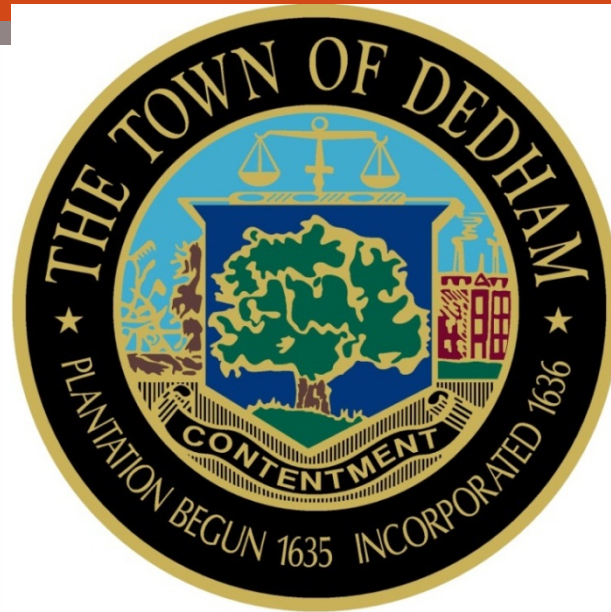


# Proposal for a Municipal Campus



Board of Selectmen

March 27 2014

# Agenda

- **Brief History**
- **Steps taken since Nov 2013 Town Meeting**
- **Proposal**
  - **Options**
  - **Space Requirements**
  - **Costs**
  - **Timing**

# 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 these issues:**
  - **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 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**

# 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**

# Cost Estimates

<b>Options</b>	<b>Cost (millions)</b>
<b>Adapt Ames for Town Hall and Senior Center</b>	
<b>Minor Renovations (begin Jan 2016)</b>	<b>\$4.80</b>
<b>Major Renovations (begin Jan 2016)</b>	<b>\$12.00</b>
<b>Adapt Ames for Police Station and Senior Center</b>	
<b>Minor Renovations</b>	<b>\$8.62</b>
<b>Major Renovations</b>	<b>\$15.53</b>



# Cost Estimates

<b>Options</b>	<b>Cost (millions)</b>
<b>Renovate and Expand Town Hall for Police Station (begin Jan 2017)</b>	<b>\$9.43</b>
<b>Renovate and Expand Existing Fire Station (if begin Jan 2016)</b>	<b>\$10.62</b>
<b>Build a New Combined Public Safety Building (if begin July 2017)</b>	<b>\$22.23</b>
<b>Renovate/Expand Police Station on the Current Site (begin Jan 2016) (only 16,490 square feet)</b>	<b>\$8.79</b>

# 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**

# Proposal and Timeline

- **Undertake a major renovation of Ames and convert it to a Town Hall and Senior Center**
- **Renovate and expand Town Hall for use as a Police Station**
- **Creates a 3.5 acre campus in center of town**
- **Tenants would remain into 2015**
- **Construction starts no later than January 2016.**
- **Ames renovation complete: March 2017**
- **Town Hall/Police renovation complete: Sept 2018**
- **All dates could be up to 6 months earlier depending on tenant relocation timing**

# Proposal

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

# 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 this and future building projects**
- **Since January 2010 the meals tax and a portion of the hotel tax have been deposited in the Robin Reyes Major Capital Facilities Fund (see next slide)**
- **Property taxes will not increase because of this project**

# Financing the Municipal Campus through Option Tax Revenues

- From January 2010 through November 2013, option taxes have generated \$4.4 million

	Local Meals Tax (.75%)	Room Occupancy Tax (2%)	Annual Total	Cumulative Total
FY10 (2 Quarters)	300,745	86,429	387,173	387,173
FY11	697,114	315,209	1,012,322	1,399,496
FY12	816,274	354,169	1,170,443	2,575,630
FY13	813,338	376,415	1,189,754	3,765,383
FY14 (2 Quarters)	428,986	245,055	674,040	<b>4,433,733</b>
	<b>3,056,457</b>	<b>1,377,276</b>	<b>4,433,733</b>	
* FY10 and FY14 collections represent partial year revenues				

- Policy is for funds to finance facility construction or renovation projects over \$4,000,000, and to maintain at least \$1,000,000 fund balance
- This established revenue source would be used to pay for the project

Dedham Board of Selectmen March 27 2014

# Overview – Financial Model

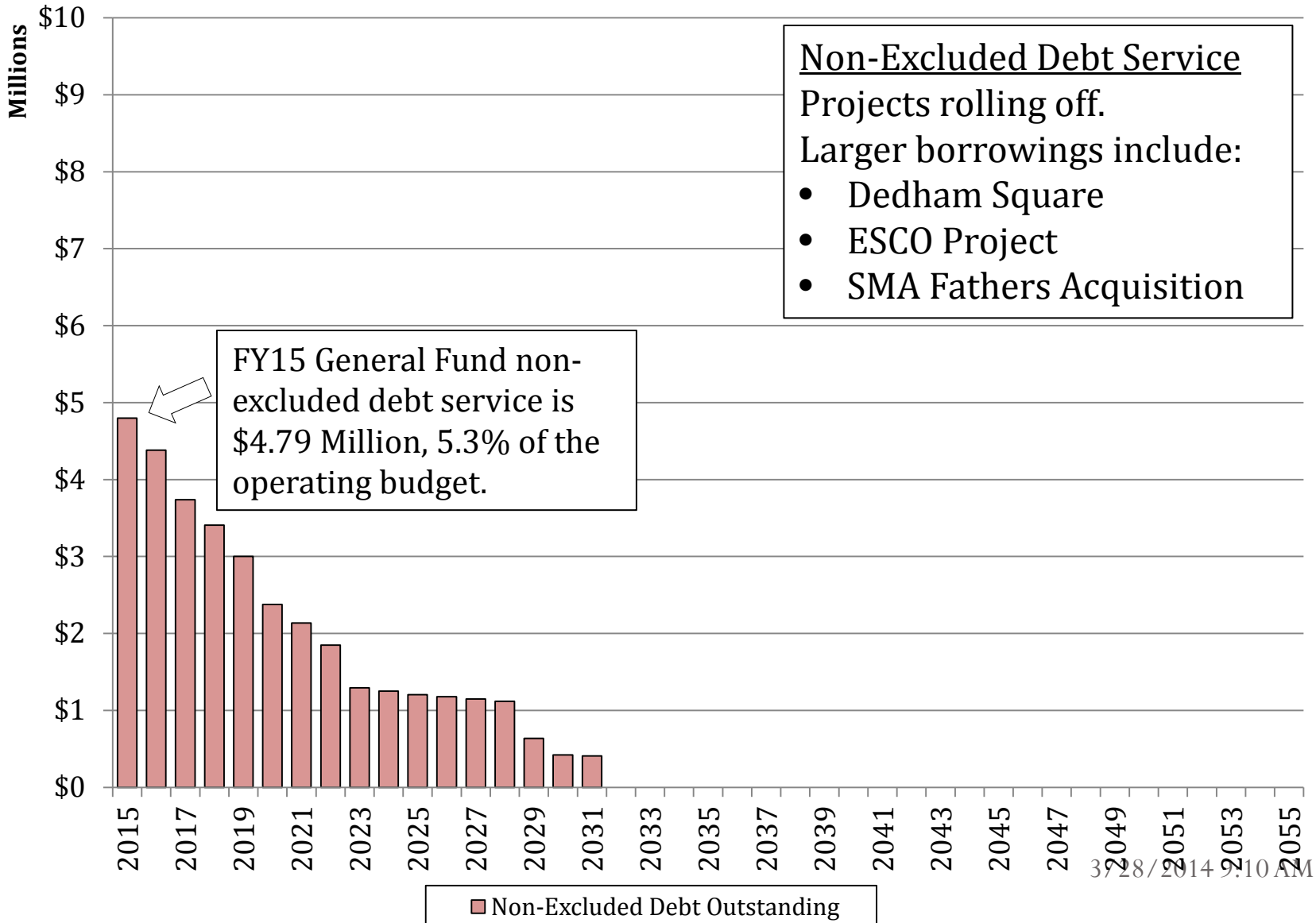
- **Purpose is to illustrate the scope of projects affordable within the Town's debt capacity, maintaining a \$1m fund balance in the Robin Reyes Fund**
- **Maintains ability to fund School project(s) that are currently in planning stages without debt exclusion**
- **Municipal Campus would include:**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

# Overview

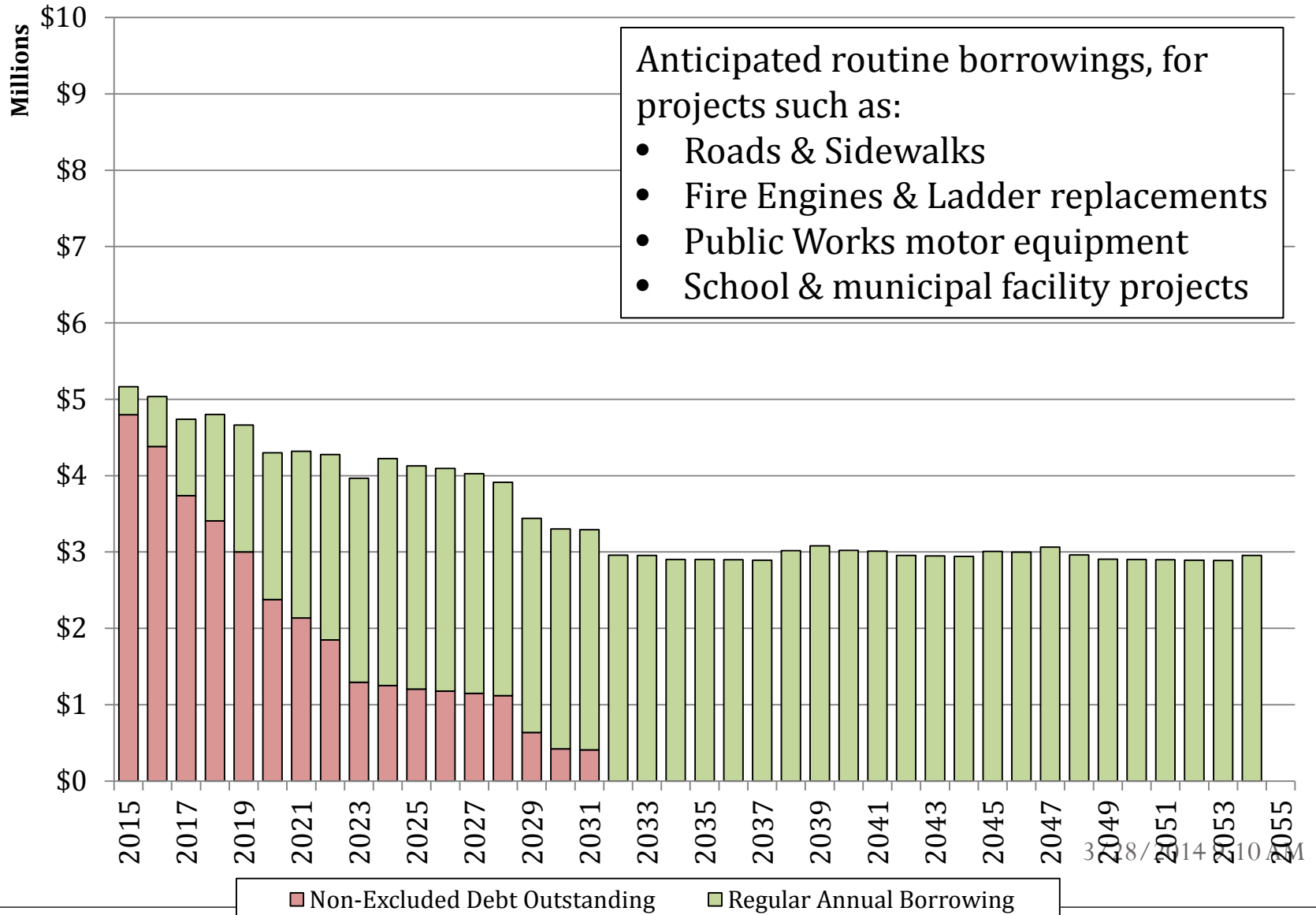
- **Current cost and timing projections:**
  - **School project(s): \$35 million total, \$17 million cost to Town, FY16;**
  - **Ames Schoolhouse: acquisition and relocation assistance, \$6.85 million, FY15;**
  - **Ames Schoolhouse: major renovations, \$12 million, FY16;**
  - **Town Hall renovations: \$9.4 million, FY18; and**
  - **Fire Station renovations: \$14 million, FY25.**
- **Following slides contain a financial model similar to that used for last year's Rustcraft Road presentation**



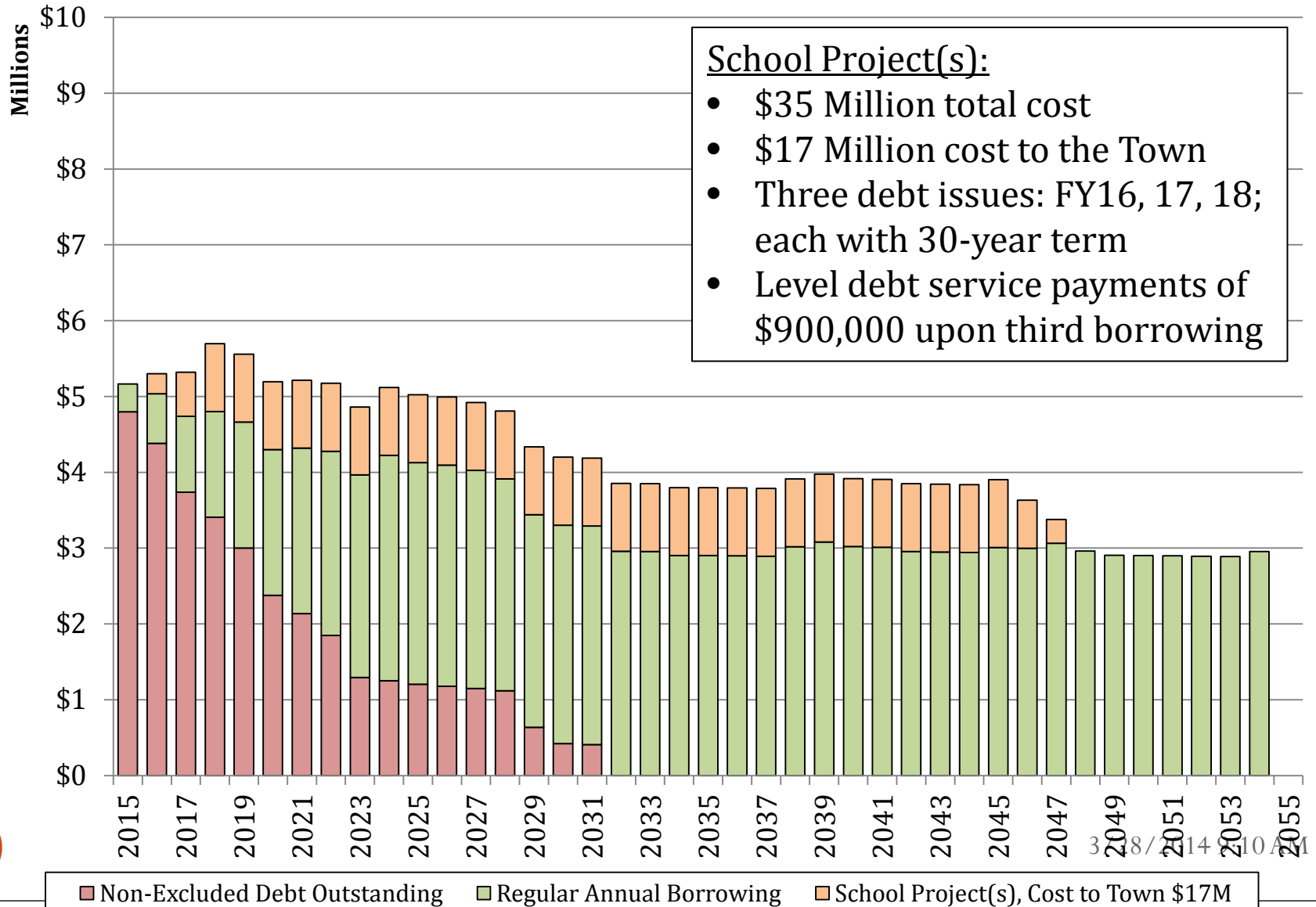
# Existing Non-Excluded Debt Service



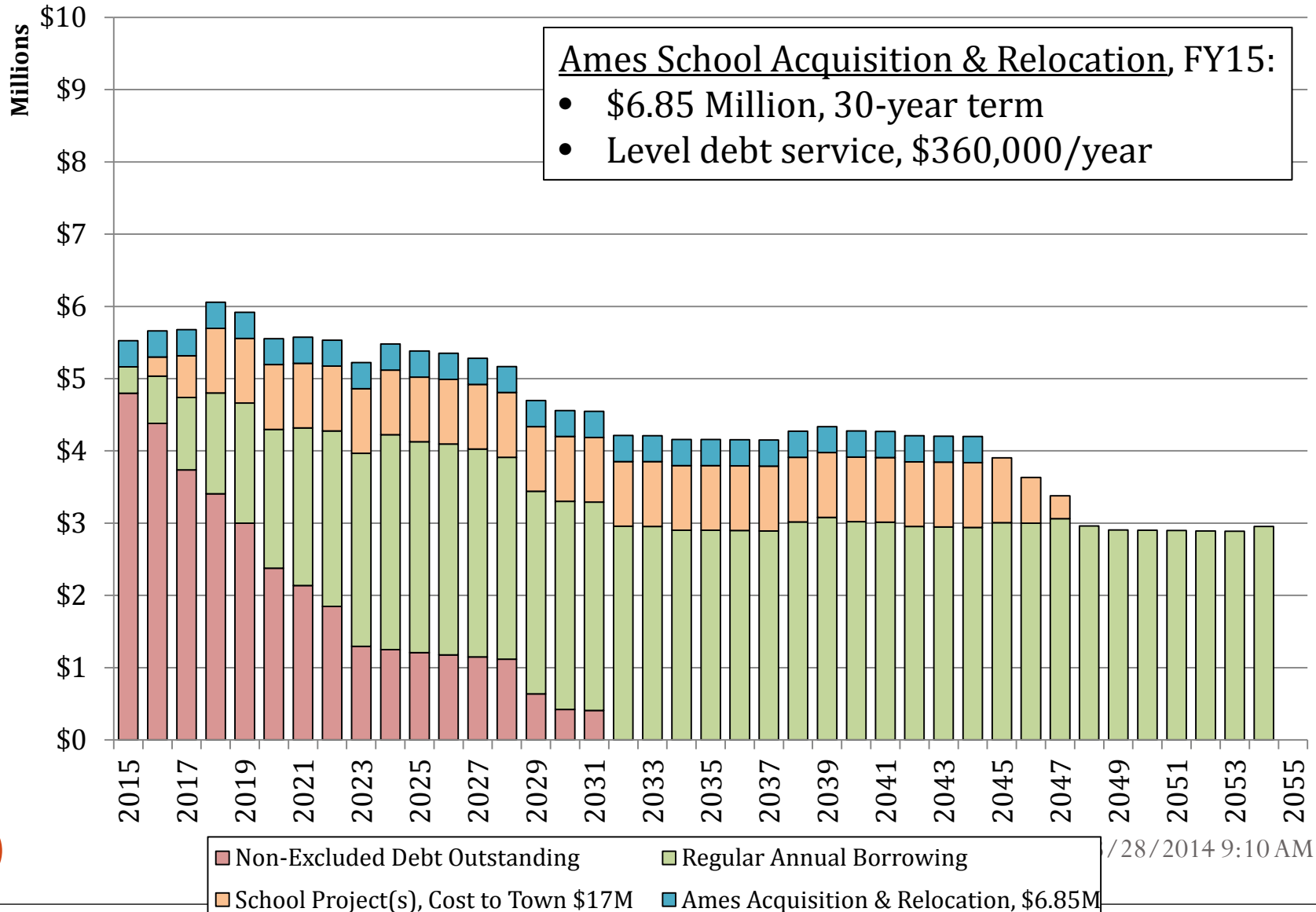
# Regular Annual Borrowing Projections



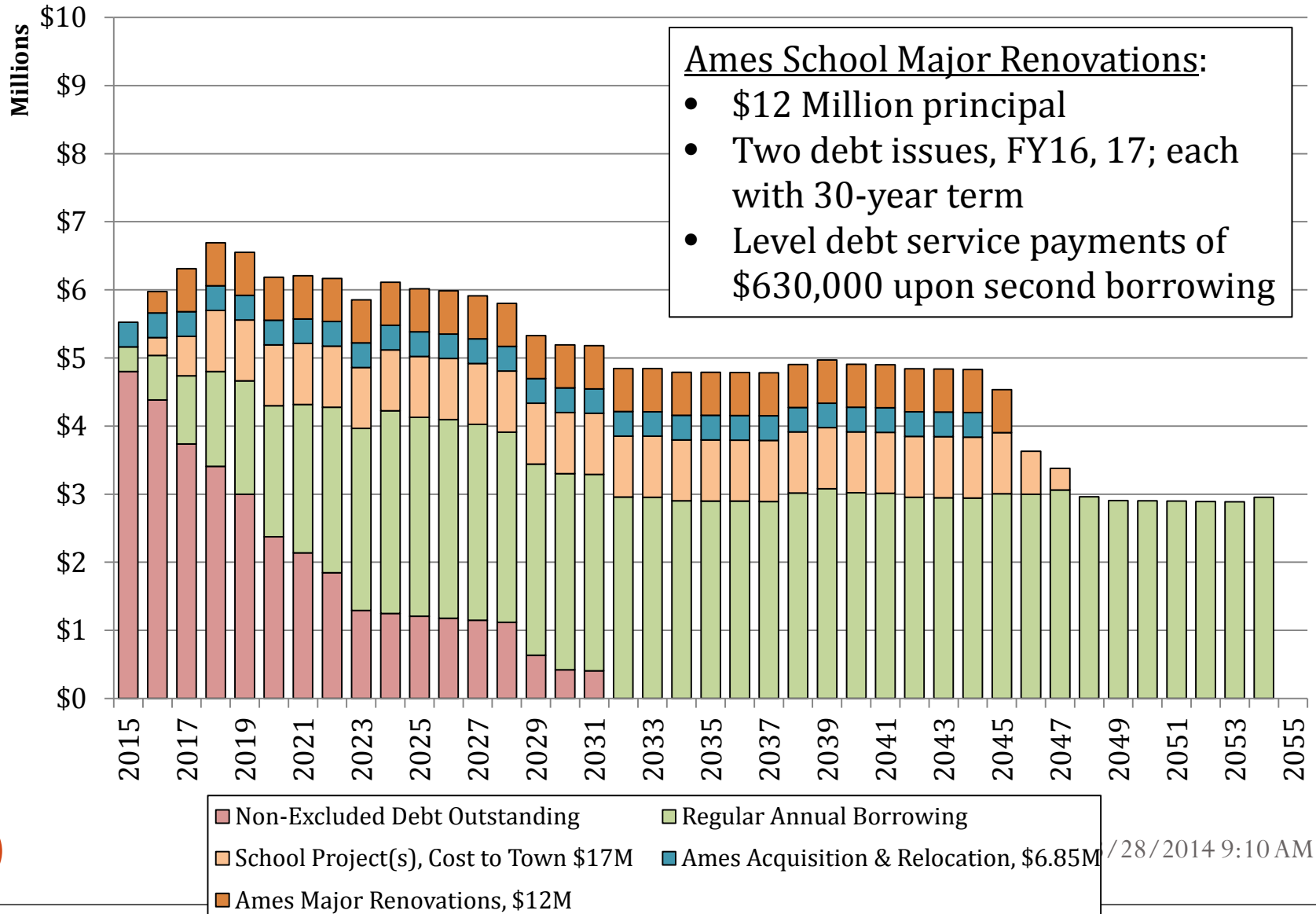
# School Project(s), \$17 Million



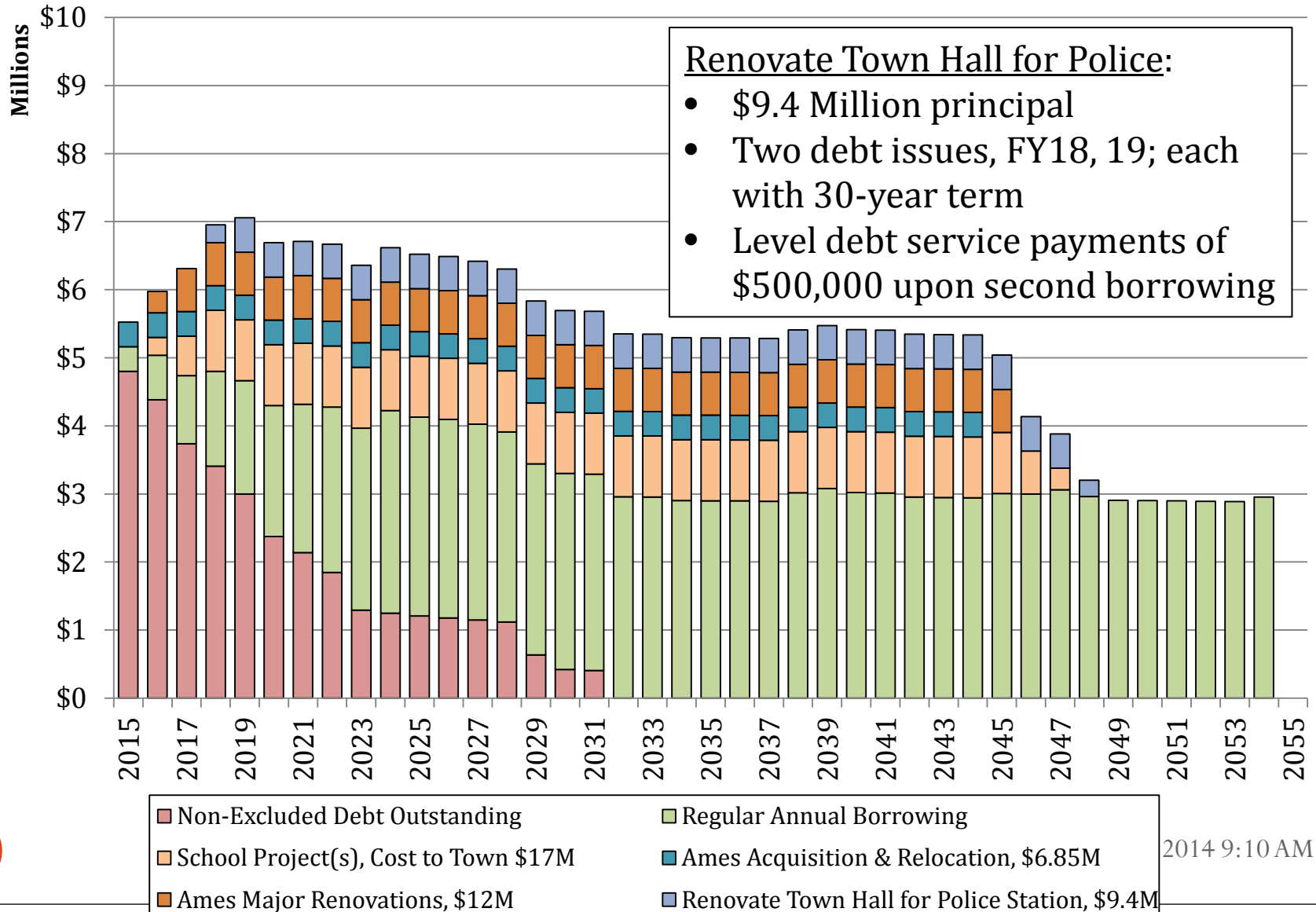
# Ames Purchase & Relocation, \$6.85 Million



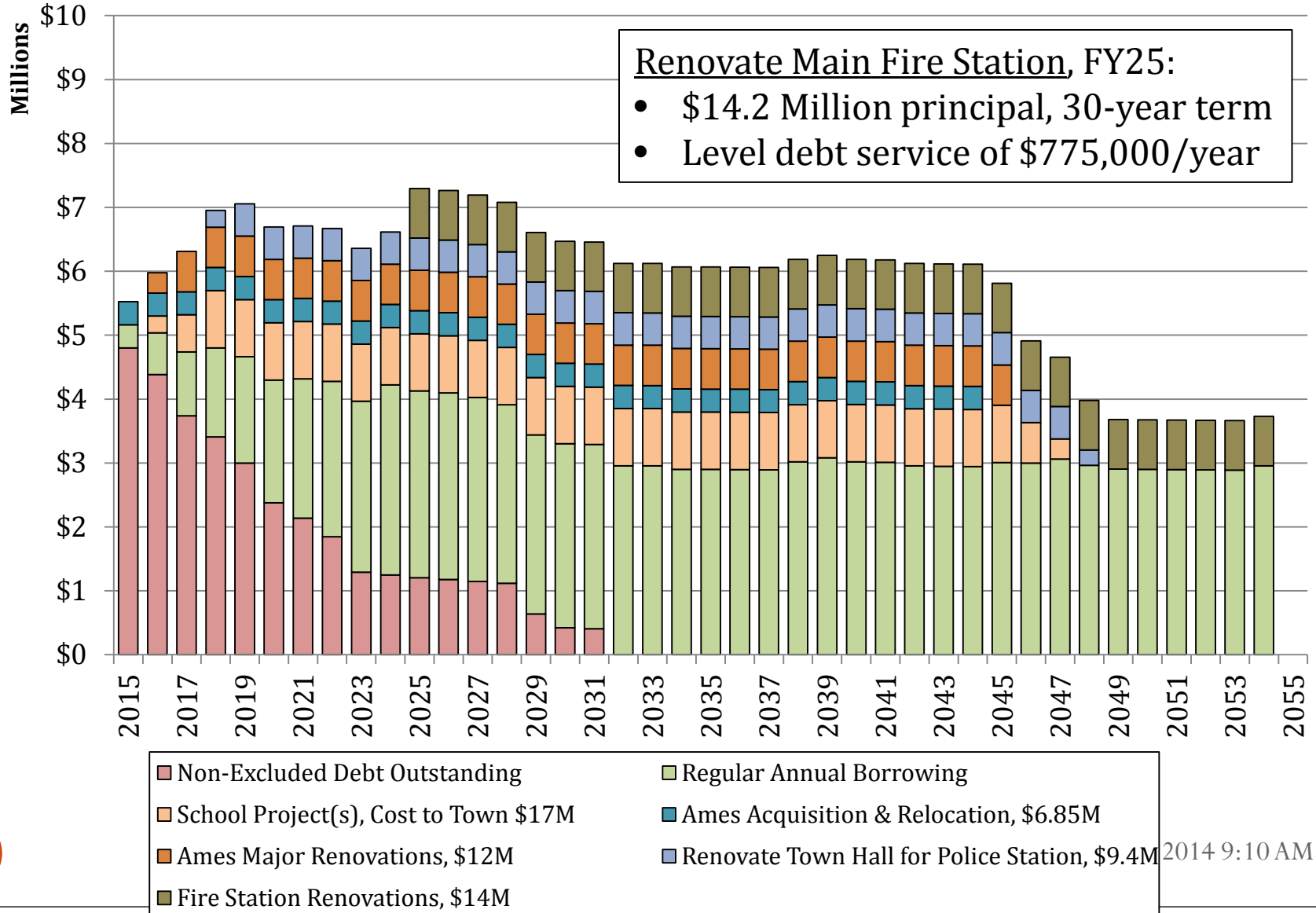
# Ames Major Renovations, \$12 Million



# Renovate Town Hall for Police, \$9.4 Million

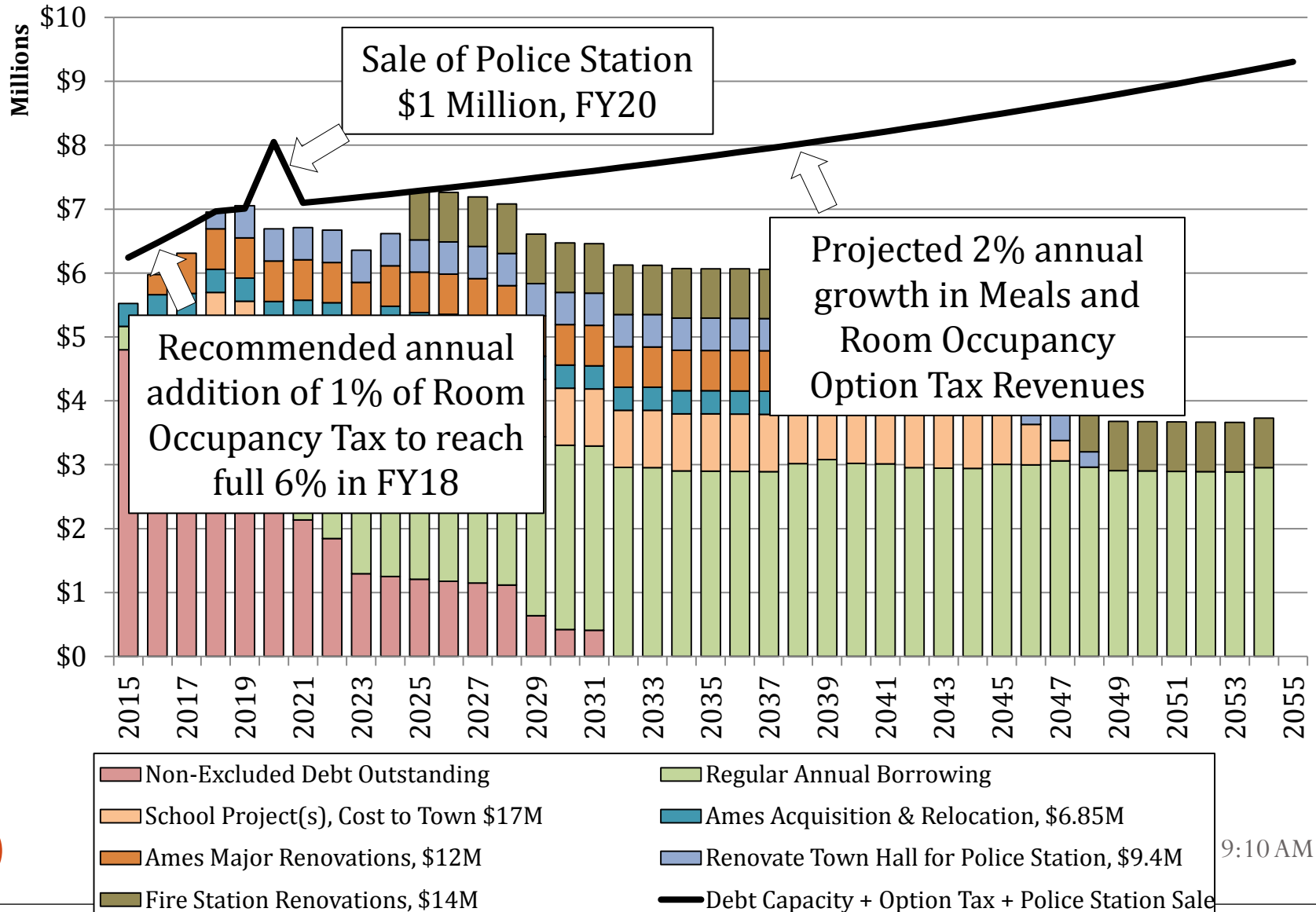


# Fire Station Renovations, \$14.2 Million



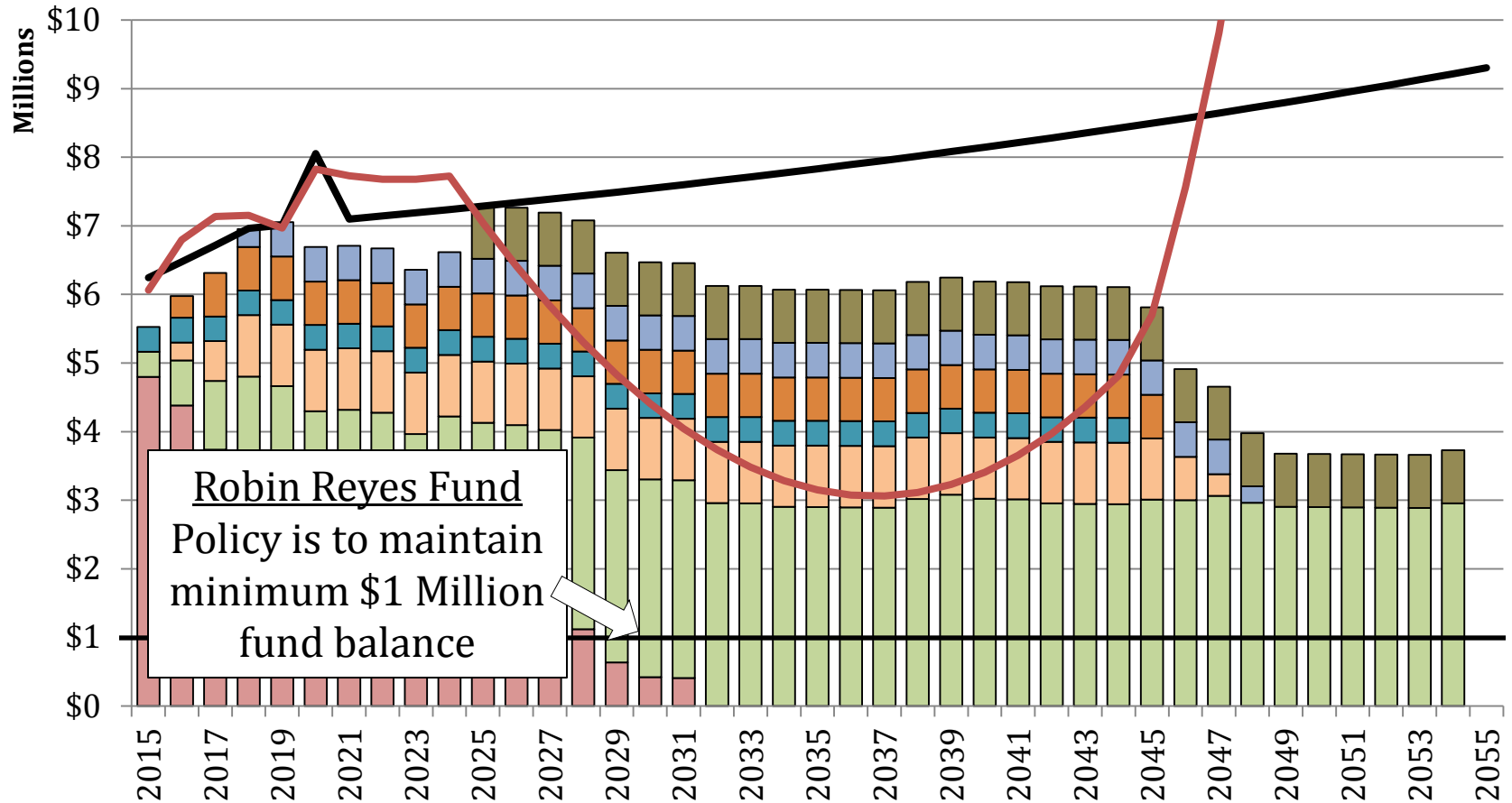
# Debt Capacity Projections

## Includes Option Taxes & Sale of Police Station





# Robin Reyes Fund



Robin Reyes Fund  
Policy is to maintain  
minimum \$1 Million  
fund balance

- Non-Excluded Debt Outstanding
- School Project(s), Cost to Town \$17M
- Ames Major Renovations, \$12M
- Fire Station Renovations, \$14M
- Ames Acquisition & Relocation, \$6.85M
- Renovate Town Hall for Police Station, \$9.4M
- Debt Capacity + Option Tax + Police Station Sale
- Robin Reyes Fund Balance

# Financing the Municipal Campus

- **The Robin Reyes Fund:**
  - The key to financing the Municipal Campus Project
  - Would maintain a minimum \$1 million fund balance
  - Would prevent 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:**
  - Would be affordable within the Town's debt capacity
  - Would be payable solely with option tax revenues
  - Would not interfere with funding capacity for future building projects

# Conclusion

- **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.**

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 option tax revenues into the fund