



## CITY OF PORTSMOUTH

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Deaglan McEachern  
Mayor

May 1, 2023

Mr. Flavio Peres, Assistant Commissioner  
Real Property Utilization and Disposal  
Governmental Services Administration, Central Office  
1800 F Street, NW  
Room 2225  
Washington, D.C. 20405  
[Flavio.peres@gsa.gov](mailto:Flavio.peres@gsa.gov)

Re: Conveyance of the Thomas J. McIntyre Federal Building, Portsmouth, NH

Dear Mr. Peres:

I am writing to you as the Mayor of Portsmouth, New Hampshire, to request an update on the transfer of the property known as the Thomas J. McIntyre Federal Building and its two-acre parcel (McIntyre), located at 80 Daniel Street in Portsmouth, NH, as directed by the provisions of the Public Law appropriation of 2004 (Public Law 108-199, Section 408).

For your reference, I have included a pertinent timeline of events below. From 2004 to 2013, the appropriations bill provided that the GSA convey the McIntyre to the City at no cost as soon as certain conditions were met, which included the purchase of property for a new Federal Building at the Pease Development Authority (PDA). This condition was met in November of 2006 when the GSA purchased 11.57 acres at 234 Corporate Drive, now Oak Ave, on the PDA grounds which are located in Portsmouth.

In 2016, the GSA declared the mission need for a new building had ended and began its search for leasable space for its remaining tenants, beginning its disposal process for the McIntyre property. All of the Federal employees were eventually relocated.

Given that the agencies previously located at the Federal Building no longer have mission needs for a Federal Building in Portsmouth, could you please explain why the conditions of the mandate to convey the McIntyre at no cost to the City are not being enforced?

We understand that the Public Law was repealed in 2013, but appropriations bills are not repealed. These appropriations may have no longer been available after nine years, but that did not negate the intent of the legislation to convey the property to the City. Nor did this act

recoup the monies used by the GSA from the original appropriation to purchase its land in the PDA.

Moreover, we have recently learned that a new appropriation bill was passed that funds the GSA's new development plans for their property located in the PDA. The GSA has obtained the benefit of the bargain of the original appropriation legislation while withholding the conveyance of this historic property at the heart of the downtown, waterfront district of Portsmouth to the City.

It is worth noting that the GSA's decision to purchase this land and not develop it amounts to a significant opportunity cost to the taxpayers of Portsmouth, both in terms of lost tax revenue and potentially hundreds of jobs in the region. As an example, the abutting parcel was developed in 2002, and has made \$3,564,575.32 in tax payments to the City since 2006. We kindly request an update on the status of the conveyance of the McIntyre to the City of Portsmouth and your intentions for both properties as they are inextricably linked.

Thank you for your attention to this matter.

Sincerely,



Deaglan McEachern, Mayor  
City of Portsmouth

c.: Honorable Jeanne Shaheen  
Honorable Maggie Hassan  
Honorable Chris Pappas  
Karen S. Conard, City Manager

#### TIMELINE

January 2003 – Mayor Evelyn Sirrell sent a request to the GSA to abandon its plans to renovate the Thomas J. McIntyre Federal Building and to consider the purchase of land at the Pease Development Authority.

2004 - Public Law 108-199 Section 408 reallocated funding from the renovation efforts towards relocation and construction of a Federal Building at Pease. This bill also directed the conveyance of the downtown property to the City provided- that all Federal agencies currently occupying the McIntyre except the United States Postal Service were completely relocated to the new Federal Building, for so long as those agencies have continuing mission needs for that new location.

November 2006 – GSA acquired 11.57 acres at 234 Corporate Drive, now Oak Ave.

January 2009 – City received a status report that indicated a reduction in the scope and funding of the construction of a Federal Building at Pease.

August 2010 – GSA announced that the project was delayed due to redesign costs and the need for additional federal authorizations.

September 2012 – GSA explained additional delays were due to new federal regulations pertaining to construction of federal buildings.

April 2013 – Funding for relocation was removed from the Federal budget.

2016 - GSA declared the mission need for a new building had ended and began its search for leasable space for its remaining tenants. The GSA then began its disposal process for the McIntyre property.

November 2016 – The Navy registered their interest in the McIntyre building only to rescind that interest shortly thereafter.

January 2017 - City responded with a letter of interest and the GSA invited the City to apply to the National Park Service's (NPS) Historic Monument, Public Conveyance Program to obtain the property.

December 2019- The City and its Development partner, Redgate Kane, applied to obtain and develop the McIntyre through the NPS Historic Monument, Public Conveyance Program.

December 2019 – The NPS rejected the City's Application, citing density and profit-sharing concerns.

April 2022 – City settled a lawsuit with development Partner SoBow Square LLC and received an extension to file an application.

January 2023 – City received a second extension.

March 2023 – City failed to submit a bid to NPS by the March 31<sup>st</sup> deadline and was informed the following week of the lack of support by the NPS to transfer the property.

April 2023 – GSA informed the City that they must commit to spend an amount unknown to purchase the McIntyre before the GSA would initiate its third-party appraisal process, citing timeline concerns.

April 2023 –<sup>5</sup>City of Portsmouth learned that money has been appropriated for design work dedicated to build on the parcel originally selected for the Federal Building site at the PDA.