

STATE OF MAINE DEPARTMENT OF AGRICULTURE, CONSERVATION & FORESTRY MAINE CONSERVATION CORPS 124 STATE HOUSE STATION **AUGUSTA, MAINE 04333-0124**

WALTER E. WHITCOMB COMMISSIONER

October 31, 2012

Nathan Poore, Town Manager 271 Falmouth Road Falmouth, ME 04105

PHONE: (207) 624-6085

Dear Mr. Poore,

As you know, the Town of Falmouth is subject to the terms of a Land and Water Conservation Fund Grant of 1981 (NPS #23-00474). That grant provided for public outdoor recreation use of the land in Falmouth, Maine located at the former Lunt School and Plummer Motz school properties at Middle Road, Lunt Road and Falmouth Road in Falmouth (the "Property").

We understand that the Town has entered a Purchase and Sale Agreement with Ocean View Retirement Community Limited Partnership pursuant to which the Town plans to sell the Property to Ocean View, with a closing anticipated for December 2012. We understand that the Town is pursuing a conversion of the 6 "f" restrictions on the entire Property in order to facilitate development of retirement community housing and other uses.

In response to your questions, the Town does not need to have an approved conversion plan in place when the Town sells the property to Ocean View. Moreover, the terms of the Land and Water Conservation Fund Grant of 1981 (NPS #23-00474) will not limit or restrict the use of the Property by Ocean View because the restriction on the use of the property does not run with, follow or bind the Property following its sale. Ocean View thus can purchase the Property free of any restriction on its use even if a conversion plan has not been approved at the time of the sale.

The Town, however, would remain obligated to invest the requisite portion of the sale proceeds in a new property that would become subject to the public recreation use restrictions of the grant. We understand that the Town will submit a conversion plan for approval which may include Town acquisition of privately-owned parcel(s). The town has submitted a plan for possible replacement properties which have been approved. Remember that improvements to these possible replacement properties cannot begin until National Park Service has approved the conversion. We understand the Town is having these properties appraised and will be sending in the required paperwork, appraisals, and reviews shortly to our office. This package will be reviewed by our office and forwarded to National Park Service who will be signing the amendment to complete this conversion. Because of staffing shortages at NPS, it may take several months for this conversion to get approved. Thus, the sale of the Property to Ocean View can proceed without an approved conversion plan, with Ocean View and its lender knowing that the LWCF issues would affect only the Town, and not Ocean View as the purchaser of the Property.

If you have any questions, please feel free to contact me at: 207-287-4962 or e-mail: mick.rogers@maine.gov. I look forward to receiving your conversion package.

Mick Rogers, Alternate State Liaison Officer

Fax: (207) 287-3342

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