



TOWN OF FREEPORT, MAINE  
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TO: Freeport Town Council  
FROM: Caroline Pelletier, Interim Town Manager  
RE: Option to purchase land (portion of Tax Assessor Map 25, Lot 55)  
DATE: Tuesday, May 16, 2023

Background: In 1983, the Town of Freeport entered into an agreement with L.L. Bean for a "Contract for an Exchange of Real Estate". In the contract was an agreement to convey a piece of land on Varney Road / Lower Main Street (Tax Assessor Map 25, Lot 55) from the Town of Freeport to L.L. Bean. The contract noted a few items regarding this piece of land and in particular, for consideration before the Council are the following two items:

3. Option to Purchase. In the event that Bean desires to sell the Varney Road property Bean shall first notify the Town in writing of its intent to sell and, thereafter, the Town shall have an option to purchase said property, which option must be exercised by the Town within thirty (30) days of written notification from Bean to Town. The purchase price of said property upon exercise of the option will be the average of two independent fee appraisals conducted by qualified, independent real estate appraisers each of whom shall be mutually acceptable to the Town and Bean. The appraisal reports shall be submitted to Town and Bean within sixty (60) days of the exercise of said option and the cost of such appraisals, when conducted, shall be shared equally by Town and Bean.

4. Consultation on Development. Prior to commencement of any permitted development of the Varney Road property, Bean shall consult with Town to insure that the property is developed to the benefit of the Town. Bean further agrees to entertain, and give serious consideration to, all reasonable proposals for development of the Varney Road property submitted by Town to Bean.

L.L. Bean recently notified the Town (in writing) of its intent to sell an approximately 9-acre piece of the parcel to the Freeport Housing Trust (in association with Tim Gooch) for the development of affordable housing. The area of the proposed sale is shown on an enclosed map, and although the acreage will remain approximately nine acres, the configuration of those nine acres is subject to change.

One of the items before the Council for consideration is option to purchase the nine-acre portion of the property (subject to timing limitations and appraisals), prior to the L.L. Bean entering into an agreement for the sale of the nine acres with another buyer (Freeport Housing Trust, or an affiliated entity).

The second item before the Council for consideration is the determination of whether or not the sale of the approximately nine-acre portion of the parcel to the Freeport Housing Trust (or an affiliated entity) to be used for an affordable housing development would be a benefit to the Town. Does the Council feel that they have enough information to make this determination, or will additional information be required?