferrini sends letters to Senator Shaheen's State Director, Representative Shea-Porter's District Manager, and Senator Gregg's Project Director expressing concern about inability "to obtain a commitment from GSA regarding "when McIntyre might be transferred to the City's control as planned."

Aug 3rd

Meeting at Federal Building with GSA and Congressional delegation staff to discuss project and building design status. GSA Regional Manager indicates the project is delayed. The delay is due to changing space and tenant program needs which has necessitated a building redesign and additional federal authorizations.

Revised project schedule:

Sept. 2010

Restart Building design process

July 2011

Initiate construction bidding process

Dec. 2011

Award contract

Spring 2012

Initiate construction

Spring 2014

Occupy new building

2011:

Mar. 17th

City asks Homeland Security Division to reactivate agreement to use of "Bow Street Parking Lot" weekend. Request denied (4-28-11) for security reasons.

Dec. 10th

Email request from Portsmouth Deputy City Manager to Senator Shaheen's office requesting "update of federal building design/construction schedule for new facility at Pease." Representatives arrange conference call.

Dec 16th

Conference call between Congressional delegation staff, GSA representatives and City staff on status of project.

Dec. 22nd

Email from GSA Special Assistant to Regional Administrator to City Manager in response to timeline request for construction completion of McIntyre Building at Pease.

GSA timeline response:

Design completion

April 30, 2012

Construction award

June 30, 2012

#### Occupy new building January 2014

2012:

Sept 17th City contacts Senator Shaheen's office to request update on construction progress. Senator Shaheen's staff coordinates meeting for Sept 26th with

GSA representatives, Congressional delegation staff and City staff.

Sept. 26th Meeting at Federal Bldg with GSA and Congressional delegation staff

for tour and discussion of construction schedule for new building at Pease and transfer of property to City of Portsmouth. GSA Regional Administrator explains delayed timeframe due to changing tenant space requirements, reduction in building size and need to comply with new federal regulations pertaining to construction of federal buildings.

Revised project schedule:

Fall 2012 Initiate construction bidding process

Late winter 2013 Award contract
Spring 2013 Initiate construction
Spring 2015 Occupy new building

Nov.7th City contacts Senator Shaheen's office to request update on construction

progress. They contact GSA.

Late Nov. GSA Regional Administrator calls City Manager and indicates project

delayed again due to further reduction in program needs.

2013:

March City calls Senator Shaheen's office to again request update on

construction progress.

April GSA Regional Administrator calls City Manager and indicates

President's budget eliminates funding for relocation of federal building

to Pease International Tradeport.

April 16<sup>th</sup> Mayor sends letter to NH Congressional delegation expressing

disappointment and requesting a discussion on the matter (Letter

attached).

April 23<sup>rd</sup> City submits a list of questions regarding the McIntyre relocation process

to Senator Shaheen's office (Memo attached).

May 7th City meets with GSA to discuss elimination of funding for relocation of

federal building. City also receives response to questions from Senator Shaheen staff (Cover memo from City Manager dated May 8th and

GSA response to City's questions attached).

July 16th City meets with GSA and staff of NH Senators Shaheen and Ayotte and

Rep. Shea-Porter to discuss redevelopment potential of McIntyre site and participation in a federal Urban Development/Good Neighbor pilot project on enhancing relationship of communities and federal property

holders.

Aug 6th City Manager sends City Council update on interaction with GSA (Memo attached). Sept. 26th Conference call with members of the legislative delegation staff and city staff to discus status of federal Urban Development/Good Neighbor pilot project. Fall With help of Congressional delegation, the language that would have rescinded the remaining funds in the federal building account and the authorization to move the federal McIntyre Building to Pease International Tradeport was struck from the President's budget. October GSA grants permission to City for weekend use of the McIntyre Parking Lot. Dec. 18th Conference call to discuss Urban Development/Good Neighbor Program relative to planned rehabilitation of the federal McIntyre Building. 2014: Jan 6th Letter from GSA to Mayor requesting the City government and residents to engage in a dialogue about long-term utilization of McIntyre Building under the Urban Development/Good Neighbor Program national initiative (Letter attached). Jan 13th City Council authorizes City Manager to work with Mayor on letter to GSA requesting Work Session with GSA, City Council and Congressional Delegation on GSA proposal and status of transfer of McIntyre property to City. (Letter attached). Jan 15th Response sent from Mayor to GSA suggesting Work Session with City Council and Congressional Delegation on February 18, 2014.

New Hampshire.

potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects

or other funding, to the extent feasible.

SEC. 407. From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", claims against the Government of less than \$250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior

notification to the Committees on Appropriations.

SEC. 408. (a) Notwithstanding any other provision of law, the Administrator of General Services is authorized to acquire, under such terms and conditions as he deems to be in the interests such terms and conditions as he deems to be in the interests of the United States, approximately 27 acres of land, identified as Site 7 and located at 234 Corporate Drive, Pease International Tradeport, Portsmouth, NH 03801, as a site for the public building needs of the Federal Government, and to design and construct upon the site a new Federal Office Building of approximately 98,000 gross square feet: Provided, That the Administrator shall not acquire any property under this subsection until the Administrator determines that the property is in compliance with applicable environmental laws, and that the property is suitable and available for use as a site to house the Federal agencies presently located for use as a site to house the Federal agencies presently located in the Thomas J. McIntyre Federal Building.

(b) For the site acquisition, design, construction, and relocation, \$11,149,000 shall be available from funds previously provided under the heading "General Services Administration, Real Property Activities, Federal Buildings Fund" in Public Law 108-7 for repairs and alterations to the Thomas J. McIntyre Federal Building in Portsmouth Naw Hamsehira which was included in the plan for Portsmouth, New Hampshire, which was included in the plan for expenditure of repairs and alterations funds as required by accom-

panying House Report No. 108-10.

(c) For any additional costs of construction, management and (c) For any additional costs of construction, management and inspection of the new facility to house the Federal agencies relocated from the McIntyre Federal Office Building, and for the costs of relocating the Federal agencies occupying the McIntyre Federal Office Building, \$13,669,000 shall be deposited into the Federal Buildings Fund (40 U.S.C. 592) from the general fund; which are the state of the sta amount, together with the amount set forth in subsection (b) of this section shall remain available until expended and shall be subject to such escalation and reprogramming authorities available to the Administrator for any other new construction projects under the heading "Federal Building Fund Limitations on Availability of Revenue'

(d) The Administrator is authorized and directed to convey, without consideration, the Thomas J. McIntyre Federal Office Building to the City of Portsmouth, New Hampshire for economic development purposes subject to the following conditions: (i) that all Federal agencies currently occupying the McIntyre Building except the United States Postal Service are completely relocated to the name Federal Building to the new Federal Building for so long as those agencies have continuing mission needs for that new location; (ii) that the requirements of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411 et seq.) shall not apply to this conveyance; and (iii) that the Administrator may include in the conveyance documents such terms and conditions as the Administrator determines in the best

interest of the United States.



# CITY OF PORTSMOUTH

Municipal Complex 1 Junkins Avenue Portsmouth, New Hampshire 03801 (603) 610-7200 Fax (603) 427-1526

Eric A. Spear Mayor

April 16, 2013

The Honorable Jeanne Shaheen U.S. Senator 1589 Elm Street, Suite 3 Manchester, NH 03101

The Honorable Kelly Ayotte U.S. Senator 1200 Elm Street, Suite 2 Manchester, NH 03101

The Honorable Carol Shea-Porter Congresswoman, First Congressional District 33 Lowell Street Manchester, NH 03101

RE: Transfer of Federal McIntyre Building

Dear Congressional Delegation:

I am writing to inform you of the disappointing news that we received Monday morning regarding the proposed transfer of the Federal McIntyre Building in downtown Portsmouth, NH. City Manager Bohenko was advised by Bob Zarnetske, New England Regional Administrator for the US General Services Administration (GSA) that the President's budget calls for the elimination of the transfer of the McIntyre property to the City of Portsmouth.

In 2003, as a result of the efforts of Senator Judd Gregg, Congress authorized, and the President signed legislation to transfer the 2.16-acre federal McIntyre property on Daniel Street to the City of Portsmouth for nominal cost for "economic development purposes." The legislation authorized \$11,149,000 for site acquisition, design, construction and relocation of the federal agencies in the McIntyre Building to a new building on a 27-acre parcel of land at 234 Corporate Drive at Pease International Tradeport. An additional \$13,669,000 was deposited into the Federal Buildings Fund (40 U.S.C. 592) for any "additional costs of construction, management, and inspection of the new facility." The federal government acquired the building lot at Pease in November 2006.

Since 2006, the City has had several meetings with the GSA to understand and monitor the progress of the design and construction of the new building at Pease International Tradeport and of the intended relocation of the federal agencies to the new office. For a variety of reasons, the timeframe for the federal relocation effort was slower than originally anticipated due to the changing space and program needs of the various federal agencies that will occupy the new federal building at Pease, and the resulting federal authorizations with regard to total building square footage and funding.

Since 2004, the City has reserved funds in anticipation of costs associated with the transfer and redevelopment of the property. At the most recent meeting with GSA representatives on September 26, 2012, the estimated timeframe for the initiation of construction of the Pease

Congressional Delegation Transfer of Federal McIntyre Building April 16, 2013 Page 2

facility was spring 2013 with completion by spring 2015. We left that meeting understanding that the conveyance date for the 2.2-acre McIntyre property was to be spring/summer 2015.

For the past ten years, the City has been relying on repeated reassurances from the GSA that the federal offices would be relocated. When residents and elected officials inquired about the transfer of the property, we have consistently reported that the target date for conveyance is delayed. As a result, planning discussions on redevelopment opportunities for the McIntyre site including badly needed public parking, traffic circulation improvements, and a gateway development on Daniel Street have been postponed. However, after the last meeting with the GSA, the site has been included in discussions about downtown redevelopment.

Now, it appears that if the President's proposed budget passes, there will be no transfer as authorized in the original legislation. The consequences of the City putting its trust into the federal government's assurances of imminent relocation are the loss of significant economic redevelopment opportunities and years of wasted effort to comply with the relocation process. Most importantly, many residents' hopes and desires for a landmark development at the site will be unfairly dashed.

We would like to meet with you to discuss this matter further. Please contact City Manager John Bohenko at (603) 610-7201 to arrange a mutually convenient time for this meeting.

Sincerely,

Eric Spear Mayor

On behalf of the Portsmouth City Council:

Robert Lister, Assistant Mayor
Anthony Coviello, Councilor
Esther E. Kennedy, Councilor
Nancy Novelline-Clayburgh, Councilor
Bradley Lown, Councilor
M. Christine Dwyer, Councilor
Kenneth E. Smith, Councilor
Jack Thorsen, Councilor
John P. Bohenko, City Manager

# CITY OF PORTSMOUTH PORTSMOUTH, NH 03801

# Office of the City Manager

DATE:

April 23, 2013

TO:

Mike Vlacich, State Director, Office of United States Senator Jeanne Shaheen

FROM:

John P. Bohenko, City Manager

RE:

Relocation of McIntyre Federal Building

Thank you for taking time yesterday to discuss the elimination of funding in the President's budget for relocation of the McIntyre Federal Building from downtown Portsmouth to Pease International Tradeport. As requested, below are some questions related to this matter.

- In response to a question from a local newspaper reporter regarding elimination of funding in the President's budget for relocation of the McIntyre Federal Building, Mr. Patrick Sclafani of the GSA replied that, "Since 2004, when the original legislation was enacted, GSA has conducted analyses of the relocation project and concluded that construction and decommissioning is not warranted." At what point since 2004 were these "analyses" conducted and can we get a copy of them?
- 2. How much has been expended since 2003 on the "analyses," planning, design and land purchase efforts to relocate and construct a new federal facility at Pease International Tradeport?
- 3. Why did the GSA continue to meet with City officials and consistently indicate that the relocation process was moving forward albeit in a scaled down version?
- 4. Does the President's budget leave the entire relocation project unfunded or does it only eliminate the relocation funding?
- 5. If the current federal agency tenants remain at the McIntyre Federal Building, is it the intent to conduct the structural repairs and renovations that were original deemed necessary and originally funded in 2003 at \$11 million?
- 6. How many tenants and employees currently work at the McIntyre Federal Building and what is per cent of the building, if any, is presently vacant? How many of the on-site parking spaces are used by tenants on a regular basis?

I appreciate the opportunity to request answers to these questions. As you know, over the past ten years, the City has been a cooperative, patient and forth coming participant in this project, operating openly and in good faith with the GSA. The City believes that to terminate such a significant redevelopment and economic opportunity for the City as this point does not seem prudent and is a breach of trust.

# CITY OF PORTSMOUTH PORTSMOUTH, NH 03801

Office of the City Manager

DATE:

May 8, 2013

TO:

Honorable Mayor Eric Spear and City Council Members

FROM:

John P. Bohenko, City Manager

RE:

Meeting with GSA Administrators on McIntyre Building

As you are aware, on May 7, 2013 the City hosted a meeting with representatives of the General Services Administration (GSA) to discuss the relocation of the McIntyre Federal Building to Pease International Tradeport. Representing the GSA were Regional Administrator Robert Zarnestske, Regional Commissioner for Building Service and Construction Glenn Rotondo, Special Assistant to the Regional Administrator Samir Randolph, and Public Affairs Official Patrick Sclafani. The NH Congressional representatives in attendance were Mike Vlacich and Sarah Holmes from Senator Shaheen's office, Bud Fitch from Senator Ayotte's office and Chuck Gilboy from US Representative Carol Shea Porter's office. In attendance with Mayor Spear, were City Councilors Ken Smith and Jack Thorsen.

After the Mayor welcomed the attendees, the City presented a chronology of events associated with the McIntyre Building beginning with the original proposal to renovate the structure in 2000 through the period in 2004 in which Senator Gregg championed legislation for relocation of the federal building to Pease and finally the 2006 purchase of land at 234 Corporate Drive and the recent design/build effort for the new building. In the course of this presentation, we noted the City's continued trust and patience with the GSA throughout the numerous delays for the anticipated construction and relocation of McIntyre tenants. The Mayor also reiterated the City's disappointment with the recent revelation that the President's budget does not include funds for the relocation as originally promised.

Administrator Zarnestke responded by providing an interpretation of how the GSA has arrived at the current situation. He summarized the federal legislation enabling the McIntyre relocation to Pease highlighting two major charges for the GSA:

1) Find an appropriate alternative building site for the McIntyre Building and purchase it.

 Design and construct a facility that meets the needs of the federal agencies occupying the McIntyre Building and following and then transfer the McIntyre Building to the City. Having completed the first requirement by purchasing the Pease land, the GSA moved on to the second mandate which he said has proved to be the "frustrating element" which has led to the current situation. After GSA discussions with the McIntyre tenants, and after applying the new federal standards for occupancy and programming for the agencies, they "have come to the conclusion that the proposed building at Pease is not going to work." In short, it is not possible to meet the needs of the current McIntyre Building tenants. This is partly due to the fact that the GSA cannot require a federal agency to move to a different facility. This fact combined with the fact that some tenants have relocated to other buildings already, there is currently tenant demand for only 32,000 square feet of a space in a structure authorized to be 60,000 square feet. This situation creates a financial pro forma that does not work.

Representatives and the city both expressed frustration with the period of time that it took the GSA to come to this conclusion and inform the City. Mayor Spear feels there has been a breach of trust on the GSA's part. Nevertheless, he and other Councilors expressed a desire to find a path to move forward and all parties agreed meet again after reviewing all the information provided at the meeting.

The meeting included further details and discussion on the federal process for securing and disposing of federal structures and also on the parking associated with the McIntyre Building. The entire meeting has been recorded and minutes will be available for review.

Attached to this memo are copies of the chronology of the McIntyre Building relocation starting in 2000 and copies of supportive documents. Also included is the Mayor's letter dated April 16, 2013 to the NH's Congressional delegation, a memo to Michael Vlacich, Senator Shaheen's State Director which includes questions for the GSA and the responses they provided, and an excerpt of Public Law 108-199, the federal legislation authorizing the relocation.

# **GSA** Response to

# City of Portsmouth

Questions

In response to a question from a local newspaper reporter regarding elimination of funding in the President's budget for relocation of the McIntyre Federal Building, Mr. Patrick Sclafani of the GSA replied that, "Since 2004, when the original legislation was enacted, GSA has conducted analyses of the relocation project and concluded that construction and decommissioning is not warranted." At what point since 2004 were these "analyses" conducted and can we get a copy of them?

## Fluctuating needs impact building size and result in design changes:

In March 2002, GSA received Congressional approval to modernize the Thomas McIntyre Federal Building with approved funding of \$11.978 M to perform a complete modernization including asbestos abatement. (attached)

On January 23, 2004, Public Law 108-199, 118 Stat. 334, authorized purchase of a 27 acre site and construction of 98,000 gross square feet at the Pease International Tradeport, Portsmouth, NH. (attached)

As we were planning the construction of a new building, agency space needs continued to fluctuate with a number of agencies no longer requiring space in the building. GSA requested a reprogramming of funding In August 2006 to reduce the amount of space to be constructed as well as the amount of acreage to be purchased for this project. (attached)

In August 2006, the project was officially reduced to an 11 acre site and 60,000 GSF building with a budget of \$20.8 M. (attached)

The site was purchased on June 5, 2006 for \$1,481,200. (attached)

Design concepts were formally approved by the Commissioner of the Public Building Service in March 2011 and agency space needs were confirmed at 44,223 usf or 60,000 GSF.

However, space reductions have reduced further from 44,223 usf to 32,192 usf which makes design and construction of a new facility even less feasible.

2. How much has been expended since 2003 on the "analyses," planning, design and land purchase efforts to relocate and construct a new federal facility at Pease International Tradeport?

#### Site Acquisition:

Pease Development Authority - Portsmouth, NH	\$1	,481,200
Oest Associates, Inc.	\$	22,014
Misc Vendor	\$	3,788

#### Design Costs:

Charles Rose Architect, Inc – Somerville, MA \$ 2,364,042.99
Oest Associates, Inc – Portland, ME \$ 29,815.52

#### Management and Inspection Services

Coast and Harbor Associates, Inc - Lynnfield, MA \$ 78,504.72

3. Why did the GSA continue to meet with City officials and consistently indicate that the relocation process was moving forward albeit in a scaled down version?

GSA routinely kept the City of Portsmouth apprised of the project's status up to and including the most recent decision. Updates between GSA and City officials and/or Congressional stakeholders occurred 2 to 4 times/year.

4. Does the President's budget leave the entire relocation project unfunded or does it only eliminate the relocation funding?

See attached language included in Fiscal Year 2014 Budget

5. If the current federal agency tenants remain at the McIntyre Federal Building, is it the intent to conduct the structural repairs and renovations that were original deemed necessary and originally funded in 2003 at \$11 million?

Our intention is to repair/replace deferred maintenance items in this building as listed in the attached Summary subject to funding. No changes are planned to the exterior of the McIntyre Building.

6. How many tenants and employees currently work at the McIntyre Federal Building and what is per cent of the building, if any, is presently vacant? How many of the on-site parking spaces are used by tenants on a regular basis?

Number of tenants: 8

USPS, DHS/NPPD/FPS; DHS/ICE; IRS; GSA outleased space; FBI; SSA, GSA PBS Field Office and GSA Maintenance and Operations

Number of employees: 145

Percent vacant: 5%

On-site parking used by tenants: 37 structured assigned; 83 surface assigned; 4 structured vacant



#### PROSPECTUS - ALTERATION THOMAS McINTYRE FEDERAL BUILDING PORTSMOUTH, NH

Prospectus Number: PNH-NH0036-PS03

Congressional District: 1st

#### Project Summary

#### Description

The General Services Administration (GSA) proposes to modernize the Thomas McIntyre Federal Building, located at 80 Daniel Street in Portsmouth, NH.

#### Major Work Items

Asbestos abatement; full seismic upgrades; vacant space recapture; space modernization; mechanical, electrical, and sprinkler upgrades; exterior work on roof and windows; and ADA compliance improvements.

Project Budget

Estimated Construction Cost	\$10.224.000
Design & Review (FY2000)	829 000
Additional Design	160,000
Management & Inspection	765 000
Estimated Total Project Cost	\$11,978,000

Authorization Requested (Additional Design, Construction and M&I). S11,149,000

#### Prior Authority and Funding

- The House Committee on Transportation and Infrastructure authorized \$829,000 for design on May 27, 1999.
- The Senate Committee on Environment and Public Works authorized \$829,000 for design on September 29, 1999.
- Design funds in the amount of \$829,000 were provided through a FY2000 reprogramming.

## Prior Prospectus-Level Projects in Building None

#### Schedule

FY 2001	Design
FY 2003	Start of Construction
FY 2005	Project Completion





# PROSPECTUS - ALTERATION THOMAS McINTYRE FEDERAL BUILDING PORTSMOUTH, NH

Prospectus Number: PNH-NH0036-PS03

Congressional District: 1st

#### Building

The Thomas McIntyre Federal Building was built in 1967 and provides 108,929 gross square feet of space. This four story brick building is located in the Central Business District of Portsmouth, it provides functional space for its tenant agencies, and is an important public facility for the city's residents. It is the only Federal Building in Portsmouth.

#### Tenant Agencies

U.S. Navy, U.S. Postal Service, IRS, SSA, FBI, DOD, Fish & Wildlife, and GSA.

#### Proposed Project



This project will modernize deteriorated office space, renovate the lobby, and recapture vacant space. Other components of the project include: asbestos abatement throughout the building, replacement of the roof and windows, extension of the sprinkler system, full seismic upgrades and miscellaneous upgrades to the mechanical and electrical systems.

The proposed project will recapture 21,247 rentable square feet of vacant space and collocate an IRS office, currently housed in leased space, with the IRS Northeast Regional Office, already housed in the building.

#### Major Work Items

Asbestos Abatement	\$3,612,000
Seismic Upgrades	1,392,000
Vacant Space Recapture	421,000
Space Modernization	2,248,000
Mechanical/Electrical/Sprinkler Upgrades	1,053,000
Exterior Work/Roof & Windows	1,055,000
ADA Compliance Improvements	443.000
Estimated Construction Cost (ECC)	\$10,224,000





#### PROSPECTUS - ALTERATION THOMAS McINTYRE FEDERAL BUILDING PORTSMOUTH, NH

Prospectus Number: PNH-NH0036-PS03

Congressional District: 1st

#### Justification

Driving factors for this project

Health/Safety

The entire building contains sprayed-on asbestos, which has become delaminated over the years. The asbestos is a health hazard and must be completely abated during repair and alteration work.

The deteriorated sprinkler system needs to be upgraded and extended.

The building's structure does not conform to the FEMA - 273 Seismic Guidelines and GSA facility standards. Specifically, soil liquification issues are driving the need for seismic upgrades, which are required for the safety of those housed in the building.

Space Recapture

The Postal Service relocated their workroom area from the building a few years ago, resulting in over 21,000 rentable square feet of vacant space. This project will allow GSA to recapture that space for an IRS office that is currently housed in leased space.

Space Modernization

The original lobby, built in 1966, is in need of a complete renovation and a good portion of the office space is outdated.

Building Systems

The old windows are inefficient and the roof leaks, which contributes to the asbestos problem. This project will replace both the windows and the roof. The windows are of high quality that will control glass fragmentation.

Portions of the mechanical and electrical system are not functioning adequately. This project will conduct miscellaneous mechanical and electrical upgrades that will allow the system to function adequately.





#### PROSPECTUS – ALTERATION THOMAS McINTYRE FEDERAL BUILDING PORTSMOUTH, NH

Prospectus Number: PNH-NH0036-PS03

Congressional District: 1st

Alternatives Co.	nsio	erec	]
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Alteration:

\$23,197,000

Lease:

\$26,309,000

New Construction:

\$24,481,000

#### Recommendation

#### ALTERATION

The 30-year present value cost of alteration is \$1,286,000 less than the cost of new construction, an equivalent annual cost advantage of \$86,000.



#### Certification of Need

The proposed project is the best solution to meet a validated government need.

Submitted at Washington, DC, on March 28, 2002

Recommended

Commissioner, Public Buildings Service

Approved

Administrator, General Services Administration



potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.

SEC. 407. From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", claims against the Government of less than \$250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior

notification to the Committees on Appropriations.

SEC. 408. (a) Notwithstanding any other provision of law, the Administrator of General Services is authorized to acquire, under such terms and conditions as he deems to be in the interests of the United States, approximately 27 acres of land, identified as Site 7 and located at 234 Corporate Drive, Pease International Tradeport, Portsmouth, NH 03801, as a site for the public building needs of the Federal Government, and to design and construct upon the site a new Federal Office Building of approximately 98,000 gross square feet: Provided, That the Administrator shall not acquire any property under this subsection until the Administrator determines that the property is in compliance with applicable environmental laws, and that the property is suitable and available for use as a site to house the Federal agencies presently located

for use as a site to house the rederal agencies presently located in the Thomas J. McIntyre Federal Building.

(b) For the site acquisition, design, construction, and relocation, \$11,149,000 shall be available from funds previously provided under the heading "General Services Administration, Real Property Activities, Federal Buildings Fund" in Public Law 108-7 for repairs and alterations to the Thomas J. McIntyre Federal Building in Portsmouth, New Hampshire, which was included in the plan for account of repairs and alterations funds as required by accomexpenditure of repairs and alterations funds as required by accom-

panying House Report No. 108-10.

(c) For any additional costs of construction, management and inspection of the new facility to house the Federal agencies relocated from the McIntyre Federal Office Building, and for the costs of relocating the Federal agencies occupying the McIntyre Federal Office Building, \$13,669,000 shall be deposited into the Federal Buildings Fund (40 U.S.C. 592) from the general fund; which amount, together with the amount set forth in subsection (b) of this section shall remain available until expended and shall be subject to such escalation and reprogramming authorities available to the Administrator for any other new construction projects under the heading "Federal Building Fund Limitations on Availability of Revenue".

(d) The Administrator is authorized and directed to convey, without consideration, the Thomas J. McIntyre Federal Office Building to the City of Portsmouth, New Hampshire for economic development purposes subject to the following conditions: (i) that all Federal agencies currently occupying the McIntyre Building except the United States Postal Service are completely relocated to the new Federal Building for so long as those agencies have continuing mission needs for that new location; (ii) that the requirements of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411 et seq.) shall not apply to this conveyance; and (iii) that the Administrator may include in the conveyance documents such terms and conditions as the Administrator determines in the best interest of the United States.

New Hampshire.

The Honorable Joe Knollenberg
Chairman, Subcommittee on Transportation, Treasury,
Housing and Urban Development, the Judiciary,
And District of Columbia
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

We are writing to inform you of our decision to proceed with the development of a Federal Building at the Pease International Tradeport in Portsmouth, NH. In Section 408(a) of Public Law 108-199, the Consolidated Appropriations Act, 2004, Congress authorized GSA to acquire a 27-acre site, identified as Site 7, located at 234 Corporate Drive, Pease International Tradeport, and to construct on it a new Federal Office Building of approximately 98,000 gross square feet. Sections 408(b) and (c) made available \$24,818,000 for the project by reprogramming \$11,149,000 previously authorized and funded for alterations to the Thomas J. McIntyre Federal Building and depositing \$13,669,000 from the general fund into the Federal Buildings Fund.

The new Federal Building was proposed to house the existing tenants of the Thomas J. McIntyre Federal Building, which Section 408(d) directed GSA to transfer to the city of Portsmouth, NH after its tenants relocate to the new facility. Subsequent to the authorization of the proposed Federal Building at Pease, two major current tenants of the McIntyre Building have elected to seek future housing in non-GSA space. Navy plans to relocate to the Portsmouth Naval Shipyard and the U.S. Postal Service to the Portsmouth Central Business District. These reductions in the tenant base available for relocation to the new Federal Building at Pease have led GSA to re-scope the project consistent with current tenant agency requirements.

The revised scope includes the acquisition of an 11-acre site and the construction of a 60,000 gross-square-foot Federal building as compared to the originally authorized 27-acre site and 98,000 gross-square-foot building. The scope modifications will reduce the total funding required for site, design, construction, and relocation costs from \$24,818,000 to \$20,822,000, a reduction of \$3,996,000. The current estimated total project cost is not directly proportional to the reduction in the project scope, because there have been sharp increases in market costs since authorization of the project and the loss of economies of scale associated with constructing a larger facility.

GSA plans to propeed with the re-scoped Federal Building project at the Pease International Tradeport site thirty days from the date of this letter unless the Committee advises us of objections to the course of action outlined above.

If you have any questions or concerns, please contact me at 202-501-1100. Staff inquiries maybe directed to Mr. William H. Matthews, Assistant Commissioner, Office of Real Property Asset Management, at 202-501-0638.

Sincerely,

Anthony E. Costa Acting Commissioner





AUG | 3 2006

The Honorable Joe Knollenberg
Chairman, Subcommittee on Transportation, Treasury,
Housing and Urban Development, the Judiciary,
and District of Columbia
Committee on Appropriations
House of Representatives
Washington, DC 20515

#### Dear Mr. Chairman:

This letter requests your approval for the U.S. General Services Administration (GSA) to transfer funds between appropriated activities within the Federal Buildings Fund to meet program requirements. This action will provide additional funds critical to one new construction project and seven repair and alteration projects. These projects were not part of the Material Price Increases (MPI) line item in the fiscal year (FY) 2006 appropriation. To date, GSA has made construction awards for five of the seven projects identified with the MPI line item. Funding for the proposed transfers is summarized below:

#### Requirement:

Construction and Acquisition of Facilities	\$27,471,000
Repairs and Alterations	\$251,779,000
Total Requirement	\$279,250,000

#### Sources of Funding:

Prior Year	
Rental of Space	\$126,875,000
Construction and Acquisition of Facilities	\$3,996,000 ~
Subtotal	\$130,871,000
Current Year	
Rental of Space	\$121,243,000
Repairs and Alterations	\$27,136,000
Subtotal	\$148,379,000
Total Sources of Funding	\$279,250,000

U.S. General Services Administration 1800 F. Street, NAV Washington, DC 20405-0002 Telephone: (202) 501-0000 Fair (202) 215-1243 event gsalgov The FY 2006 column of GSA's 2007 Congressional justifications reflected the proposed reprogramming of funds from the Rental of Space activity, although the breakout of the project amounts has been updated (see enclosed fact sheets). The enclosures also identify details of the funding requirements and sources.

If you need further information regarding this matter, please contact me. Staff inquiries may be directed to Ms. Deborah J. Schilling, GSA's Director of Budget, at (202) 501-0719.

Sincerely,

Lurita Doan Administrator

Enclosures

#### Sources of Funding:

#### Rental of Space Activity

\$248,118,000

Funding in the amount of \$248,118,000 is made available from the Rental of Space activity. The projected unobligated balance in the Rental of Space activity is a result of a smaller than planned program in FY 2005 due to fewer planned lease expansion requests from GSA customer agencies. Since the FY 2006 program request was developed based on an overly optimistic 2005 base program, the unobligated balance expanded in FY 2006, and is currently estimated at approximately \$248,118,000.

#### Construction and Acquisition of Facilities

\$3,996,000

Funding in the amount of \$3,996,000 is made available from line-item savings that have been identified from the Pease International Tradeport project in Portsmouth, NH. Public Law 108-199 of January 23, 2004, authorized GSA to acquire a 27-acre site and construct a new Federal Office Building of approximately 98,000 gross square feet and made available a total of \$24,818,000 for this project.

Subsequent to the authorization of the proposed Federal Building at Pease International Tradeport, two planned tenants from the Thomas J. McIntrye Federal Building have elected to seek future housing in non-GSA space. These reductions in the tenant base available for relocation to the new Federal Building at Pease, have led GSA to re-scope the project consistent with current tenant agency requirements.

The revised scope includes the acquisition of an 11-acre site and the construction of a 60,000 gross square foot Federal Building. The scope modifications will reduce the total funding required for site, design, construction, and relocation costs by \$3,996,000. GSA plans to proceed with the re-scoped Federal Building project at the Pease International Tradeport site, subsequent to the approval of this transfer request.

#### Repairs and Alterations

\$27,136,000

Funding in the amount of \$10,000,000 is made available from line item savings that have been transferred to the Basic Repairs and Alterations activity in accordance with the authority provided in annual appropriation acts. An additional \$17,136,000 is made available from unobligated Basic Repairs and Alterations funds.



#### Identical letter sent to:

The Honorable Christopher Bond
Chairman, Subcommittee on Transportation, Treasury,
the Judiciary, Housing and Urban Development,
and Related Agencies
Committee on Appropriations
United States Senate
Washington DC, 20510

#### Copy to:

The Honorable John Olver
Ranking Minority Member
Subcommittee on Transportation, Treasury,
Housing and Urban Development, the Judiciary,
and District of Columbia
Committee on Appropriations
House of Representatives
Washington, DC 20515

The Honorable Don Young
Chairman
Committee on Transportation and Infrastructure
House of Representatives
Washington, DC 20515

The Honorable James L. Oberstar Ranking Minority Member Committee on Transportation and Infrastructure House of Representatives Washington, DC 20515

The Honorable Jerry Lewis Chairman, Committee on Appropriations House of Representatives Washington, DC 20515

The Honorable David R. Obey Ranking Minority Member Committee on Appropriations House of Representatives Washington, DC 20515 The Honorable Bill Shuster
Chairman, Subcommittee on Economic Development,
Public Buildings, and Emergency Management
Committee on Transportation and Infrastructure
House of Representatives
Washington, DC 20515

The Honorable Eleanor Holmes Norton
Ranking Minority Member
Subcommittee on Economic Development,
Public Buildings, and Emergency Management
Committee on Transportation and Infrastructure
House of Representatives
Washington, DC 20515

# AGREEMENT FOR THE PURCHASE OF LAND BY AND BETWEEN THE UNITED STATES OF AMERICA AND PEASE DEVELOPMENT AUTHORITY

THIS AGREEMENT is made and entered into this 13<sup>th</sup>/day of December 2005 by and between the Pease Development Authority ("Seller"), having an address of 360 Corporate Drive, Pease International Tradeport, Portsmouth, New Hampshire, for itself, executors, administrators, successors, and assigns, and The United States of America, acting by and through the General Services Administration or its authorized representative (the "United States").

#### WITNESSETH:

- 1. On October 15, 2003, the Seller acquired certain parcels of land from The United States of America acting by and through the Secretary of Air Force ("USAF") under and pursuant to the powers and authority contained in 49 USC 47151 47153 by, and subject to the conditions, reservations, covenants and restrictions contained in, a certain Quitclaim Deed recorded in the Rockingham County Registry of Deeds at Book 4227, Page 0001, including, without limitation, the provisions of a certain Federal Facility Agreement by and among Seller, the United States Environmental Protection Agency ("USEPA"), the State of New Hampshire Department of Environmental Services ("NHDES") and USAF ("Vesting Deed").
- 2. In consideration of One Dollar (\$1.00) in hand paid by the United States, the receipt of which is hereby acknowledged, the Seller agrees to sell to the United States, a portion of the property described in the Vesting Deed upon the terms and conditions hereinafter set forth, and for the price of One Million, Four Hundred and Eighty One Thousand, Two Hundred Dollars (\$1,481, 200.00) total, for the land, easements and appurtenances thereunto belonging, owned by it, and being an 11.57 acre portion of Site 7 situated at 40 Oak Street, (Pease International Tradeport) City of Portsmouth, County of Rockingham, State of New Hampshire, further delineated on Exhibit A, attached hereto and incorporated herein. Seller excepts and reserves therefrom, (a) all water rights and (b) the non-exclusive right to use, repair, maintain and/or replace the existing storm drains on the southerly portion of the property.
- 3. The Seller agrees that it will convey to the United States its fee simple title in the subject property AS IS, WHERE IS. The United States acknowledges that before the subject property can be conveyed, approval by the FAA for the release of the obligations in section B of the Vesting Deed shall be obtained. The Seller shall initiate the release of the obligations of the Vesting Deed by written request to the Federal Aviation Administration.
- 4. The Seller further agrees not to do, or suffer others to do, any act by which the value or title to said lands may be diminished or encumbered.
- 5. Upon payment or the tender of the purchase price, the Seller will deliver to the proper officials of the United States, a good and sufficient deed conveying to the United States the subject

property. The purchase price recited in the deed shall be the actual consideration paid by the United States.

- 6. Full possession and use of the premises shall pass to the United States of America as of the date payment is made to the Seller, subject only to the reservations of rights in favor of the USAF, USEPA AND NHDES contained in paragraph IV of the Vesting Deed.
- 7. It is mutually agreed that, an abstract, certificate of title, or other evidence of title satisfactory to the Attorney General, will be obtained by the United States at its sole expense. United States will not be required to purchase the property if it is not satisfied with the title.
- It is mutually understood and agreed that this contract shall not be assigned in whole or in part without the consent in writing of the United States.
- 9. It is further mutually agreed that no Member of or Delegate to Congress, or Resident Commissioner, shall be entitled to any share or part of this contract or agreement, or to any benefit to arise therefrom. Nothing, herein contained shall be construed to extend to any incorporated company, where such contract or agreement is made for the general benefit of such incorporation or company.
- 10. Prior to the date title vests of record in the United States of America, the Seller shall pay all taxes and assessments (if any are lawfully due) for the entire fiscal year to the local taxing authority in which the transfer of title occurs, whether or not such taxes and assessments would otherwise constitute a lien on this parcel of land.
- 11. It is mutually agreed that the United States shall have the option to deposit the total land payment into a non-interest bearing escrow account and that the designated Escrow Agent shall disburse the funds to the Seller at closing on behalf of the United States.
- Prior to closing The United States will obtain, at its cost and expense, a legal and recordable Subdivision Plan of the subject property.
- The Seller acknowledges and agrees that the acquisition of the aforementioned property is subject to ratification by the United States Congress.
- 14. It is mutually understood and agreed that notice of acceptance of this agreement shall be sent to the Seller by certified mail addressed to:

Pease Development Authority
Pease International Tradeport
360 Corporate Drive
Portsmouth, New Hampshire 03801
Attention: Executive Director

and shall be effective and binding upon the Seller upon the date of mailing.

15. All terms and conditions with respect to this agreement are expressly contained herein and the Seller agrees that no representative or agent of the United States has made any representation or promise with respect to this agreement not expressly contained herein.

IN WITNESS WHEREOF, the Seller has hereunto signed its name and affixed its respective seal on the day first above written, with the understanding that this Agreement for the Purchase of Land cannot be executed by the Administrator of the General Services Administration or his authorized representative until after it is reported to him for his consideration, and therefore the Seller for and in consideration of the \$1.00 herein above acknowledged as received, does hereby grant unto The United States of America by and through the Administrator of the General Services Administration or his authorized representative, or any other officer or agency of the United States authorized to purchase said lands, the option and right to enter into this Agreement for Purchase within six months from the execution thereof by the Seller, and to purchase said lands as herein provided.

PEASE DEVELOPMENT AUTHORITY

BY.

Title: LYECUTIVE DIRECTOR

UNITED STATES OF AMERICA

By and through the General Services Administration

Dennis R. Smith

Regional Administrator

New England Region

Boston, Massachusetts

#### ACKNOWLEDGEMENT

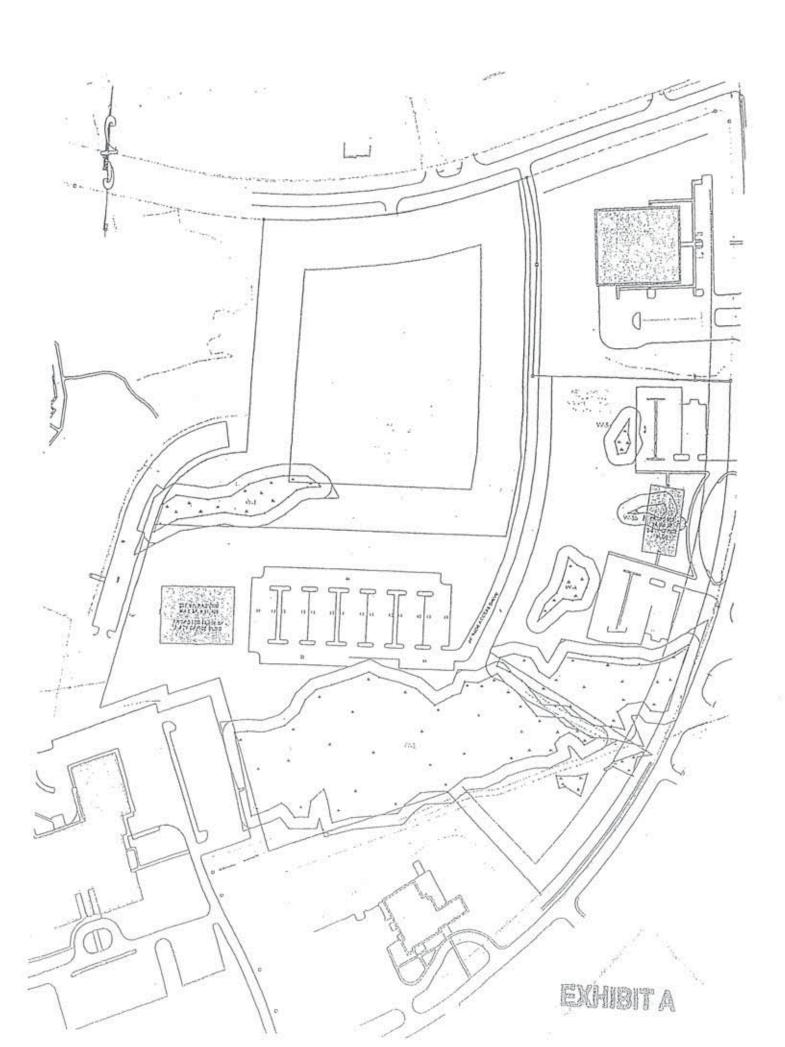
State of New Hampshire)

} SS.

County of Rockingham )

On this 13 day of December, 2005, before me personally appeared begge M. Bald, duly empowered and authorized, known to me to be the party executing the foregoing instrument

My Commission expir [SEAL]	ited, to be his free act and estimate. Lense Developments.	priene Michelly Laded	y Public LINDA F. CORRIVEAU, Notary Plates My Commission Empires May 28, 2028
	ACKNOWLEDG	SEMENT	
2			64
Commonwealth of Mass	sachusetts )		97
County of Suffolk	) ss. }		
In Boston, in said County personally appeared Deni Boston, Massachusetts, d the foregoing instrument and Regional Administrator, (	uly empowered and auth	orized, known by me  be his free act and d  stration, Boston, Mas	to be the party executing eed in his capacity as sachusetts.
		Carol H. Chirico, N	Chince Totary Public
My Commission expires [SEAL]			



## CERTIFICATE OF AUTHORITY

I, Lynn mane Hinche, certify that I am the General Courses of
Pease Development Authority, the entity that executed the foregoing Agreement for the
Purchase of Land with the United States of America; that George, M. Rold,
who executed said instrument was then acting as Executive Divector of said
Pease Development Authority, and is duly authorized to execute said instrument on
behalf of Pease Development Authority, that I know the signature of
and that the signature affixed to said instrument is genuine.

WITNESS WHEREOF, I have hereunto set my hand this Hiday of December, 2005.

Signed Jyne Mare Shurler
Title: Grand Curry

rismouth, NH
Detall Cost Summary

Area	Cost	WBS
Super structure		A10 Substructure - Footings And Foundations Repair
		A1030 - Slab on Grade Replacement
2.		A2020 Basement Walls Consists William Day 11
		A2020 Basement Walls - Concrete Walls Requiring Crack Repair and or Spalling
		B1010 - Superstructure (Columns and Bearns) Crack Repair
+	-	B1010 - Superstructure (Columns and Beams) Spalling Repair
Exterior	SELECTION SURFACE	P2010 Fuls 1 - 11 II F 5 - 1
	SECTION SECTIONS	B2010 Exterior Wall - Exterior Walls Clean
	1	B2010 Exterior Walls - Brick or Brick Veneer Repoint
	-	B2020 Exterior Windows - Aluminum Window Replace
		B2030 Exterior Doors - Exterior Door Repair
		B2030 Exterior Doors - Wood Door, Powered Overhead Roll-Up Replace
D-of-	ALCOHOLD CO.	
Roofing	<b>到的部分性的对象</b>	B3010 Roofing - BuiltUp Tar Replace
		B1010 Floor and Roof Deck - Concrete Floor or Roof Deck Roppie
		B1010 Floor and Roof Deck - Asbestos Abatement
Elevators	<b>建构构的编辑</b>	The state of the s
		D1010 Elevators - Asbestos Abatement
		D1010 Elevators - Replacement
ife Safety	學學是政治教育	D1010 Life Safety Improvements
Plumbing Systems	国的政治教育的	D2020 Domestic Water Distribution - Defective Natural Gas Water Heaters
		D2020 Domestic Water Distribution - Partial Pipe Replace
27-34-52		D2020 Domestic Water Distribution - Water Leak Repair
		D2020 Hazardous materials abatement
	1	The state of the s
IVAC Systems	1998/1515/1518/1888	D3030 Chillers, Condensing Units and Packaged Cooling Equipment
		D3031 Cooling Towers - Papings Calvasiant 51 (20 Times)
1 4 4		D3031 Cooling Towers - Replace Galvanized 51-100 Ton Cooling Tower
		D3040 Air Handling Units - Aged Constant Volume (CV) Units
		D3040 Circulation Pumps - Aged and Defective Circulation Pump Under 2 HP
		D3050 Ductwork and Terminal Devices - Defective Fan Coil Units
		D2020 Hazardous materials abatement
lectrical Systems	型基础的行动性	DED10 Floating Co.
TO CATO OF THE CATO	The second secon	D5010 Electrical Service - Electrical Service Equipment Aged
1.		D3010 Electrical Switchgear - Replacement
		D5012 Electrical Motor Control Center - Replace
		D5020 Lightling and Power - Wiring and Equipment Aged
		D3020 Generator Replacement
		D2020 Hazardous materials abatement
nuine spanice 6 Death	279800 2777 2	
aving repairs & Replacement	HAT THE SE	G2020 Site Civil (Paved Areas) - Repair
		G2020 Site Civil (Paved Areas) - Replacement
		G2030 Site Civil (Plaza Surfaces) - Repair
		G2030 Site Civil (Plaza Surfaces) - Replace
	(	G2030 Site Civil (Sidewalks, Walkways & Ramps) - Papair
	10	G2030 Site Civil (Sidewalks, Walkways & Ramps) - Replacement

	Administrative Provision
Administrative Provisions [delete] insert	Explanation
Sec. 524. From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue," claims against the Government of less than \$250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations of the House of Representatives and the Senate.	Section 524 continues the provision that permits GSA to pay small claims less than \$250,000 made against the Government. GSA requests that this provision be retained.
Sec. 525. Section 408 of the Transportation. Treasury, and Independent Agencies Appropriations Act, 2004 (Public Law 108-199, 118 Stat. 334) is repealed. Any remaining unobligated funds that were made available for the purposes of such section shall remain available within the Federal Buildings Fund for any allowable purposes of the Fund and shall continue to be subject to such escalation, reprogramming or transfer authorities available to the Administrator of General Services within the Fund.	This provision rescinds the authorization to construct a new federal building in Portsmouth, NH and the directive to convey the McIntyre Federal Building to the city of Portsmouth. Any unobligated balances appropriated by the FY 2004 provision will remain available within the Federal Buildings Fund for reprogramming to another project.

# END of GSA Response

# CITY OF PORTSMOUTH PORTSMOUTH, NH 03801

# Office of the City Manager

DATE:

August 6, 2013

TO:

Honorable Mayor Eric Spear and City Council Members

FROM:

John P. Bohenko, City Manager

RE:

McIntyre Building Update

This e-mail is intended to update you on the status of interactions between the City and the GSA regarding the McIntyre Building. In the past three months City staff has had a series of conference calls and meetings which have included representatives of the GSA and staff from the NH offices of Senators Shaheen and Ayotte and Representative Shea-Porter. The topic of discussion has been the GSA's ability to comply with original federal legislation which authorized the GSA to:

Find an appropriate alternative building site for the McIntyre Building and purchase it.
This item was satisfied by the purchase of property at Pease Tradeport.

 Design and construct a facility that meets the needs of the federal agencies occupying the McIntyre Building and then transfer the McIntyre Building to the City.

As I stated in my memo to you dated May 8, 2013, the GSA still maintains that it is not possible to satisfy item #2 above and meet the needs of the current McIntyre Building tenants. This is partly due to the fact that the GSA cannot require a federal agency to move to a different facility, and there is currently tenant demand for only 32,000 square feet of a space in a structure authorized to be 60,000 square feet. This situation has created a financial pro forma that does not work.

That being the case, the City and delegation representatives are still proceeding in GSA discussions on dual tracks. One track, which would be the City's preferred alternative, is to take ownership of the McIntyre site as originally proposed under the federal legislation. The second track as proposed by GSA would be a partnership with the City to redevelop and renovate the site in a manner that would mutually benefit the federal agencies and the City and create a vibrant and attractive redevelopment project at the two-acre site to include public parking.



January 6, 2014

The Honorable Mayor Lister and Members of the Portsmouth City Council City Hall 1 Junkins Ave. Portsmouth, NH 03801

Dear Mayor Lister and Members of the City Council:

As you may know, the U.S. General Services Administration (GSA) is interested in opening a dialogue with the City of Portsmouth and its residents about the long-term utilization of the T.J. McIntyre Federal Building located at 80 Daniel Street and the adjacent parking lot. As we begin to plan for the future, we would like to engage both the city government and the city's residents in a discussion about how best to integrate the facility into the Portsmouth community. We hope you will join us in identifying and facilitating future opportunities for the site to more completely meet the needs of the the community and the neighborhood—including the need for additional off-street parking.

Under our Urban Development/Good Neighbor Program, GSA has developed a set of procedures and best practices for working with municipal officials, local organizations and individual residents to assist in the renovation of existing federal properties. A key goal of the program is to improve public facilities and blend them in with their surroundings. A commonly used process is the community based workshop, but we are open to other suggestions from you and community leaders on how best to work with the Portsmouth community.

GSA's McIntyre project team will be led by Gianne Conard, Chief Architect for GSA's New England Region. She will coordinate these efforts with support from Samir Randolph from my office along with personnel from GSA's headquarters in Washington, DC. Gianne and Samir will work with you and the City Manager to identify key stakeholders in the community whose input will help inform the process. We are eager to begin this project and will reach out to you by the end of January. In the meantime, please feel free for you, the City Manager or his City staff to contact Samir directly at 617-565-5156 or samir.randolph@gsa.gov should you have any questions.

We look forward to working with you on this important project. I assure you that GSA will continue to be an active civic partner and will fully engage stakeholders in the Portsmouth area as we strategize ways to improve the McIntyre Federal Building and meet the needs of Portsmouth residents.

Sincerely,

Robert Zarnetske

Regional Administrator

CC: John P. Bohenko, City Manager



Robert J. Lister Mayor

## CITY OF PORTSMOUTH

Municipal Complex 1 Junkins Avenue Portsmouth, New Hampshire 03801 (603) 610-7200 Fax (603) 427-1526

January 15, 2014

Robert Zarnetske Regional Administrator U.S. General Services Administration Thomas P. O'Neill, Jr. Federal Building 10 Causeway Street Boston, MA 02222

Dear Administrator Zarnetske:

Thank you for your letter of January 6, 2014 regarding the long-term utilization of the T. J. McIntyre Federal Building located at 80 Daniel Street and the adjacent parking lot.

On Monday, January 13, 2014, the City Council met and reviewed your correspondence. The City Council voted to request a meeting in a Work Session on Tuesday, February 18, 2014 at 6:00 p.m., with GSA and City Council to discuss the GSA proposal, and, further, the City Council would like to know the status of the transfer of the McIntyre Property to the City in accordance with federal legislation since 2003. In addition to GSA's attendance at this meeting, the City Council has requested that representatives from our Congressional Delegation be in attendance.

Please let me know if GSA's McIntyre project team is available on February 18th for this meeting. We look forward to meeting with your project team and our Congressional Delegation to continue discussions regarding the T J. McIntyre Federal Building and parking lot.

Sincerely,

Robert J. Lister

Mayor

c.: City Council Members

John P. Bohenko, City Manager