



Consideration of the Town of Framingham's Building Plan Implementation Options

Town Manager's Committee on Building Plan Implementation

May 5, 2016



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Background

The Town of Framingham's Town Manager, with counsel provided by the Town of Framingham's Board of Selectmen, formed a Town Manager's "Blue Ribbon Committee on Building Plan Implementation" in order to provide an independent analysis of the town's general fund capital program as well as recommendations for implementation.

Specific policy direction, to guide the work of the committee, included:

- Desire to maintain municipal government operations in the downtown area within walking distance to the Central Business District
- Preference for use of town-owned real estate for office support with leasing reserved as a flexible, short-term option or to support selected development
- Consideration of preservation of the Memorial Building to be maintained as a center of civic, cultural and governmental activity in downtown Framingham (with recognition of the immediate need to address building envelope deficiencies and likely access requirements)
- Construction of a new school with the specific proposal to be developed by the Framingham Public Schools Department
- Replacement of Fire Station #2 as a high priority due to its identified condition.

In addition to the proceeding policy guidance, the following issues were identified for committee consideration/review:

- Identification of town hall office needs with potential accommodation through use of the existing Memorial Building, potential Memorial Building replacement/expansion, and/or other options including relocation of selected office functions.
- In addition to town-hall functions, identification of other town operations office space deficiencies - including Framingham Public Schools and Framingham Public Works departments - and potential benefit of additional/relocated operational space and/or co-location.
- Consideration of other town-owned facilities including Danforth Building, Pearl Street Garage, Village Hall, Athenaeum Hall, surplus Fire Station #2, and the surplus Christa McAuliffe Library.
- Need to address significant capital deferred maintenance backlog and functional deficiencies (including ADA compliance) associated with town-owned assets.

Context

“The goal of forecasting is not to predict the future but to tell what you need to know to take meaningful action in the present.”

Town of Framingham Office of the Chief Financial Officer Long Range Financial Forecast Report

The Town of Framingham’s Chief Financial Officer (CFO) maintains detailed schedules of outstanding debt and associated annual debt service and provides long range forecasts regarding the finances of the town. Further, annual capital project requests lists are developed detailing the capital needs of the various town departments. A review of the town’s debt capacity and its identified capital needs reveals a significant imbalance: if all of the capital projects identified in the Town’s FY17-FY22 Capital Budget were actually undertaken, the town’s debt burden ratio (annual debt service divided by annual general fund revenues) would increase from approximately 4% to 8% while annual debt service expenditures would increase from approximately \$11 Million to over \$24 Million a year. This is obviously not a viable option in the near term. In practice, the process results in over half of requested capital projects being deferred each year. This practice has led to a significant deferred maintenance backlog and municipal facilities in generally poor condition and functionally compromised. To address this untenable situation, difficult decisions regarding project priorities and funding need to be made; further, a preliminary implementation schedule needs to be developed as part of the priority setting process. These actions will identify what additional funding will be needed to address decades-long underinvestment in the Town’s capital infrastructure. A bold response is required to address past failures to maintain town facilities; further, such a comprehensive approach will assist in community building and economic development.

Committee’s Guiding Principles

- A specific recommendation should be made for each town-owned facility that was considered. While there are multiple alternatives that could be pursued for certain facilities – and multiple expressed opinions on preferences associated with each option – without some clear direction for an initial proposed approach and schedule for each project it will be difficult to develop, and successfully conclude, a comprehensive long-range building plan implementation program.
- While the current interest rate environment may provide opportunity to refinance existing debt, the Committee has utilized existing debt service schedules associated with prior and planned issuances in its analysis. *(Note: To facilitate analysis, debt commitments have been categorized as follows: Existing Debt; Scheduled Debt Commitments; Proposed New Projects Associated Debt; Remaining Debt Capacity).*
- While the committee notes that a number of identified projects would likely be good candidates for potential (if such a program were instituted) Community Preservation Act funding (including possibly the Memorial Building, Village Hall, Athenaeum Hall, and McAuliffe Library), currently, all projects are presumed to be funded through the General Fund. This lack of an alternative financing avenue results in many identified projects being scheduled in the out-years of the proposed long range capital plan.

- The Committee also supports the proposal (noted in the CFO’s Long Range Financial Forecast report) to designate a certain portion of “Free Cash” annually to Capital Projects (along with Stabilization Fund and OPEB Liability needs). Scheduling a portion of “free cash”¹ allocations to capital items will certainly be needed to reduce the identified deferred maintenance and capital equipment backlog.
- Commitment to abide by the town’s 5% debt burden cap while proposing increasing the debt burden ratio from 4.5% projected in FY2017 to the 5.0% ceiling by FY2021 (with increases of approximately 0.1% per year). This would require average increases in annual debt service expenditures of 6.3% for FY2017 through FY2021 (this represents annual increases higher than projected annual increases in general revenue growth). After FY2021, annual debt service would increase by approximately the rate of forecasted annual general revenue growth.
- Willingness to consider use of capitalized interest financing for selective future bond issuances in order to accommodate more projects in the near term within the debt parameters identified and to take advantage of a current favorable interest rate environment.
- It is assumed that the new school project financing will be through an over-ride/debt exclusion petition with debt service partially reimbursed by the Massachusetts School Building Authority (MSBA) and with associated annual debt service not included within the debt burden cap.²
- Certain projects have been prioritized for inclusion early in the implementation plan (e.g., new school and fire station #2 replacement) with assumption that town committees and other agencies will determine issues such as sighting, scope, and proposed timing.
- The need for “swing space” to accommodate the proposed building plan implementation program and options for addressing documented space deficiencies along with an initial proposed phasing of projects should be identified.
- Alternative development approaches – e.g., public-private partnerships, property swaps, property disposition, alternative financing – should be considered at this point in the planning process.

¹ Consistent with the proposal in the recent CFO’s Long Range Financial Forecast, specific allocations of “Free Cash” could be designated for the Stabilization Fund, OPEB Liability, as well as Capital Projects and identified as “General Fund Annual Support for (those specific categories)”. Further, the committee would suggest that the use of “free cash” for capital be allocated to pay for equipment, and other items, financed with 5 year term bonds; in essence paying for these shorter-term-life capital items from operations as opposed to including them in the bond financing program. This would free up space within the 5% debt ratio cap for financing of longer-term capital projects and would normalize debt service schedules that, in turn, would assist in long-term planning.

² The Committee agrees with the CFO’s Financial Forecast conclusion that, “major School construction projects should be considered for financing outside the debt limit via debt exclusion.” To fund major school projects within the current 5% cap would severely restrict capital adaptation and renewal investment and further increase the existing deferred maintenance backlog.

Specific Facilities Considerations and Recommendations

➤ **Memorial Building**

- Options considered relating to the Memorial Building included: demolition and replacement on site; renovation of the existing facility (all/or portion) with/without an addition/acquisition - with varying degrees of focus on governmental functions versus civic and cultural functions ; relocation of some/all town-hall services functions to other town-owned facilities (accounting for associated renovation needs); and, lease/acquisition alternatives. Considerations also included: i) desire to retain town-hall “customer facing” services functions in a centrally located facility; ii) need to address documented office space deficiencies (both condition and amount); iii) recognition that not all town hall offices need to be located within the Memorial Building while acknowledging the desire to have such auxiliary functions be located nearby; iv) desire to support civic and cultural opportunities that could be provided by a preserved and maintained Veterans Hall as well as Nevins Auditorium; and, v) consideration of cost implications of the various alternatives.
- The Committee reviewed the preliminary Memorial Building program study and agrees with the need for additional office space beyond that currently available.
- The Committee recommends that appropriate space be provided in a downtown Town Hall facility.
 - Two options were considered in detail for development of an appropriate facility supporting the provision of Town Hall operations:
 - Undertake Memorial Building envelope repairs that have been identified as an immediate need (as well as triggered access projects) - likely in the range of \$7-\$10M - and subsequently renovate selective interior portions of the Memorial Building for “customer facing” functions.
 - Review of previous building studies identifies likely repair and renovation costs for the existing facility exceeding \$28 million with the result being a renovated (versus new) facility that would still not effectively address identified programmatic needs.
 - Build a new facility to meet office and meeting space needs at the current Town Hall site, through demolition of the building’s “wings” and Nevins Hall while retaining Veterans Hall and the main facade.
 - While a smaller assembly space is envisioned within Town Hall, a large assembly space would be proposed to be part of the new school project.³ If a larger assembly space (than proposed) were to be included as part of a Memorial Building project, additional debt service coverage could be allocated from the annual Capital Adaptation and Renewal set-aside.

³ Rationale for location of a larger assembly space at the proposed new school facility include: new school facility will need a large assembly space and can be designed for multiple purposes; parking is likely better accommodated at a school site; aggregate costs reductions and MSBA cost sharing for space associated with a school; and, in many towns/cities town meetings/assemblies are located at school locales.

- The Committee does not propose replication of a large auditorium space (Nevins Hall) due to mission conflict and the inability of the town to successfully manage a 2,200 seat facility; town efforts would be better directed to supporting other arts initiatives.
- In addition to proposed additional assembly space development at Village Hall and as part of a new school project, other large assembly spaces controlled by various town agencies (e.g., schools, Senior Center, Bowditch) can be made more readily available for public uses (facilitated through a central reservation system).
- **The Committee recommends that the majority of the Memorial Building be demolished (retaining Veterans Hall and the main front façade) and a new building be constructed on site.** This project could be a good candidate for a design competition.
- Swing space to support the building program would be needed as vacating of the existing building would be required during construction.
 - A number of downtown options are available for potential lease with selection to be determined through an RFP process. Potential options include use of the former TD Bank Building (74 Concord Street) for temporary “customer facing” functions; lease of the Perini Building (along with FPS administration) or other available downtown office space (the adjacent Concord Street facility would be appropriate for short-term lease but not acquisition due to its own deferred maintenance condition); and temporary use of the former McAuliffe Library for “back-office” town hall operations. Projected swing space costs are accounted for as part of the proposed Memorial Building Project.
- A condensed Memorial Building Project schedule is recommended with the building to be fully vacated during construction.
 - Under this approach, swing space would be required for a scheduled FY19-FY20 major construction project but early acquisition could be utilized in the short term to address current space constraints and facilitate transitions.
- **The Committee further recommends that parking for police station and town hall personnel be provided in close proximity to Town Hall but not in the parking lot immediately adjacent to the Memorial Building as that lot should be dedicated for public use.**

➤ **Danforth Building**

- The Danforth *Building* is more of a liability to the town than an asset. Other capital spending priorities will likely limit town investment in this property. As parking for municipal offices - and public use for constituents conducting municipal business - is a continuing need, it is proposed that this facility be razed and the site utilized for surface parking. {Town storage and certain operations currently located at the Danforth building would need to be relocated to other town-owned facilities.} Reassignment of Framingham Police and Town Hall employee parking to the Danforth lot would free up parking outside of

the Memorial Building for public use. This plan would require providing current occupants of the Danforth Building a date certain for vacating the facility – specifically, Danforth Art and the MetroWest Performing Art Center that have both been developing plans for relocation. Further, the adjacent and connected town-owned facility utilized by the Boys and Girls Club is proposed for demolition as well despite an existing lease as significant repairs and abatement are needed in that facility as well as the need for a new heating system; these identified capital projects represent multi-million costs that would need to be funded if this operation were to continue for the long-run in this facility. The committee would encourage consideration of use of the former St. Stephens School (currently vacant with available office, classroom, and gym space) as a potential facility for relocation of the Boys and Girls Club. If the Boys and Girls Club were to be retained in this facility, the costs of a new heating system would need to be accounted for in the proposed Danforth Building demolition/parking project with funding allocated from the annual Capital Adaptation and Renewal set-aside.

- **Committee recommendation is for the town to develop the Danforth property site into parking for police and municipal offices staff (as well as likely Library use).**

➤ **Fire Station #2**

- Due to the current condition of the existing Saxonville Fire Station #2, Framingham Fire Department has fast-tracked efforts to locate and build a replacement facility.
 - This project has been accounted for by the committee and scheduled early in the proposed capital plan utilizing standard cost estimates.
- **Committee recommendation to support expedited relocation/construction of Fire Station #2 per Framingham Fire Department determination of sighting and scope.**

➤ **Pearl Street Garage/MWRTA Facility**

- While downtown redevelopment would benefit from renovation of the Pearl Street Garage, other town capital spending priorities will likely limit near- to mid-term town investment in this property (without near-term repairs, this facility will likely get to a state that would require its demolition within the time frame of this capital plan). Further, there may be opportunity to leverage this asset in exchange for another property that could be better utilized by the town.
- **Committee recommendation to pursue a swap (with potential additional compensation or parking use assignment to equalize values) of the town-owned Pearl Street Garage for the former MWRTA facility on Waverley Street.**
 - The MWRTA would commit to rehabilitation of the Pearl Street Garage and assign a certain number of spaces for town use dependent upon appraised values.
 - The town would assign the former RTA facility to the Framingham Capital Projects and Facility Management department in order to relocate the shop and storage areas currently utilized in the Fuller School building and the Danforth Building.
 - Alternatively, the former RTA facility/property could be utilized (potential subsequent swap) to address other town proposals under consideration.

- In this event, additional space would need to be identified for town shops and storage.

➤ **Department of Public Works (DPW) Facility**

- To address identified DPW space deficiencies, the proposed addition to the existing DPW facility should be undertaken under a shared funding agreement.
- **Committee recommendation is to undertake the proposed DPW addition with shared funding from the Water and Sewer Enterprise Fund, potential Chapter 90 Discretionary Funds allocations, and limited (due to current debt capacity constraints) General Fund support for the project.**

➤ **Former Farley School**

- Prior to Massachusetts Bay Community College (MBCC) vacating the former Farley School (anticipated in 2020), plans for re-use of this facility/property can be developed with expectation that any major redevelopment/reuse for FPS purposes will consider financing options based on proposed use.
- **Committee recommendation that Framingham Public Schools (FPS) consider long-term options for utilizing the former Farley School facility for FPS purposes.**
 - **Alternatively, consideration should be given for sale of the property to the Commonwealth of Massachusetts for a permanent MBCC campus in order to retain the college in Framingham.** Further, this sale could possibly be made conditional on the state committing to any funding and construction of a proposed “Applied Life Science and Technology Center” (a life sciences manufacturing training facility) within proximity of the MBCC-Framingham campus. Retaining a local community college and adding a potential life science manufacturing training facility within the Town would be key attributes as the town recruits new businesses and industry and encourages expansion of existing firms.
 - **Sale proceeds from disposition of the former Farley School would reduce the level of over-ride/debt exclusion request for the proposed new elementary school.**
- If the Former Farley School site is not selected as the location for a new elementary school, and is not acquired by the Commonwealth to retain Mass Bay Community College at that location, the facility could potentially house Framingham School Administration offices (currently in leased space) as well as provide space to relocate town storage and shops currently located in the Fuller School and the basement of the Danforth Building.

➤ **Village Hall**

- Project scope and cost estimates have been identified; in order to accommodate the need for a community meeting space upon proposed demolition of Nevins Hall, the committee recommends consideration of funding of this project through the Capital Adaptation and Renewal Authorized Projects (\$11M annually) set-aside in order to expedite its undertaking;

this expedited option will likely be required to provide a large community assembly space (180+ occupancy) as a partial replacement for Nevins Hall (in addition to the proposed new large assembly space as part of the new school project).

- *Consideration should also be given to approval of a Community Preservation Act (CPA) program that would be a very appropriate avenue for funding of the current identified Village Hall Project and/or future Village Hall projects.*
- **Committee recommends renovation of Village Hall, preferably through Community Preservation Act financing, or within the Town’s general fund budget as scheduled in the later years of the proposed capital plan. Alternatively (and likely in order to provide a large community meeting space), this project could be expedited through allocation of annual Capital Adaptation & Renewal Authorized Projects set-aside funds.**

➤ **Athenaeum Hall/Surplus Fire Station #2**

- Preliminary project scope and cost estimates have been identified.
- *Consideration should be given to approval of a Community Preservation Act program that would be a very appropriate avenue for funding of this project. Further, historical preservation tax-credits (possibly federal “Historic Rehabilitation Tax Credit” or state “Rehabilitation Tax Credit” programs) financing should also be explored for this project.*
- **Committee recommends renovation of Athenaeum Hall, as well as the contiguous (proposed) surplus Station #2 property, preferably through Community Preservation Act financing and/or tax-credit financing, with scheduled funding within the Town’s general fund budget in the later years of the proposed capital plan.**

➤ **Former McAuliffe Library**

- No proposed program or cost estimates were provided to the committee for potential repurposing of the former McAuliffe Library. In the short term, this facility should be considered to house “back office” town hall functions in support of the Memorial Building Project.
- Further, it is proposed that a market study be undertaken to identify the potential sale value for this property. The Selectmen/ Town Meeting could then consider its possible sale with proceeds supporting other identified capital projects. As an alternative, a placeholder is included in the out-years of the capital plan for reinvestment in this property that could support its re-use.
- **Committee recommends short term use of the former McAuliffe Library to provide “back office” space in support of the Memorial Building Project. The Committee further recommends consideration of future sale of the former McAuliffe Library property; as an alternative, future investment in the facility is scheduled within the Town’s general fund budget in the later years of the proposed capital plan.**

Summary Recommendations

(Specific Capital Projects and General Capital Projects Authorizations)

<p>New School</p> 	<p>Framingham Public Schools (FPS) Department determination of site and scope.</p> <p>Consideration to be provided for scope to include multi-purpose large assembly space.</p> <p>Financing with MSBA partial reimbursement and through debt exclusion over-ride (with debt service considered outside of Town’s 5% debt burden cap).</p> <p>Estimated net cost: To be determined. Proposed Capital Plan Timing: Completion by 2020</p>
<p>Replacement Fire Station #2</p> 	<p>Framingham Fire Department determination, in the near term, of site (likely A Street) and scope for replacement facility.</p> <p>Financing included in general fund capital plan.</p> <p>Estimated Cost: \$3.5M+ potential acquisition costs Proposed Capital Plan Timing: Completion by 2020</p>
<p>Memorial Building</p> 	<p>Recommended major demolition and construction of a new facility supporting Town Hall office and meeting space functions (but not a large assembly space).</p> <p>Financing included in general fund capital plan; need for an over-ride/debt exclusion request to address projected annual debt service costs increases.</p> <p>Estimated Cost: \$25.0M+ (cost dependent upon to-be-determined assembly space scope) Proposed Capital Plan Timing: Completion by end of 2020</p>
<p>Town Hall Functions - Temporary Space</p>  <p><i>RFP to determine potential options</i></p>	<p>Recommended lease and/or identification of town-owned space to be utilized for temporary relocation of town hall functions to support Memorial Building project.</p> <p>Options include potential temporary use of former TD Bank Building for “customer facing” town hall functions. Additionally, lease of additional swing space in/near the downtown and use of former McAuliffe Library for “back office” town hall functions.</p> <p>Estimated Cost: \$2.6M+ aggregate lease and operational costs Proposed Capital Plan Timing: FY2017-FY2020</p>

Danforth Building

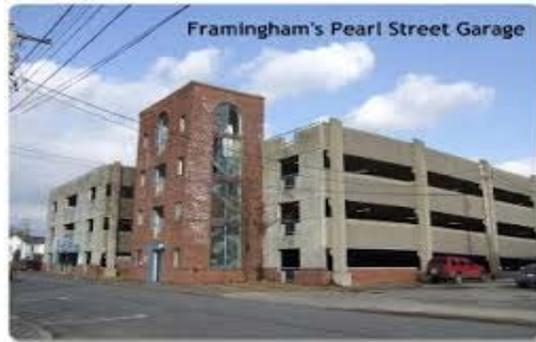


Recommended demolition of facility to support development of a surface parking lot (120-200 spaces depending on demo scope) for reassignment of Police and Memorial Building staff (freeing up Town Hall lot for constituent and public use). Current occupants given vacate date-certain in 2020.

Financing included in general fund capital plan. Alternative: sale of site with proceeds to develop alternative downtown site for government parking.

Estimated Cost: \$1.2M+ (dependent on level of abatement)
Proposed Capital Plan Timing: Completion by 2022

Pearl Street Garage



Proposed property swap with MWRTA for former MWRTA Waverly Street facility.

MWRTA commitment to rehabilitate parking deck.

Estimated Town Cost: \$500K (contingency depending on property valuations as well as support for assignment of a certain number of spaces for Town use)

Proposed Capital Plan Timing: Swap in 2017;
Rehabilitation completion (by MWRTA) by 2020

Former MWRTA Facility



Assignment (upon property swap) to Town's Facility Management department. Offices/Storage: 4.5K sq. ft.; Garage/Shop: 3.5K sq. ft.

Alternative: Utilization of this facility to address other town objectives under consideration (potential subsequent swap).

Estimated Adaptation Cost: \$0.2M
Proposed Capital Plan Timing: Completion by 2017/2018

DPW Facility



Recommended support for an addition to the existing DPW facility to address space deficiencies; one-third of costs allocated to the general fund.

New addition sq. ft.: approx. 15K

Financing included in general fund capital plan; anticipated cost sharing with Water & Sewer Enterprise Fund, designated Ch. 90 funds, and General Fund support.

Estimated Cost: Total: \$7.5M; \$2.5M General Fund share
Proposed Capital Plan Timing: Completion by 2019

Former Farley School



Framingham Public Schools (FPS) Department determination of future use and project scope.

Any future FPS project financing anticipated to include MSBA partial reimbursement and through debt exclusion over-ride.
Alternative: Sale to Commonwealth for retained MBCC-Framingham campus (along with new “Applied Life Science and Technology Center” commitment).

Estimated Net Cost: To be determined. Proposed Capital Plan Timing: Completion no earlier than 2024

Alternative Sale Approach - Estimated Proceeds: Target at new school site acquisition costs

Former McAuliffe Library



Recommended for use to support Town Hall “back office” functions in the near term. Potential future sale.
Alternative: Determination of repurposing use and project scope for future out-years project.

Recommended financing through (establishment of a) Community Preservation Act program. *Alternative: Financing included in out years of general fund capital plan.*

Estimated Repurposing Cost Place Holder: \$2.5M
Proposed Capital Plan Timing: Completion by 2025

Alternative: Potential Sales Proceeds: TBD

Village Hall



Recommended renewal/access project.

Recommended financing through (establishment of a) Community Preservation Act program.
Alternative: Financing included in out years of general fund capital plan.

Estimated Cost Place Holder: \$1.8M
Proposed Capital Plan Timing: Completion by 2024

(Alternative: Expedited project if funded through annual Authorized Projects set-aside; potential 2019 completion)

Athenaeum/Fire Station #2



Determination of repurposing use/renewal (/potential partial demolition) scope.

Recommended financing through (establishment of a) Community Preservation Act program as well as possibly federal/state historic preservation tax-credit financing.
Alternative: Financing included in out years of general fund capital plan.

Estimated Cost Place Holder: \$5.0M (Combined Athenaeum plus former Station #2 Projects)

Proposed Capital Plan Timing: Completion by 2024

<p>Capital Adaptation and Renewal Projects</p> 	<p>Annual capital adaptation and renewal authorized projects; \$11M annually (with 3.3% annual escalation). Utilized for annual authorized projects and to support specifically identified projects scope beyond current proposals.</p> <p>Financing included in general fund capital plan.</p> <p>Funding scheduled: \$109.9M Proposed Capital Plan Timing: FY17-FY25</p>
<p>Additional TBD Authorized Projects</p> 	<p>Additional to-be-determined authorized projects (in addition to annual capital A&R allocations) as debt capacity permits or for contingency funding for noted “Specific Identified Projects”. Some current scheduled projects will be addressed through specifically identified projects.</p> <p>Financing included in general fund capital plan.</p> <p>Funding scheduled: \$16.0M Proposed Capital Plan Timing: FY22-FY25</p>

Capital Plan Proposed Investments

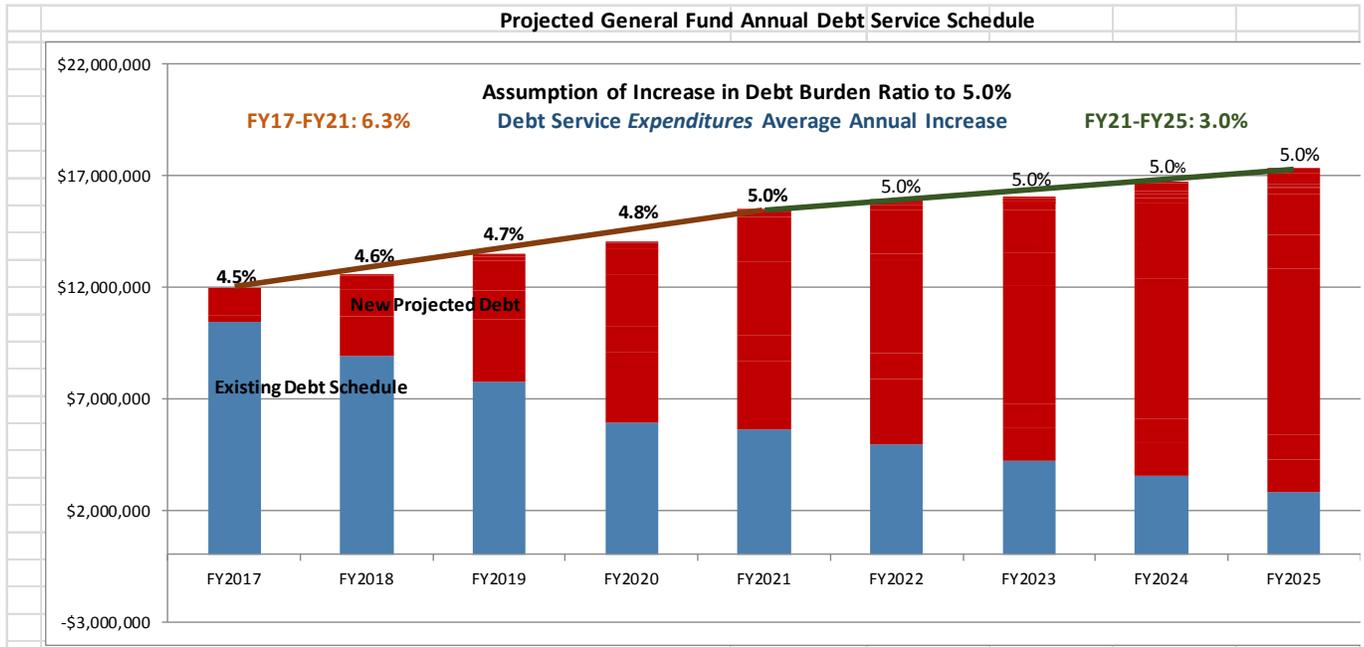
Total New Debt Allocations per Category	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
FY2017-FY2025 Projects - Budgeted Authorizations (esc. @ 3.3%)	\$11,000,000	\$11,000,000	\$11,363,000	\$11,738,000	\$12,125,000	\$12,525,000	\$12,938,000	\$13,365,000	\$13,806,000	\$109,860,000
Additional Budgeted Authorizations		\$0	\$0	\$0	\$0	\$2,800,000	\$6,200,000	\$6,200,000	\$800,000	\$16,000,000
FY2018-FY2025 Capital Projects - Specific Identified Projects		\$2,585,000	\$8,687,000	\$20,118,000	\$156,000	\$1,407,000	\$1,359,000	\$5,864,000	\$2,350,000	\$42,526,000
	\$11,000,000	\$13,585,000	\$20,050,000	\$31,856,000	\$12,281,000	\$16,732,000	\$20,497,000	\$25,429,000	\$16,956,000	\$168,386,000

See Appendix for associated projected annual debt service schedule which accounts for existing debt, committed debt, and recommended new debt obligations. Note: project cost estimates should be considered as maximums to control design parameters; exceeding the noted amounts would require reductions elsewhere or draws from the annual capital A&R set-aside.

- This level of planned capital spending would increase the town’s debt burden ratio from approximately 4.5% to 5.0% (the town’s designated ceiling and a conservative spending target) by 2021. While “affordable” as considered within town and state debt policies⁴, this projected level of

⁴ The Committee reviewed the Town’s financial statements and the most recent Moody’s Report (that reaffirmed an Aa2 rating) and concluded the following: satisfactory financial position; stable cash balances; sizable and expanding tax base; above average wealth indicators; manageable fixed rate debt burden; manageable pension burden; while noting that tax rates are relatively high and that the bond rating could go down with significant growth in debt burden or reduction in cash balances. The Town has \$216M of total outstanding debt (\$179M is General Obligation); Commonwealth statutes limits this to a maximum of 5% of assessed valuation which would be \$380M. Current debt as a percent of assessed valuation is 2.4% and there are no restrictive covenants or use of derivatives.

capital financing/spending would require increases in annual debt service of 6.3%, on average, over the next five years (an increase of over 30% by the end of that five year period) – considerably higher than forecasted annual general revenue growth. That is, this level of spending is contingent upon the willingness of the town to increase annual capital spending funding – the alternative is town-owned capital facilities remaining in a state of disrepair and operationally deficient.



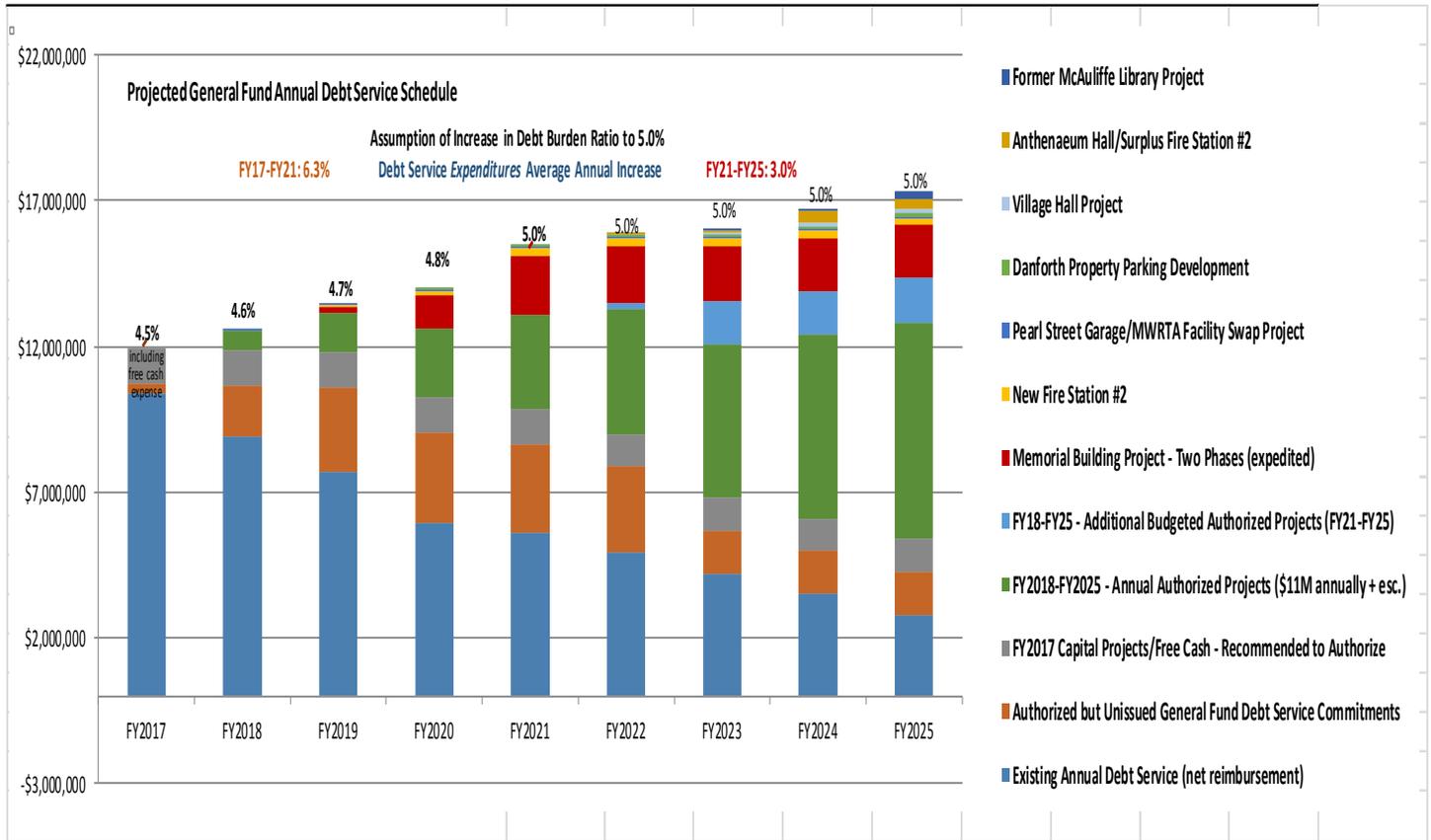
Debt Service Impact/Projected Preliminary Schedule

	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
Existing Annual Debt Service (net reimbursement)	\$10,401,000	\$8,899,000	\$7,716,373	\$5,921,000	\$5,623,000	\$4,910,000	\$4,210,000	\$3,510,000	\$2,810,000
Authorized but Unissued General Fund Debt Service Commitments	\$351,000	\$1,779,000	\$2,849,000	\$3,152,000	\$3,051,000	\$2,956,000	\$1,468,000	\$1,468,000	\$1,468,000
FY2017 Capital Projects/Free Cash - Recommended to Authorize	\$1,211,000	\$1,225,000	\$1,238,000	\$1,204,000	\$1,173,000	\$1,142,000	\$1,120,000	\$1,100,000	\$1,100,000
FY2018-FY2025 - Annual Authorized Projects (\$11M annually + esc.)	\$0	\$616,000	\$1,384,000	\$2,310,000	\$3,266,000	\$4,254,000	\$5,274,000	\$6,328,000	\$7,416,000
FY18-FY25 - Additional Budgeted Authorized Projects (FY21-FY25)	\$0	\$0	\$0	\$0	\$0	\$243,000	\$1,483,000	\$1,483,000	\$1,563,000
Memorial Building Project - Two Phases (expedited)	\$0	\$0	\$184,000	\$1,163,000	\$1,988,000	\$1,929,000	\$1,890,000	\$1,852,000	\$1,813,000
New Fire Station #2	\$0	\$0	\$26,000	\$163,000	\$278,000	\$270,000	\$265,000	\$259,000	\$254,000
Pearl Street Garage/MWRTA Facility Swap Project	\$0	\$2,000	\$7,000	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000
DPW Facility	\$0	\$15,000	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000
Former Farley School Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Danforth Property Parking Development	\$0	\$0	\$0	\$4,000	\$16,000	\$93,000	\$93,000	\$93,000	\$93,000
Village Hall Project	\$0	\$0	\$0	\$0	\$0	\$4,000	\$33,000	\$140,000	\$140,000
Anthenaem Hall/Surplus Fire Station #2	\$0	\$0	\$0	\$0	\$0	\$23,000	\$83,000	\$388,000	\$388,000
Former McAuliffe Library Project	\$0	\$0	\$0	\$0	\$0	\$0	\$12,000	\$35,000	\$209,000
Annual Debt Service Expenditures	\$11,963,000	\$12,536,000	\$13,596,373	\$14,163,000	\$15,641,000	\$16,070,000	\$16,177,000	\$16,902,000	\$17,500,000
% Increase - Year over Year	3.5%	4.8%	8.5%	4.2%	10.4%	2.7%	0.7%	4.5%	3.5%

Committee Recommended Major Capital Projects Preliminary Schedule

	Plan Agreement	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment
Building Plan Implementation	Plan Agreement	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment	Annual plan review and adjustment
General Fund Authorized Projects (Adapt. & Renewal)	Annual A&R Program undertaken	Annual A&R Program undertaken	Annual A&R Program undertaken	Annual A&R Program undertaken	Annual A&R Program undertaken	Annual A&R Program undertaken	Annual A&R Program undertaken	Annual A&R Program undertaken	Annual A&R Program undertaken	Annual A&R Program undertaken
New School	New School sighting and scope	Site acquisition and study; financing plan	Design	Construction	Construction completed					
Fire Station #2	Sighting and scope determination	Study – Potential Acq./ Permitting	Design	Construction	Occupancy					
Memorial Building	Decision on approach	Study	Design/ Demolition	Construction	Construction - Occupancy by end of 2020					
Swing Space – Town Hall functions	Lease #1/ former McAuliffe Library use	Lease #1/ McAuliffe Library use & Lease #2	Swing Space Use	Swing Space Use	Swing Space Use					
Danforth Property					Study & Design – For Parking	Design and Demo by end of year	Construction - Municipal parking lot use			
Pearl Street Garage/ MWRTA Facility	Swap proposed Cont. partial use by Town	Swap agreement/ Alt: Other use	Adaptation study for municipal use	Adaptation Project DPW Use >>>						
DPW Facility	Alternative Use Agreement Option	DPW use of RTA facility/ Add. Design	Addition Construction							
Former Farley School					Study	MBCC vacates	FPS use >>>			
					<i>Alternative: Sale for MBCC-Framingham Campus</i>					
Village Hall (Potential CPA funding – if program approved)		Potential early construction if funded out of annual Authorized Projects set-aside funding					Study	Design	Construction	
Athenaeum Hall & surplus Station #2 (Potential CPA)							Study	Design	Construction	
Former McAuliffe Library (Potential CPA)	Use for Town Hall Project swing space	Swing Space Use	Swing Space Use	Swing Space Use	Swing Space Use	Market Study	First Consideration: Potential Sale	Alternative: Study	Design	Construction
Other Identified General Fund Capital Projects								Additional Authorized Projects	Additional Authorized Projects	Additional Authorized Projects

Projected Debt Service Detail Schedule (increasing to 5.0% debt burden cap by FY2021)



- Due to use of debt financing for shorter term capital assets acquisitions (e.g., capital equipment) that are funded with terms of 5 and 10 years, there is a significant decrease in scheduled annual debt service commitments over the next decade (blue portion of bars).
- In addition, commitments have been made (authorized) but bonds had not been issued at the point of committee review that are accounted for in the capital spending plan (orange portions of bars)
- The committee also assumed that the “Recommended to Authorize” FY2017 capital projects would proceed and these commitments have been accounted for in the spending plan ((grey portion of bars)
- The Committee then scheduled annual Capital Adaptation and Renewal funding for projects to be identified through the annual standard capital projects identification process at \$11M annually - with escalation (green portion of bars)
- New projects were then scheduled into the capital spending plan (represented by the other colors making up the bars)
- Annual debt burden was increased to 5.0% by FY2020 and maintained at that level for the out-years of the capital spending plan.

Capital Plan Overview

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Annual Capital Adaptation and Renewal (“A&R”) Pool	Annual projects; also utilized to fund specifically identified projects contingency and expanded scope	\$11M annually with escalation \$110M through 2025	Annual determination to address deferred maintenance and other capital needs ; “keep up” support
Town Hall (Memorial Building)	2020	\$25M+ (dependent upon assembly space scope)	Relocation/lease costs included in project costs
New Fire Station #2	2020	\$3.4M	Life safety concern expedited project
Pearl Street Garage / MWRTA Facility Swap	2018	\$0.7M	MWRTA garage rehabilitation commitment; facility utilized for town storage/shops (or other opt.)
DPW Facility	2019	\$2.5M (general fund support)	Shared costs with Water and Sewer Enterprise Funds
Danforth Property	No later than 2022 (to provide notice to current occupants)	\$1.2M Alternative: sale	Proposed use for municipal parking (120-200 potential spaces)
Village Hall	2019 if funded through A&R pool; later if funded through CPA program or general fund	\$1.8M	Partial response to address assembly space needs
Athenaeum Hall / Surplus Fire Station #2	2024; Earlier if funded through instituted CPA program	\$5.0M	Project utilized to advocate for creation of a Community Preservation Act program
Former McAuliffe Library	2025	\$2.7M Alternative: future sale	Short term use for Town Hall Project swing space
Other TBD Projects outside of A&R pool	2022-2025	\$16.0M	Capital Spending Plan out years set-aside for additional specific projects
Total		\$168.3M (with escalation)	FY2017-FY2025 Plan

Committee Commentary

The committee has examined the current status of town-owned facilities and town department needs and it is very apparent that significant deficiencies in condition, functionality, and capacity of existing capital assets exist. This situation has resulted from *decades* of under-investment in capital adaptation and renewal as well as needed expansion. The committee proposes a period of major capital investment – requiring new sources of revenues as well as alternative financing approaches – to address the deferred maintenance backlog, improve the functionality of municipal operational spaces, and meet current town administration space needs. Further, the committee recommends thoughtful consideration of the disposition of selected town-owned property to reduce the overall outstanding liabilities burden.

There are specific projects that need to be addressed in the near term including decisions on a new Elementary School, replacement of Fire Station #2, and the Memorial Building.

The new school will require financing through debt exclusion as the town’s current financing capacity could not fund this project without essentially stopping investment in most other general fund projects for a period and thus exacerbating the deferred maintenance backlog.

Replacement of fire station #2 is a life safety matter and needs to be considered a priority and undertaken in the near term. Identification of a potential site for a replacement facility is under consideration.

The situation regarding the Memorial Building has come to a head as needed envelope repairs (and associated triggered access projects) will require a multi-million investment to address. Once this investment is committed for envelope repairs, it would be expected that the building would then be retained for an extended period and significant investment should then be undertaken to address deferred maintenance and functional deficiencies. As such, this is the critical decision period for selection of an approach to address the Memorial Building. As an alternative to proceeding with the envelope repairs in the near term (with likely subsequent major investments in the facility), the committee proposed demolition of the majority of the Memorial Building as well as Nevins Hall (retaining Veterans Hall and the main facade) and construction of a new facility on site providing office and meeting space that will more adequately support Town Hall operations (note: a larger assembly space is proposed as part of the proposed new school project). This approach would preserve significant civic and cultural attributes of the facility while maintaining Town Hall in the downtown.

The committee recommends fully vacating the Memorial Building during construction. This will require swing space to house town hall operations during any construction period. The former McAuliffe Library could be utilized to provide some back-office support space (5.5K sq. ft.) In addition, there are a number of lease options available in the downtown with selection available through an RFP process. Options could include lease of the former TD Bank Building (74 Concord Street & 15 Park Street) for “customer facing” town hall functions and lease of other available space (including potentially the Perini building and other vacant spaces in the downtown) to temporarily support “back office” functions.

An associated project includes the recommendation for demolition of the Danforth Building. The committee proposes development of a surface parking lot for Framingham Police and Memorial Building

staff thereby making the Town Hall lot available to constituents undertaking municipal business and to the public. This would clarify the future of the Danforth property (including providing a date certain for current occupant vacancy of the building) and reduce overall costs to the town while providing additional parking in the downtown.

To address the identified highest priority projects and to support investment in other facilities' capital adaptation and renewal and provide sufficient support for annual general fund authorized projects, additional funding over current levels needs to be identified. The committee proposes consideration of: i) debt exclusion over-ride for the proposed new elementary school project (likely in FY17); ii) alternative financing vehicles such as Community Preservation Act and tax-credit financing for appropriate projects, as well as, dedicated "free cash" allotments for capital projects/major equipment purchases; and, iii) an increase in annual debt service expenditures with the target of a debt burden ratio of 5.0% (the town's self-imposed cap and a level commensurate with other towns' level of debt burden). This later proposal would require general fund supported debt service expenditures to increase by 6.3% annually, on average, from FY17 to FY21 (with subsequent years' increases of 3.0% annually). This increase in annual debt service costs would be scheduled within the general fund budget resulting in the likely need for an over-ride/debt exclusion (in FY19 or FY20) in support of the "Town Hall Project" (Memorial Building major demolition/New Building Project and temporary leased swing space). While it will be difficult to obtain town approval for two proposed over-rides/debt exclusions (School Project and Town Hall Project), a long-term plan to address specific, as well as general authorized, capital projects will reduce uncertainty and the argument for additional capital investment is certainly apparent.

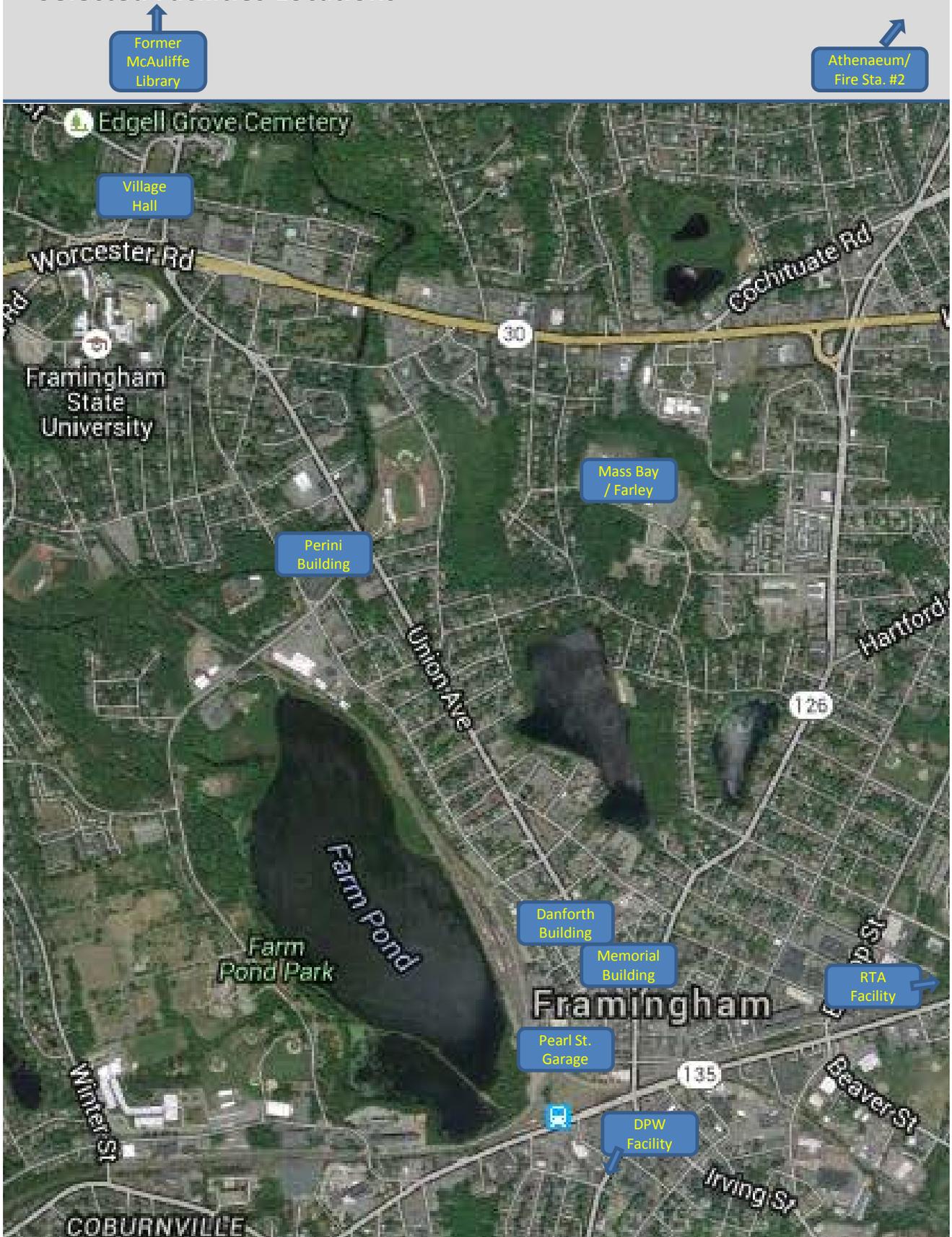
Per the proposed capital plan and associated debt service schedule, funding within the General Fund budget would be sufficient (assuming an increase in annual debt service expenditures to the 5% cap to support the three identified highest priority projects: New School, replacement of Fire Station #2, and Memorial Building), in addition to "General Authorized Capital Adaptation and Renewal Projects" of \$11M per year as well as other identified "Specific Capital Projects" including:

- Pearl Street Garage swap for the former MWRTA Waverley Street facility
- Expansion of the existing DPW facility to fully address identified space deficiency needs
- Village Hall project (expedited to provide a large, accessible community meeting space)
- Athenaeum/former Fire Station #2 re-use project
- Former McAuliffe Center Library project

Without the proposed level of increased - and then sustained - capital investment, the Town of Framingham will experience further deterioration of its capital assets and the future cost to the town, both financially and operationally, will be substantial.

Please note that the committee recognizes that there are errors and omissions in this proposal as this was an expedited review. The committee makes its informed recommendations to encourage consideration by others of the options available regarding implementation of the town's building program and to highlight the dire need for a change of course in the town's stewardship of its capital assets.

Selected Facilities Locations



Major Recommendations Summary

- Demolition/Swap/Sale of Town-Owned Facilities to reduce deferred maintenance liabilities as well as annual operations and capital maintenance costs:
 - *Memorial Building* demolition (while retaining Veterans Hall and main façade) to accommodate construction of a new town hall facility on site
 - *Danforth Building* demolition to provide additional public parking
 - *Pearl Street Garage* swap for MWRTA facility that can be utilized in support of town operations (or support other town initiatives)
 - MWRTA commitment to rehabilitate garage while providing a determined number of spaces for municipal use
 - *Former Farley School* potential sale to the Commonwealth to provide funding for the new school project and to retain Mass Bay Community College in Framingham
 - *Former McAuliffe Library* potential future sale/re-use (TBD) after short term use for swing space in support of the Town Hall Project
- New Investment in Town-Owned Facilities to meet municipal needs:
 - *Existing Facilities* and other capital items needs supported through annual capital adaptation and renewal set-aside
 - *New School* scope and location to be determined by Framingham Public School (FPS) administration and considered by Selectmen and Town Meeting
 - Financing through anticipated 2017 debt exclusion over-ride and MSBA support
 - Project scope proposed to accommodate large assembly space
 - *Fire Station #2 Replacement* to be immediately pursued due to identified deficiencies
 - *Memorial Building/Town Hall* construction to address municipal office and meeting space needs
 - *DPW Addition* to address space constraints and relocations from existing Town Hall
 - *Village Hall* project to provide additional assembly space and cultural benefits
 - *Anthenaeum Hall/(Proposed) Surplus Fire Station #2* adaptation and renewal project
 - Basis for pursuing implementation of a Community Preservations Act Program

Financing Requirements:

- Projected need for debt exclusion over-ride in 2017 for the proposed new school project and a subsequent over-ride in 2019 to support municipal capital projects (based on Town Hall project proposed expedited schedule)
- Assuming new school debt exclusion, general fund debt burden ratio will stay within 5% cap while additional annual debt service (with increases averaging 6.3% annually for FY2017-FY2021 and then 3.0% annually for FY2021-FY2025) would be supported by the municipal capital projects over-ride.
 - Based on a \$30M over-ride in support of municipal capital projects, the average annual tax bill (residential and commercial) would increase by approximately 1%; this would represent a \$60 increase to the average residential tax bill.

ⁱ Process Description – See Appendix for associated debt service projections

The Committee’s review resulted in the classification of various types of debt commitments for ease of understanding. Current commitments were categorized as: 1) “**Existing Debt**”, made up of “Existing General Fund Debt” (adjusted by “State Debt Service Reimbursements” for certain school projects) and “Authorized but Unissued General Fund Debt Commitments”; and, 2) “**Scheduled Debt Commitments**” based on proposed “FY17 Capital Projects – Recommended to be Authorized” (less an adjustment for “Historical Slippage of Authorized Projects Timing” per guidance provided by the Town of Framingham Chief Financial Officer). Aggregate “Current and Scheduled Projected Net Debt Service Commitments” (current plus scheduled debt commitments) are forecasted to be approximately \$10.96M in FY17 (with corresponding 4.2% debt burden ratio) if all currently proposed FY17 authorized projects proceed. *{Detail noted in top box – blue shading – of Appendix B.}*

To relieve some pressure on scheduled FY18 commitments (permitting addition of other specific project spending and without deferring additional FY17 authorized projects), it is proposed that scheduled use of \$1.0M “Free Cash” allocation for the Athenaeum Project be devoted to FY18 debt service coverage; requiring deferring of the Athenaeum Project. Resulting Debt Service/Free Cash Allocations would then be \$11.96M (4.5%) in FY17 and \$11.9M (4.4%) in FY18. *{Detail noted in second box – yellow shading – in Appendix B.}*

“**Proposed New Projects Associated Debt**” (the third category of identified debt) includes a proposal to fund \$11M annually (with 3.3% annual escalation factor) in “Annual Authorized General Fund Capital Projects” to be approved through the Town’s standard capital projects’ review and approval process. Aggregate annual debt service commitments – including Existing Debt, Scheduled Debt, and Annual Authorizations – are projected to total \$11.96M (4.5% associated debt burden ratio) in FY17, \$12.5M (4.6%) in FY18, \$13.2M (4.6%) in FY19, \$12.6M (4.3%) in FY20, \$13.1M (4.3%) in FY21, and at \$13.3M (4.2%) in FY22. *{Detail noted in third box – pink shading – in Appendix B.}*

“**Remaining Debt Capacity**” was then forecasted based on an assumption that the debt burden ratio should be increased to 5.0% by FY21. “Specific Capital Projects” were then scheduled within the available debt capacity. The highest priority item for scheduling was the Replacement of Fire Station #2 (scheduled for site selection/acquisition in FY17, study in FY18, design in FY19, and construction in FY20). The next highest priority project scheduled was the Memorial Building (and associated) Project(s). As noted in the report, it is proposed that leased/reallocated town-owned space be utilized for Town Hall swing space for the entirety of functions operating out of the Memorial Building. Town Hall construction is scheduled for completion by end of FY20. It is proposed that financing for the Memorial Building (and associated components) Project would include zero coupon bond use in FY18-FY20 in order to fit this project (with expedited timing) within available debt capacity limits. Another associated project would be the proposed demolition of the Danforth Building (upon scheduled vacating by Danforth Museum and MetroWest Performing Arts Center functions no later than the end of FY20) and construction of a surface parking lot for use by Framingham Police as well as Memorial Building staff (thereby making available the current Town Hall lot available for constituent users of Town Hall and the public) with construction scheduled for completion in FY22. This plan also proposes consideration of swap of the town-owned Pearl Street Garage property for the MWRTA Waverley Street property. This swap would provide near-term addition of space for the DPW; permitting longer-term planning to fully address documented space deficiencies and financing plans. This proposed swap has the potential to address a number of needs without significant capital outlay by the Town; rehabilitation of the Pearl Street Garage would be financed by the MWRTA with possible parking set-aside for municipal use depending on valuation of the properties. Other additional identified capital projects were then scheduled in the long-range plan based on remaining debt capacity through FY25 including a new addition to the existing DPW facility in order to fully address identified space deficiencies. Further, “Additional Authorized Annual Capital Projects” (set-aside funding for to-be-determined specific projects) were then scheduled through FY25 within the annual 5.0% debt burden target (totaling \$16M).

In aggregate - accounting for existing debt commitments, scheduled debt commitments, and, proposed new projects debt commitment – annual debt service is projected to increase from \$11.96M (4.5% associated debt burden) in FY17 to \$17.5M (5.0%) in FY25. General Fund annual expenditures for debt service would increase, on average, by 6.3% from FY17-FY21 and by 3.0% annually from FY21-FY25. *{Detail noted in fourth box – green shading – in Appendix B.}*

Included Items in General Fund Budget Cap.										Total
New Fire Station #2	Site Selection	Study	Design	Construction						
Capital Expenditures (any potential property acquisition through "Free Cash")		\$150,000	\$300,000	\$3,000,000						\$3,450,000
Escalation Costs (3.5% annually)		\$5,000	\$11,000	\$112,000		\$0	\$0	\$0	\$0	\$128,000
Annual Debt Service Increase			\$26,000	\$137,000		\$115,000				\$278,000
Compounded Annual Debt Service			\$26,000	\$165,000		\$270,000	\$285,000	\$259,000		\$278,000
Memorial Building Rebuild - Expedited with Capitalization of Swing Space	Study/Lease #1	Design/#1	Design/Const.	Construction						
Capital Expenditures - Office/Meeting	\$950,000	\$1,400,000	\$5,000,000	\$15,000,000						\$22,350,000
Option: Larger assembly space than currently identified				Debt service funding allocation from Capital A&R set-aside						TBD
Swing Space Lease (FY17-FY20: 20K; plus FY18-FY20: 18K sq. ft. +5K MCA Library)	\$400,000	\$742,000	\$750,000	\$760,000						\$2,652,000
Escalation Costs (3.5% annually)		\$49,000	\$181,000	\$562,000		\$0	\$0	\$0	\$0	\$792,000
Annual Debt Service Increase			\$184,000	\$979,000		\$825,000				\$1,988,000
Compounded Annual Debt Service			\$184,000	\$1,163,000		\$1,929,000	\$1,890,000	\$1,852,000		\$1,813,000
Pearl Street Garage/MRWTA Swap with Renovation	Agreement	Study	Design	Swap Cont./Renovation						
Capital Expenditures		\$30,000	\$60,000	\$610,000						\$700,000
Escalation Costs (3.5% annually)		\$1,000	\$2,000	\$22,000		\$0	\$0	\$0	\$0	\$25,000
Annual Debt Service Increase		\$2,000	\$5,000	\$47,000						\$54,000
Compounded Annual Debt Service		\$2,000	\$7,000	\$54,000		\$54,000	\$54,000	\$54,000		\$54,000
DPW Facility	Design	Addition - GF Share								
Capital Expenditures	\$200,000	\$2,300,000								\$2,500,000
Escalation Costs (3.5% annually)	\$8,000	\$83,000				\$0	\$0	\$0	\$0	\$91,000
Annual Debt Service Increase	\$15,000	\$177,000								\$192,000
Compounded Annual Debt Service	\$15,000	\$192,000	\$192,000	\$192,000		\$192,000	\$192,000	\$192,000		\$192,000
Danforth Property (Parking Lot Development)		Study	Study/Design	Construction						
Capital Expenditures		\$50,000	\$150,000	\$1,000,000						\$1,200,000
Escalation Costs (3.5% annually)		\$2,000	\$6,000	\$42,000		\$0	\$0	\$0	\$0	\$50,000
Annual Debt Service Increase		\$4,000	\$12,000	\$77,000						\$93,000
Compounded Annual Debt Service		\$4,000	\$16,000	\$93,000		\$93,000	\$93,000	\$93,000		\$93,000
Farley School Project (FPS proposed future project; financing TBD)										
Capital Expenditures				Potential sale to support proposed new school project and to retain MBCC in Framingham			Study	Design	Construction	\$0
Escalation Costs (3.5% annually)										\$0
Annual Debt Service Increase										\$0
Compounded Annual Debt Service						\$0	\$0	\$0	\$0	\$0
Village Hall	Alternative: Potential CPA funding						Study	Design	Construction	
Capital Expenditures				Project could be expedited through use of CPA funding or through allocation of Capital A&F reserve funding			\$50,000	\$375,000	\$1,375,000	\$1,800,000
Escalation Costs (3.8% annually)							\$2,000	\$17,000	\$63,000	\$82,000
Annual Debt Service Increase							\$4,000	\$29,000	\$107,000	\$140,000
Compounded Annual Debt Service							\$4,000	\$33,000	\$140,000	\$140,000
Anthenaem Hall/Surplus Fire Station #2	Alternative: Potential CPA funding						Study	Design	Construction	
Capital Expenditures (\$3.6M+-\$1.4M)				Project could be expedited through use of CPA funding or through allocation of Capital A&F reserve funding			\$300,000	\$775,000	\$3,925,000	\$5,000,000
Escalation Costs (3.8% annually)							\$13,000	\$35,000	\$187,000	\$235,000
Annual Debt Service Increase							\$23,000	\$60,000	\$305,000	\$388,000
Compounded Annual Debt Service							\$23,000	\$83,000	\$388,000	\$388,000
Former McAuliffe Library Project	Alternative: Potential CPA funding						Study	Design	Construction	
Capital Expenditures				Potential Town Hall "Back-Office" functions use	Market Study	Potential Sale				
Escalation Costs (3.8% annually)				Assignment to support "Town Hall Project"			\$150,000	\$300,000	\$2,250,000	\$2,700,000
Annual Debt Service Increase				Anticipated minimal fit-out costs for use thru 2020			\$7,000	\$14,000	\$100,000	\$121,000
Compounded Annual Debt Service							\$7,000	\$14,000	\$174,000	\$209,000
Specific Projects Totals - with Expedited Memorial Project and Alt. Financing							\$0	\$12,000	\$35,000	\$209,000
Capital Expenditures	\$0	\$2,522,000	\$8,410,000	\$19,420,000	\$150,000	\$1,350,000	\$1,300,000	\$5,600,000	\$2,250,000	\$41,002,000
Escalation Costs (3.5% annually)	\$0	\$63,000	\$277,000	\$698,000	\$6,000	\$57,000	\$59,000	\$264,000	\$100,000	\$1,524,000
Annual Debt Service Increase	\$0	\$17,000	\$392,000	\$1,167,000	\$952,000	\$104,000	\$101,000	\$435,000	\$174,000	\$3,342,000
Compounded Annual Debt Service	\$0	\$17,000	\$409,000	\$1,576,000	\$2,528,000	\$2,565,000	\$2,622,000	\$3,013,000	\$3,143,000	\$3,143,000