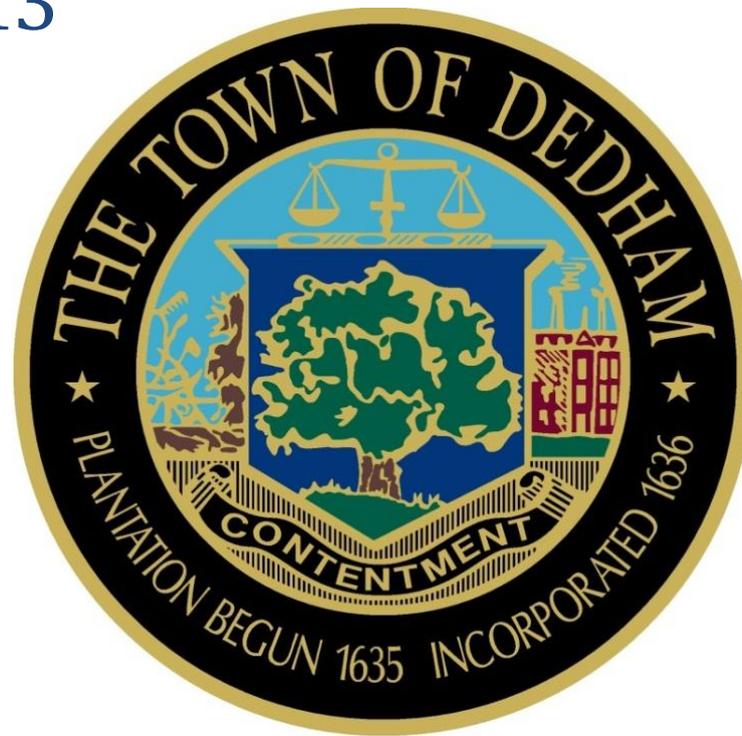


Town of Dedham  
Presentation to Finance Committee  
October 8, 2013



Special Town Meeting  
Article 2: Rustcraft Road

# Overview

- Updated information from October 3 informational hearing
  - Comparison of construction alternatives
  - Rustcraft Road estimated costs per square foot
  - Proposed space plan, square footage by use
- Financial plan for the Rustcraft Road Project
  - Existing and projected non-excluded debt
  - Revenue projections and debt capacity
  - Potential structure of debt issue
  - Impact on other projects

# Comparison of Alternatives

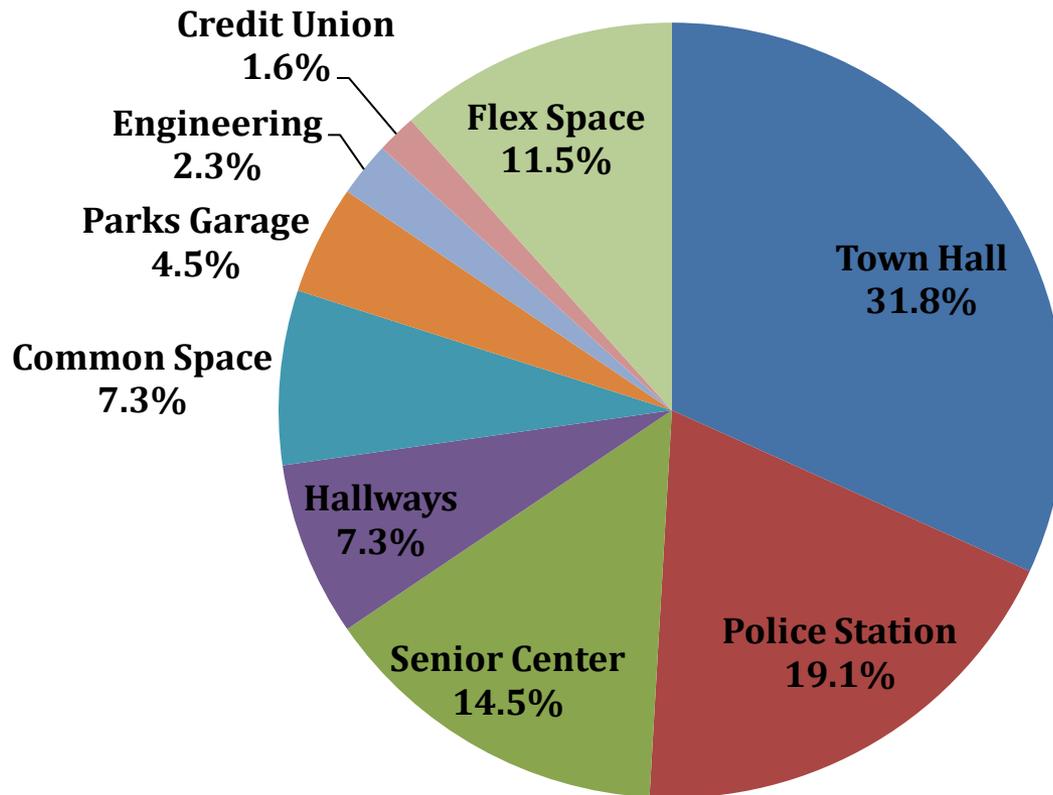
- Cost of stand-alone buildings vs. consolidation at Rustcraft Road

Building	Estimated Cost	Square Footage	Assumed Start Date
Police Station, new	\$11,963,000	21,000	2014
Senior Center, new	\$8,595,000	16,000	2016
Town Hall addition/renovation	\$16,563,000	35,000	2018
Total	<b>\$37,121,000</b>	72,000	
<i>Note: Stand-alone building costs <u>exclude</u> any site acquisition costs</i>			
Rustcraft Road	<b>\$28,000,000</b>	224,000	2014

# Comparison of Alternatives, continued

	Stand-Alone Buildings	Consolidated at Rustcraft Road
Timing	10-15 year duration	2 year duration
Completion	2022-2025	2015-2016
Sites	<ul style="list-style-type: none"> <li>• High Street at Mt Vernon recommended for Police</li> <li>• Senior Center, TBD</li> <li>• Town Hall, current site</li> </ul>	Consolidated
Cost / SqFt	\$400-\$500	\$250 +/-

# Proposed Space Plan



## Square Footage By Use

Town Hall	35,000
Police Station	21,000
Senior Center	16,000
Hallways	8,000
Common Space	8,000
Parks Garage	5,000
Engineering	2,500
Credit Union	1,800
Flex Space	12,700
<b>Total</b>	<b>110,000</b>

# Benchmark Renovation Cost Per Square Foot

Trade #	Trade Name	SqFt Cost
01000	Project Requirements	\$0.99
03000	Concrete Formwork	\$0.30
04000	Masonry	\$11.52
05500	Misc. Metals	\$0.34
06100	Rough Carpentry	\$0.77
06200	Finish Carpentry & Millwork	\$3.28
07410	Metal Panels	\$0.34
07900	Caulking / Sealants	\$0.15
0850	Doors/ Frames / Hardware	\$1.90
08330	Overhead Doors	\$0.30
08800	Glass & Glazing	\$1.63
09250	Gypsum Drywall	\$6.69
09300	Ceramic Tile	\$3.44
09500	Acoustical Ceilings	\$4.25
09550	Wood Flooring	\$2.12
09650	Carpet / Resilient Flooring	\$4.27
09900	Painting & Wall Covering	\$1.29
10250	Misc. Specialties	\$0.20
10270	Access Flooring	\$0.35
11400	Food Service Equipment / Café Build-out / FF&E	\$6.70

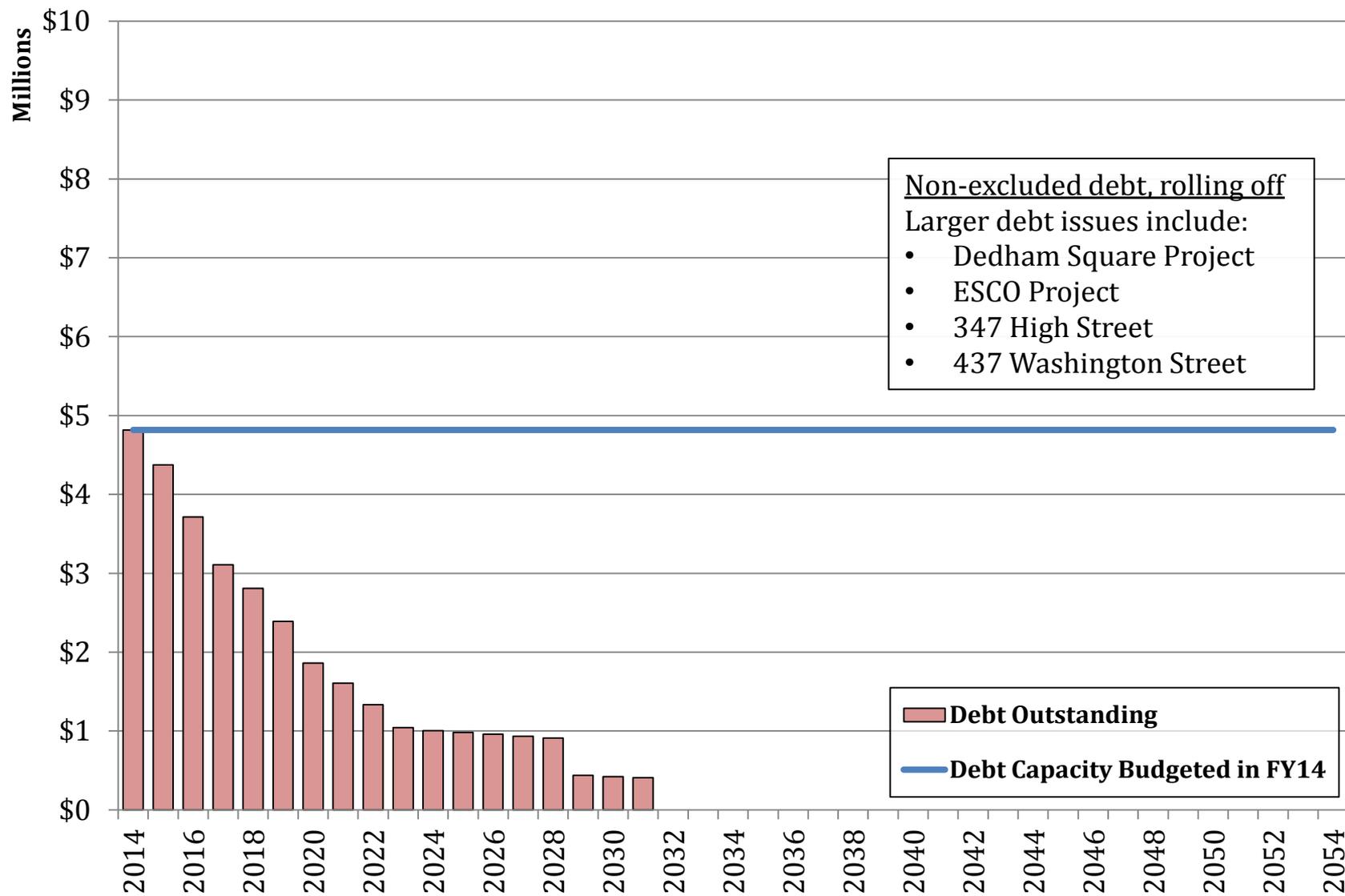
Trade #	Trade Name	SqFt Cost
13000	Special Construction	\$1.06
14000	Elevators	\$0.13
15300	Fire Protection	\$4.00
15400	Plumbing	\$5.17
15500	HVAC	\$11.38
16000	Electrical	\$8.54
	<b>Sub Total Construction Cost</b>	<b>\$81.12</b>
4000	Building Permits	\$1.22
40005	General Conditions	\$2.44
40015	Architectural / Engineering Fees	\$3.99
40026	Construction Contingency (10%)	\$8.52
40029	Materials Testing	\$0.17
40031	Insurance General Liability	\$1.12
40040	Construction Management Fees	\$2.47
	<b>Subtotal Soft Costs</b>	<b>\$19.95</b>
	<b>Total Projected Cost/Square Foot</b>	<b>\$101.07</b>

Data source: Babson Real Estate Advisors

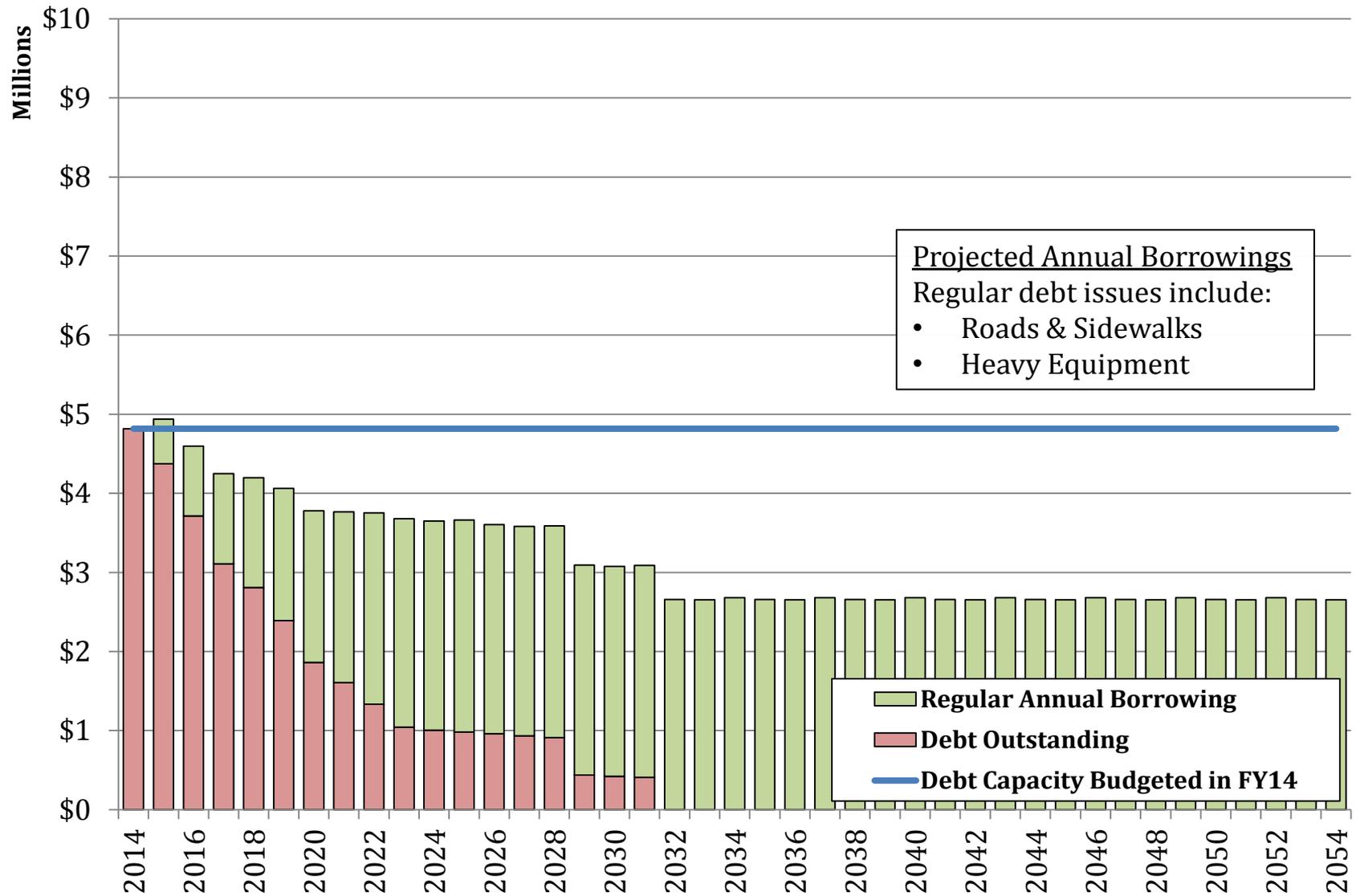
# Financing Rustcraft Road: Overview

- At the October 3 informational hearing, a graph was distributed (Page 6 of the FAQs) that summarized the project's potential financing, revenue sources, and impact on other projects
- A more detailed explanation of that chart follows
- Key items we will address:
  - How the project would fit within the Town's debt capacity
  - How the project would be funded
  - How much capacity would remain available for other projects

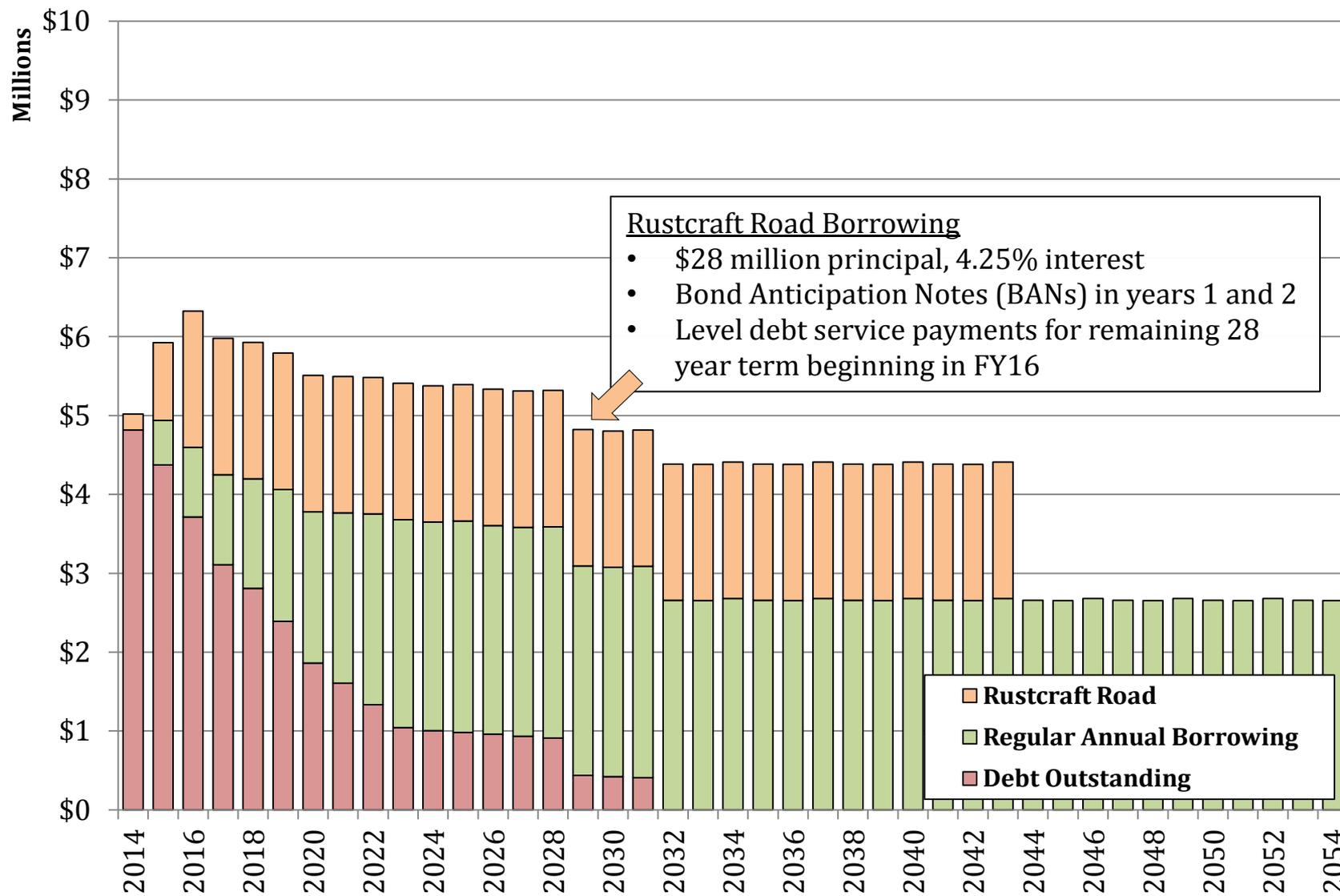
# Existing Non-Excluded Debt Service



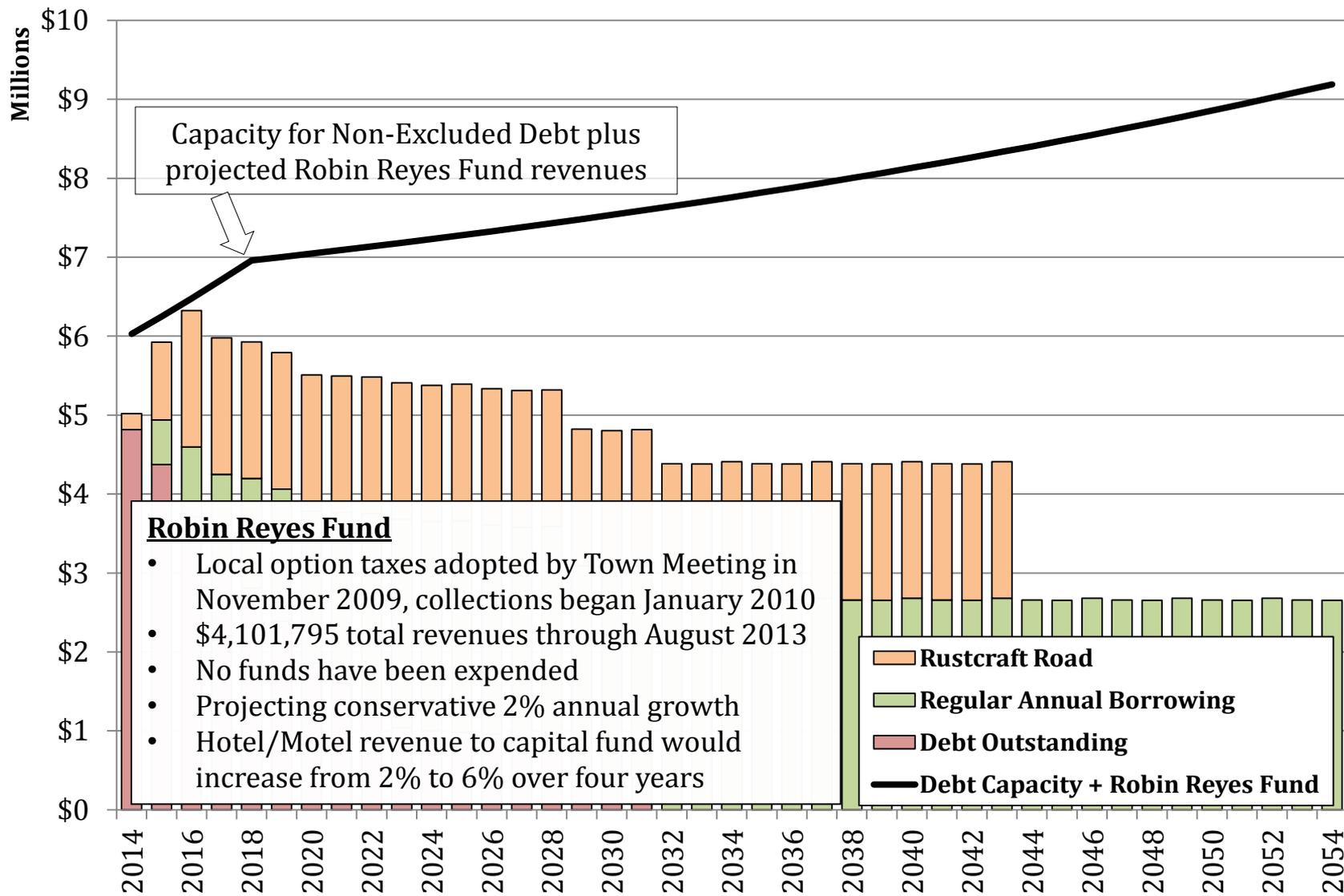
# Projected Regular Borrowings



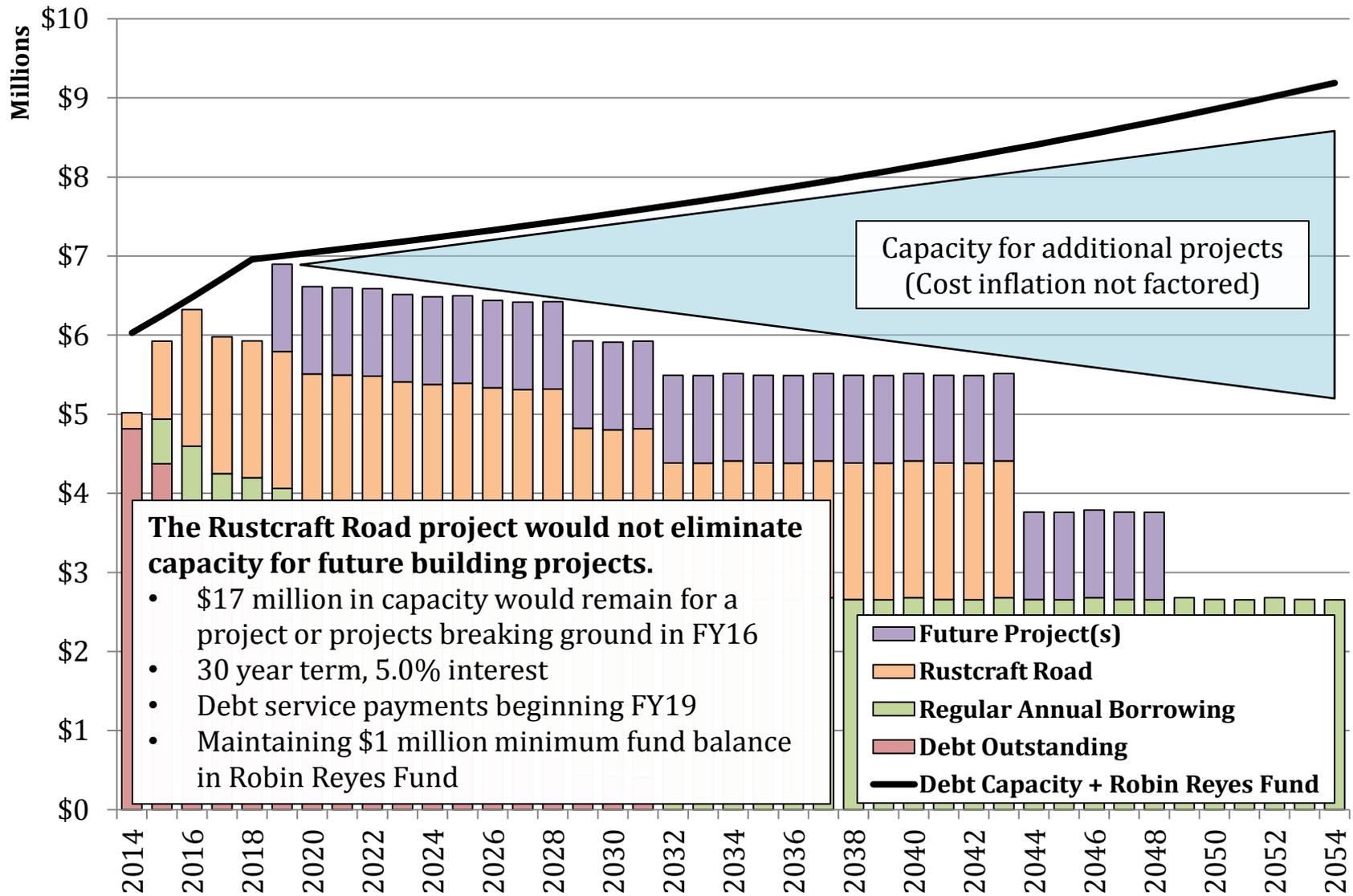
# Rustcraft Road Project



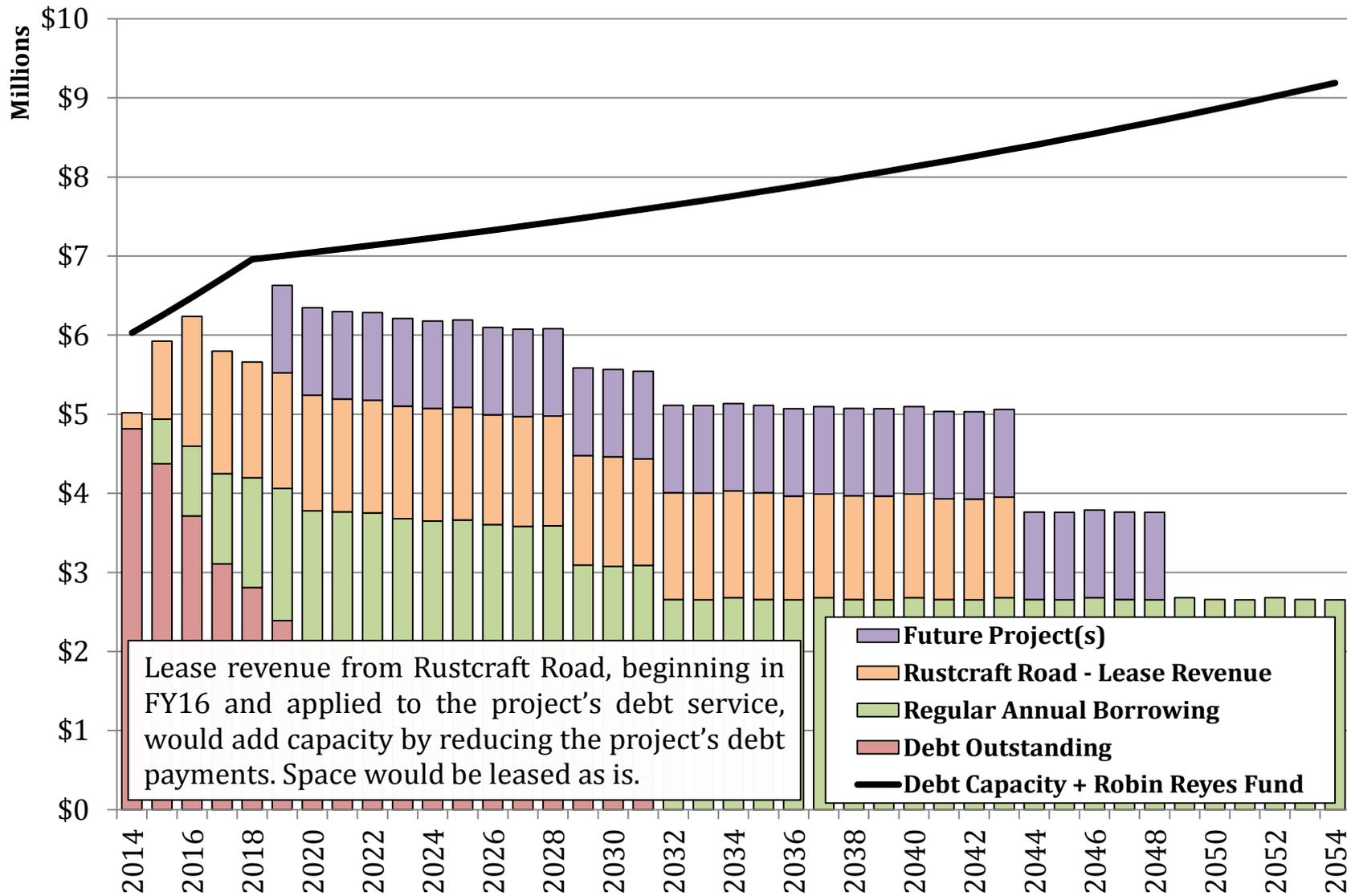
# Option Tax Revenues and Debt Capacity



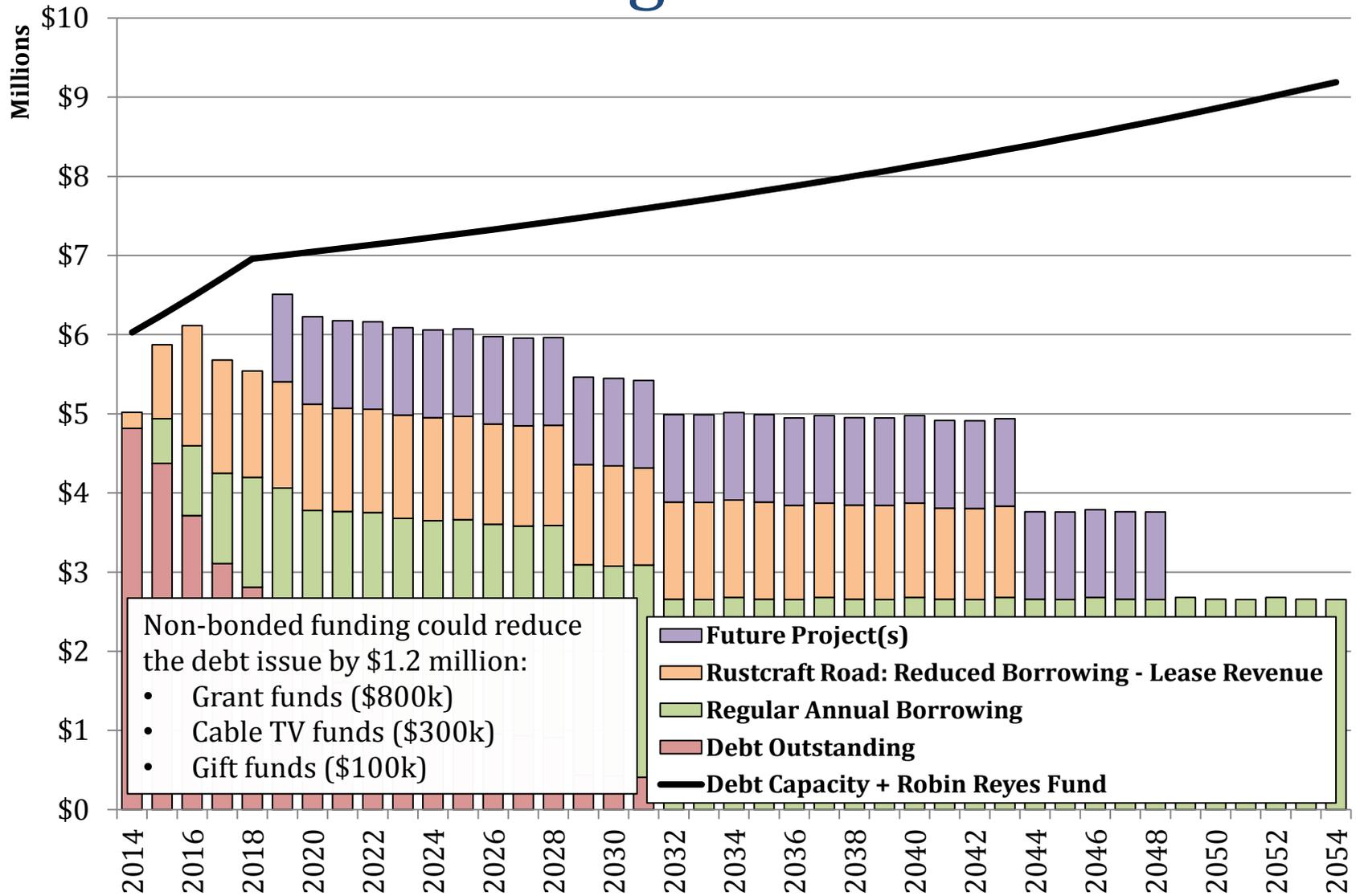
# Capacity For Future Project(s)



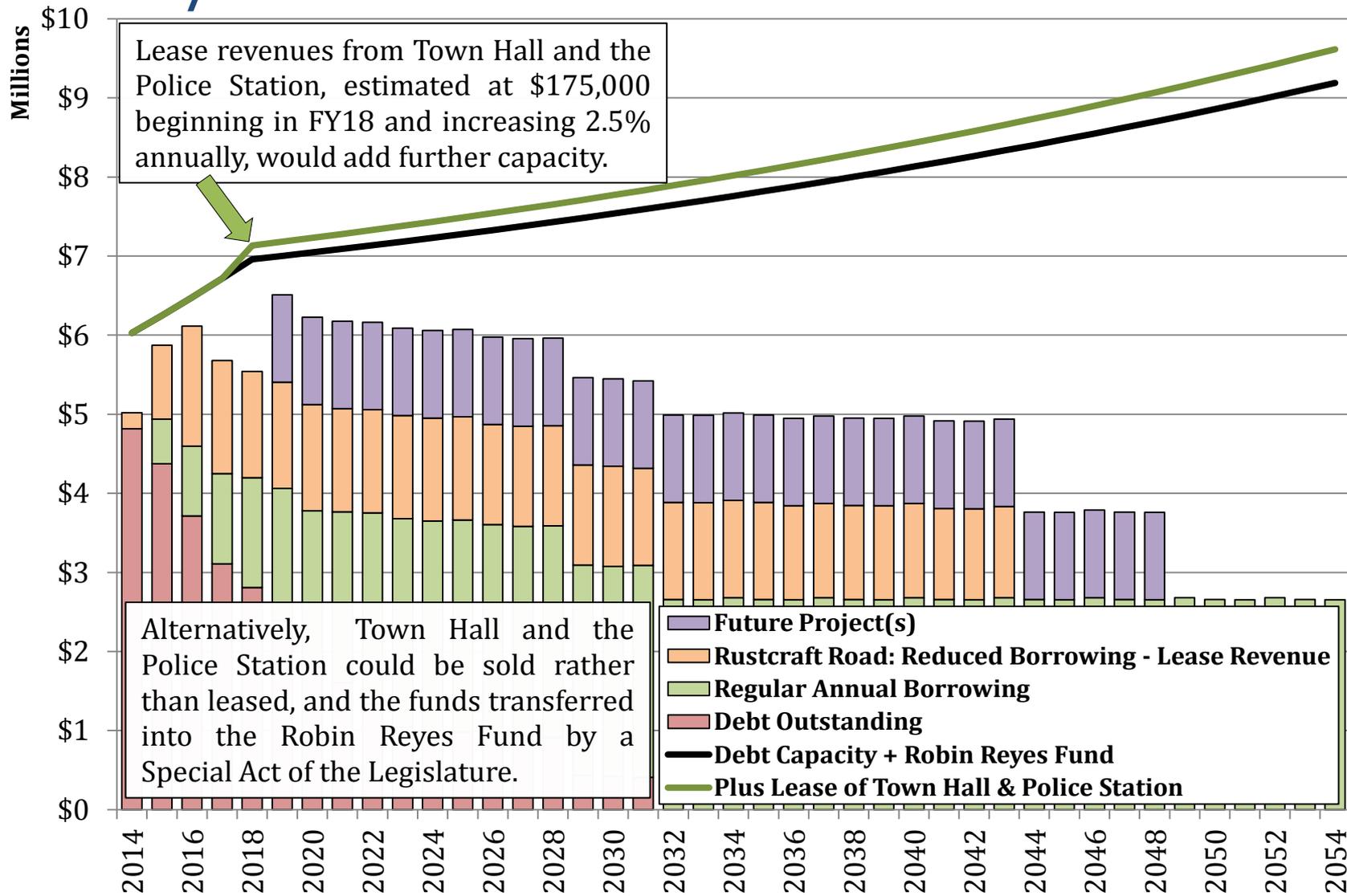
# Potential for Additional Capacity: Lease Revenue from Rustcraft Road



# Potential for Additional Capacity: Non-Bonded Funding



# Potential for Additional Capacity: Lease / Sale of Town Hall and Police Station



# Financing Rustcraft Road: Conclusion

- **The Robin Reyes Fund:**
  - The key to financing the Rustcraft Road Project
  - Would be the sole funding source for the project
  - Would maintain a minimum \$1 million fund balance
  - Would prevent the project's debt service from impacting property taxes
  - Is a sustainable funding source for major projects without debt exclusions
- **The Rustcraft Road 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

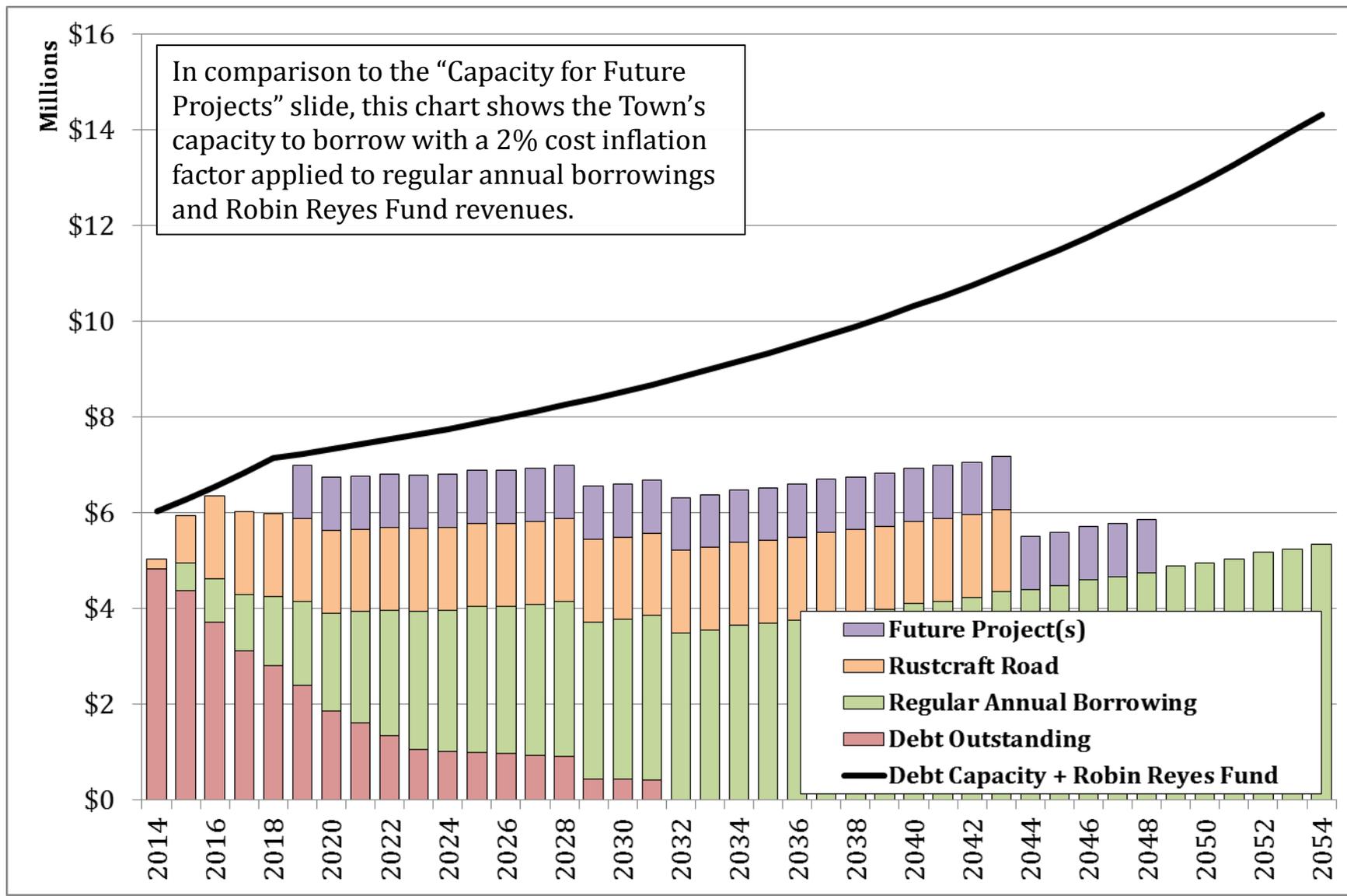
# Appendix

- Comparison of estimated construction alternative costs, principal and interest

Building	Principal	Interest	Total
Police Station	\$11,963,000	\$7,880,626	\$19,843,626
Senior Center	\$8,595,000	\$5,995,013	\$14,590,013
Town Hall	\$16,563,000	\$12,836,325	\$29,399,325
Total	\$37,121,000	\$26,711,964	\$63,832,964
Rustcraft Road	\$28,000,000	\$21,605,864	\$49,605,864
Variance	\$9,121,000	\$5,106,100	\$14,227,100

- The total cost of the Rustcraft Road project would be approximately \$14 million less than construction of three stand-alone buildings

# Appendix



# Appendix

Town of Dedham Debt Service, FY14

