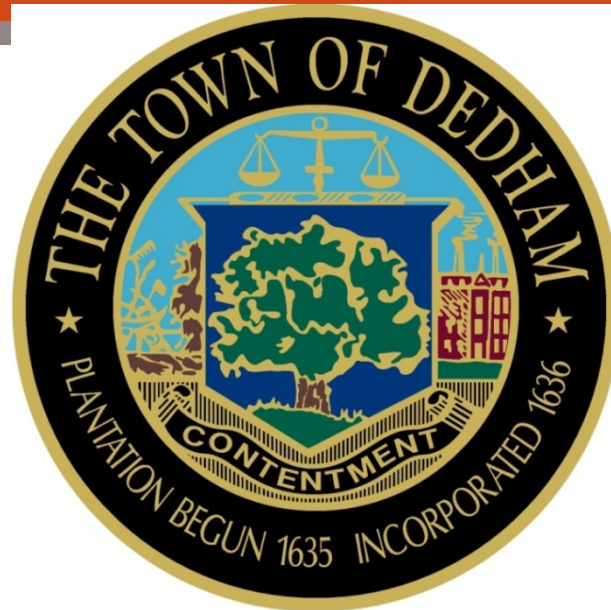


Proposal for a Municipal Campus



Board of Selectmen

April 23 2014

Agenda

- **Brief History**
- **Steps taken since November, 2013 Town Meeting**
- **Proposal**
 - **Space Requirements**
 - **Options**
 - **Costs**
 - **Timing**
 - **Funding**
- **Conclusion and Questions**

History

- **Selectmen previously proposed a municipal campus be established at Rustcraft Road**
- **Town Meeting in November, 2013 did not support the proposal with 2/3's required for approval**
- **An alternative was offered – purchase the Ames Schoolhouse property adjacent to Town Hall and the Central Fire Station**
- **Since November TA's office and Selectmen have been collecting additional information**

Steps Taken Since the November 2013 Town Meeting

- **Town has negotiated with the Ames property owner. Both parties have signed a letter of intent.**
- **Town engaged an architect to estimate cost to renovate or expand existing buildings**
- **Town obtained an appraisal of the Ames property**

Why We Asked Architects to Look at Various Options

- **The municipal campus would address 4 projects:**
 - **Police Station:** The most pressing need among all Town facilities; The current station has inadequate space, and is unsuitable.
 - **Senior Center:** A long-standing need in the community; Many sites have been analyzed since the 1980s, but none successfully developed.
 - **Town Hall and Main Fire Station:** Aging buildings with inadequate space; Not an immediate priority but will need to be addressed in coming years.

Architect's Assumptions

- **Space Required (square feet):**
 - **Town Hall ~ 34,000**
 - **Senior Center ~ 16,000**
 - **Police Station ~ 21,000**
 - **Fire Station ~ 22,000**
- **Other expenses:**
 - **Contingency 15%**
 - **All costs Inflated 4% annually until start of construction**

Architect's Cost Estimates

- **SG&A Architects were asked to estimate the following 8 options:**
 - **Adapting Ames to house Town Hall and Senior Center – minor and major renovations**
 - **Adapting Ames to house Police Station and Senior Center – minor and major renovations**
 - **Renovating Town Hall into a Police Station**
 - **Renovating existing Main Fire Station**
 - **Building a new combined Public Safety building**
 - **Building a new Police Station on the current site**
 - **Details are at:**
 - www.dedham-ma.gov/municipalcampus

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Cost Estimates to Renovate

Description	Cost (millions)
Adapt Ames for Town Hall and Senior Center (begin Jan 2016)	\$ 12.0
Renovate and Expand Town Hall for Police Station (begin early 2017)	\$ 9.4
Total	\$ <u>21.4</u>
Of which: contingency is	\$ 2.3
inflation is	\$ 1.3

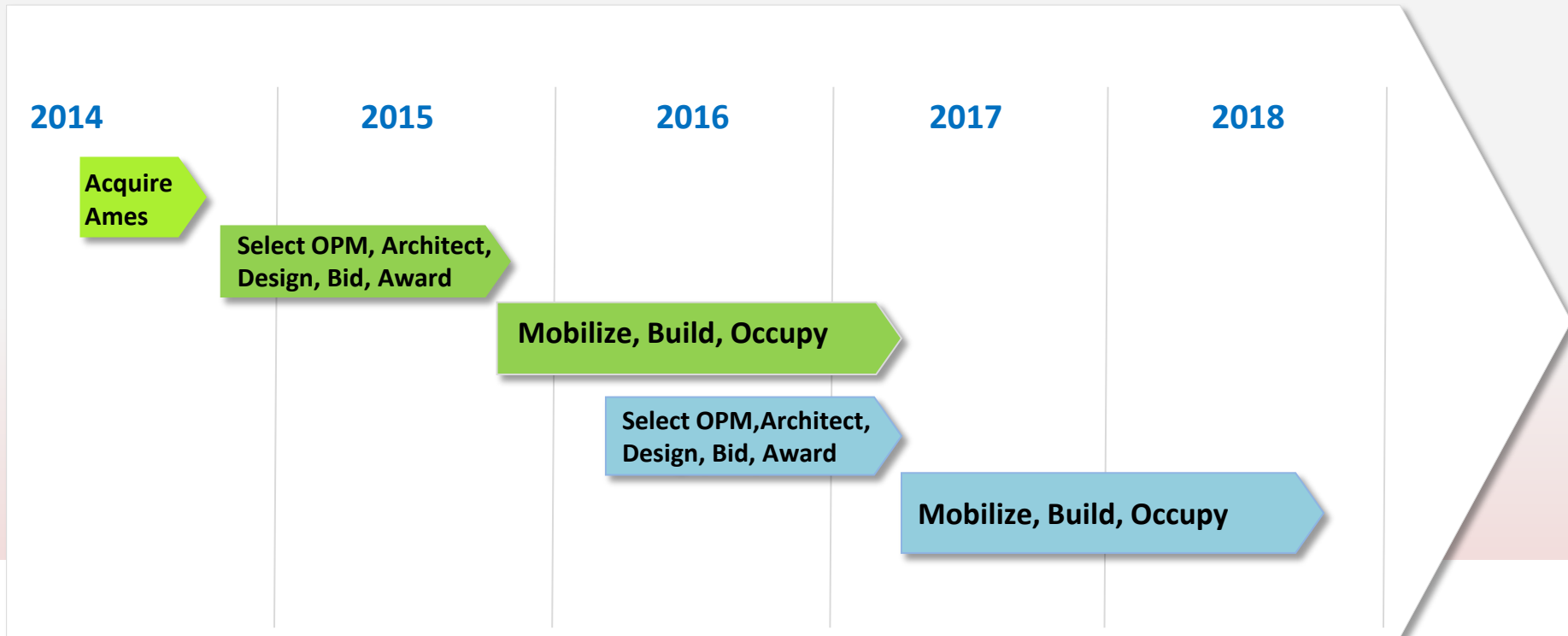
Proposal

- **Purchase the Ames Schoolhouse property**
 - **Approximately 50,000 square foot building, built in 1900, located on 2.04 acres of land**
 - **Appraised at \$3.7 to 4.0 million**
 - **Assessed at \$4.1 million**
- **Letter of intent purchase price: \$5.85 million**
- **Closing date: targeted for July 2014**
- **Tenants would pay rent to Town until they move out, into 2015**

Proposal and Timeline

- **Creates a 3.5 acre campus in center of town**
- **Undertake a major renovation of Ames and convert it to a Town Hall and Senior Center – Phase I**
- **Renovate and expand Town Hall for use as a Police Station – Phase II**
- **Construction starts: January 2016.**
- **Ames renovation complete: March 2017**
- **Town Hall/Police renovation complete: Sept 2018**
- **Construction dates could be earlier depending on tenant relocation timing**
- **Fire Station – Phase III is approx 10 years from now**

Municipal Campus Timeline



Ames Acquisition and Renovation for Senior Center and Town Hall



Renovate Existing Town Hall for Police Station

*Subject to change depending on tenant relocation
Board of Selectmen April 23 2014

Tenant Relocation Assistance

- **Required by state law**
- **The cost estimates for assistance are being compiled**
- **A relocation agent and a plan will be in place very early in the process to work closely and effectively with affected businesses**

Total Project Cost

Options	Cost (millions)
Adapt Ames for Town Hall and Senior Center (begin Jan 2016)	\$12.0
Renovate and Expand Town Hall for Police Station (begin early 2017)	\$ 9.4
Purchase Ames Schoolhouse	\$ 5.85
Relocation Expenses*	\$ 1.0
Grand Total**	\$28.25

** Relocation assistance required by state law

* Included above: Contingency: \$2.3 million. Inflation: \$1.3 million

How Will the Town Pay for This?

- **Financing follows the same model used for the Rustcraft project**
- **The Town will use hotel and meals tax to pay for 100% of acquisition, design, construction**
- **Since January 2010 the meals tax and a portion of the hotel tax have been deposited in the Robin Reyes Major Capital Facilities Fund**
- **Next slide is an excerpt from policy that guides use of the fund**

Excerpts from the Use Policy for the Robin Reyes Major Capital Facilities Fund

- **“The Committee recommends that this fund be used solely for the major renovation of existing buildings, the construction of new buildings or purchasing an existing building that meets the town’s needs.”**
- **“What can be included in cost estimates?
Costs that can be reasonably shown as necessary for a successful project may be included. This may include land acquisition as part of a building project, land acquisition with an existing building, land acquisition with building and/or improvements, engineering and design, demolition, and necessary road improvements for access, landscaping, and paving for vehicular and pedestrian access, exterior lighting and parking.”**

Overview – Financial Model

- **Purpose is to illustrate the scope of projects affordable within the Town's debt capacity, maintaining a \$1m fund balance in the Robin Reyes Fund**
- **Maintains capacity to fund School project that is currently in planning stages without debt exclusion**
- **Municipal Campus would include:**
 - **Acquisition of Ames Schoolhouse and renovations**
 - **Renovation of Town Hall for relocated Police Station**
 - **Renovation of the Main Fire Station (2025)**

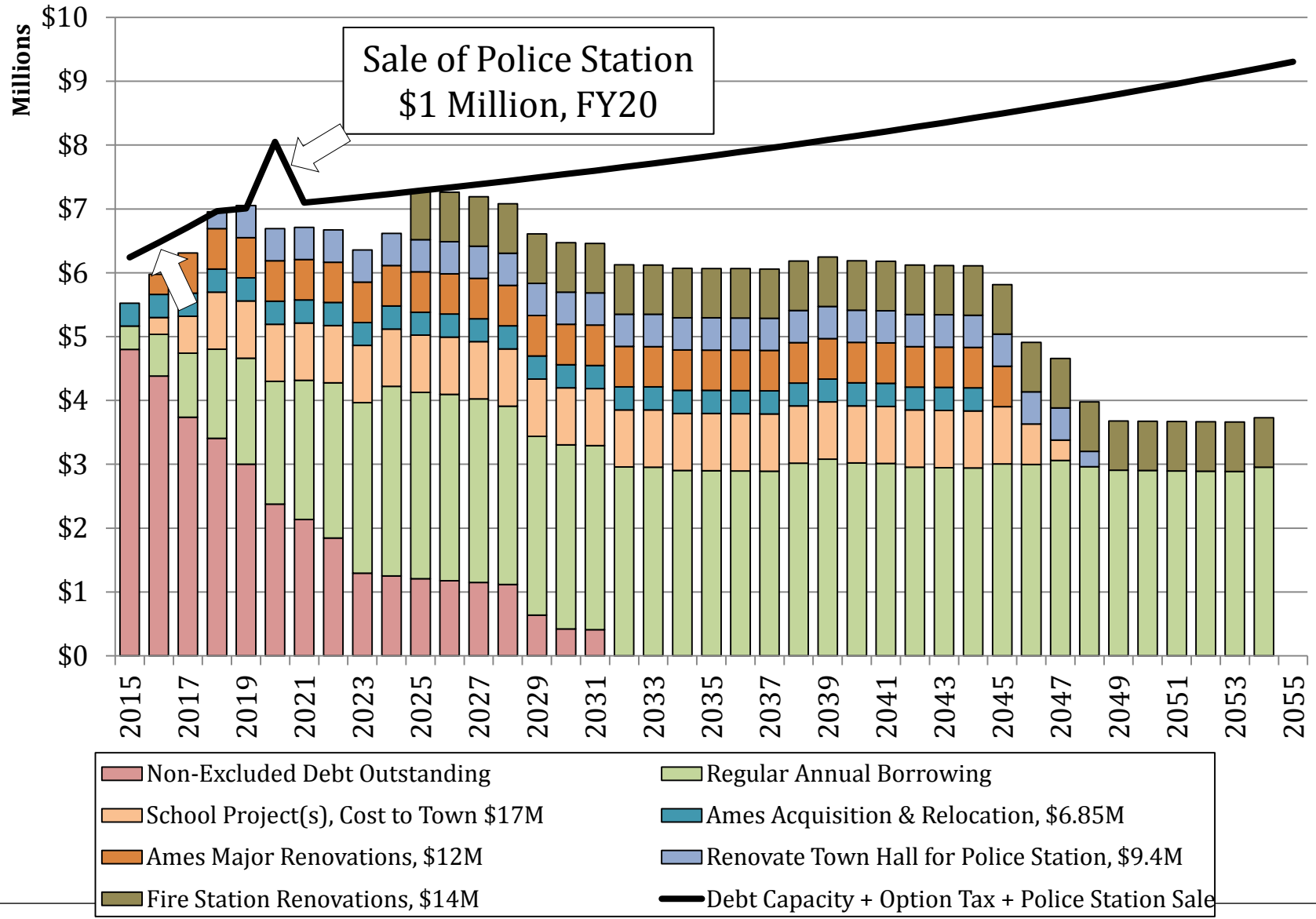
Overview

- **Current cost and timing projections:**

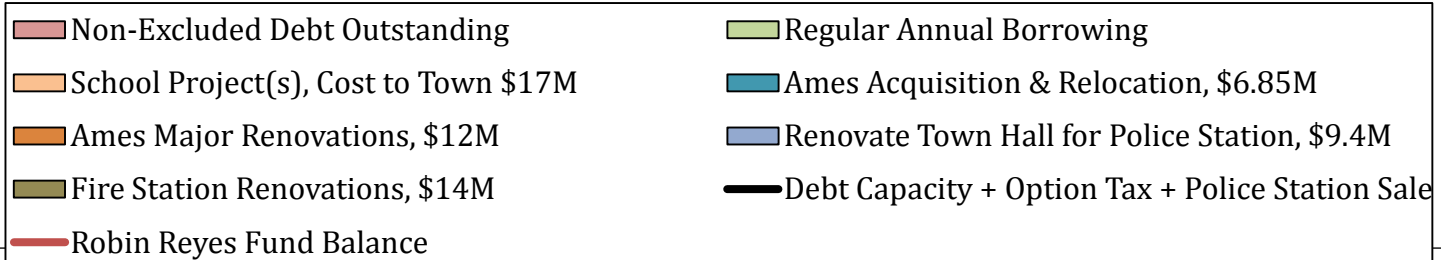
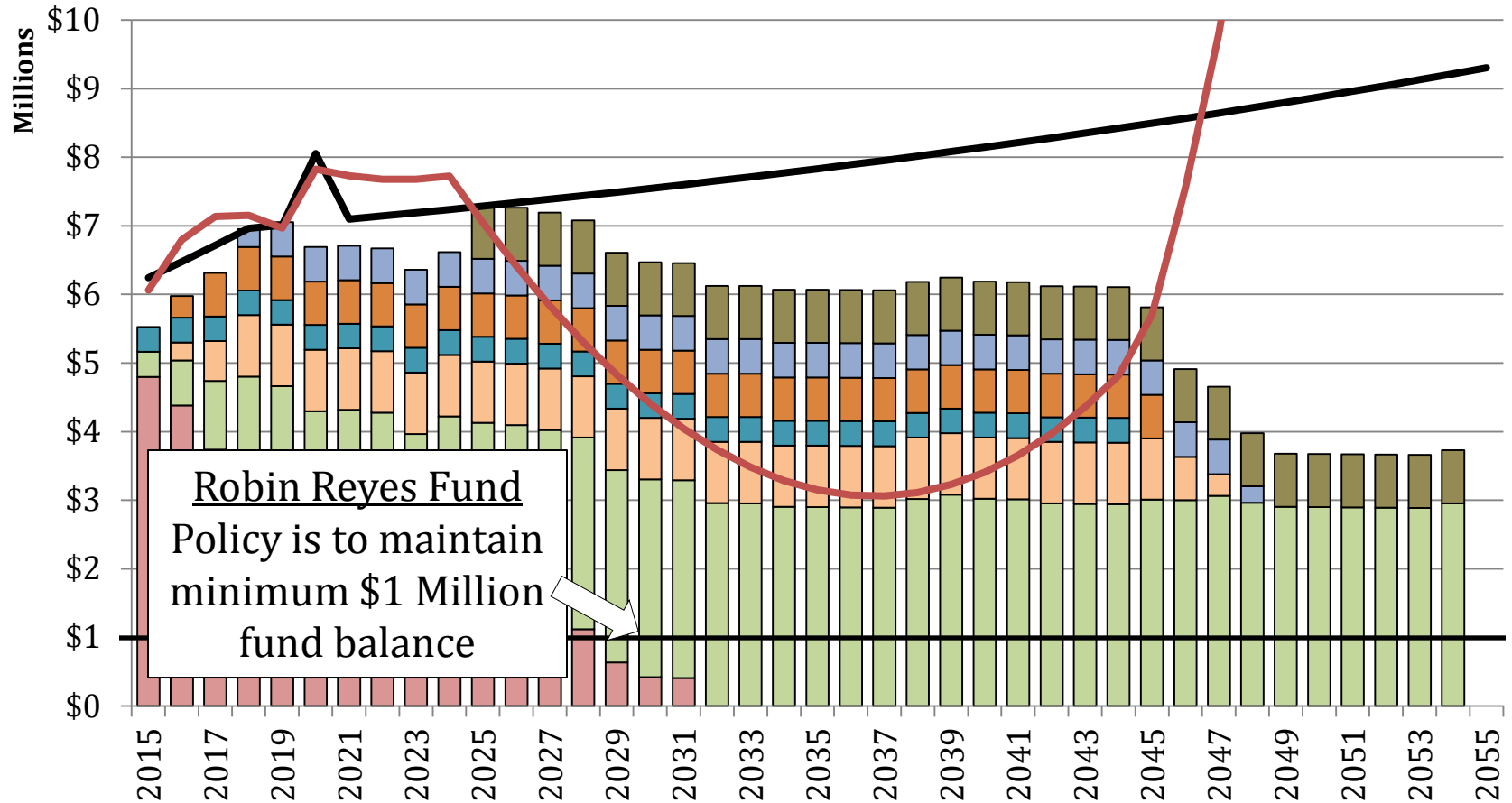
Project	Investment (millions)	Timing
Ames Bldg. – Acquisition and Relocation	\$ 6.85	FY 15
Ames Bldg. – Major Renovation	\$12.0	FY 16
Next School Project	\$17.0 Town + \$18.0 State	FY 16-17
Town Hall Renovation for Police	\$ 9.4	FY 18
Fire Station Expansion	\$14.0	FY 25

- **Following slides contain a financial model similar to last year's Rustcraft Road proposal**

Debt Capacity Projections - Includes Hotel and Meals Taxes & Sale of Police Station



Robin Reyes Fund - Projected Cash Balance



Financing the Municipal Campus

- **The Robin Reyes Fund:**

- The key to financing the Municipal Campus Project
- Maintains a minimum \$1 million fund balance
- Prevents the project's debt service from impacting property taxes
- Is a sustainable, established funding source for major projects without debt exclusions

- **The Municipal Campus Project:**

- Provides funding capacity for next school building project
- Is affordable within the Town's debt capacity
- Debt service will be paid for solely with hotel and meals tax revenues

Municipal Campus vs. Stand Alone Buildings

- This proposal requires less capital investment than new standalone facilities; ~ \$8 million less
- Last year Beta Group, a well-respected urban design & land planning firm estimated the cost of building separate, stand-alone facilities as follows:

Building	Size – Square Feet	Completion	Cost
Police	21,000	2015	\$11,963,000
Senior Center	16,000	2017	\$ 8,595,000
Town Hall	34,000	2019	\$ 16,563,000
Total			\$37,121,000

- Please note that at the April 7 meeting of the Senior Center Site Selection Committee the Beta Group estimated a new stand-alone senior center would cost about \$8.0 million.

Conclusion

- **A municipal campus requires less investment**
- **Co-locating Senior Center with Town Hall places important support services under one roof**
- **With this unique opportunity we will address decades of legacy infrastructure issues, all within our budgetary means, that will position us to serve future generations**
- **Your support for the municipal campus at Bryant and Washington Street is respectfully requested**

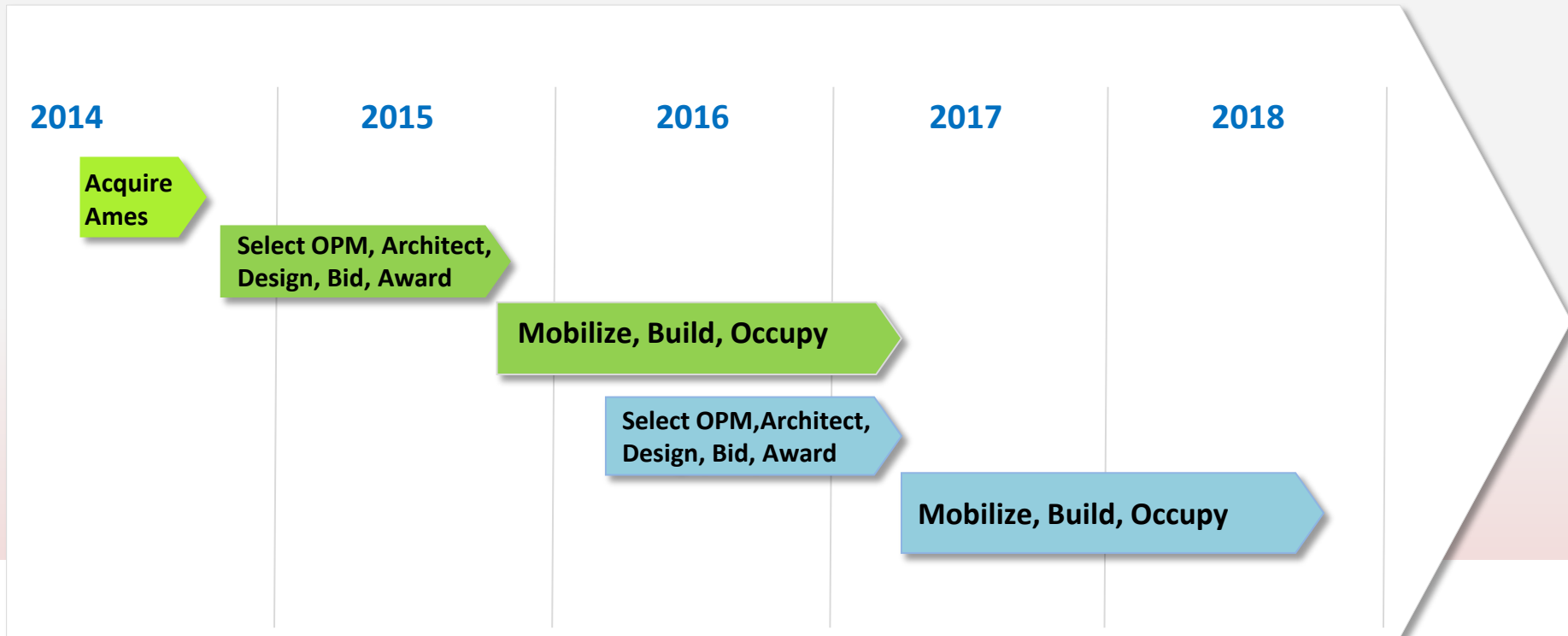
Questions?

Appendix

Financing the Municipal Campus with the Robin Reyes Major Capital Facilities Fund

- In November 2009, Town Meeting voted to create a Special Purpose Stabilization Fund dedicated to major facility projects
- **ARTICLE THREE. VOTED:** That the Town vote to create a Major Capital Facilities Stabilization Fund* for the purposes of receiving and segregating funds for major facility improvements, facility replacements, new facilities, or for debt service on bonds and notes issued for these purposes.
- **BY 2/3 VOTE**
 - * Since renamed the Robin Reyes Fund
- Each Town Meeting since has voted to deposit collected hotel and meals tax revenues into the fund

Municipal Campus Timeline



Ames Acquisition and Renovation for Senior Center and Town Hall



Renovate Existing Town Hall for Police Station

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Finance Committee April 9 2014