

Nov. 6th is a
Special Town
Meeting

to vote on a
proposal for a

New
Town Office

So today we would like to:

- 1. Recap what we learned from last Spring's defeat***
- 2. Explain why staying put is no longer an option***
- 3. Tell you where we are proposing to go, and why we chose this location***
- 4. Tell you why this proposal is less expensive than the last one***

5. Tell you how we plan to pay part of the cost with money that does not come from the taxpayers

6. Tell you the potential impact your tax bill

7. Explain the Ballot

8. Tell you what we may face if the Article is defeated

9. Respond to your questions

**1. Recap of the reasons
the last proposal was
defeated:**

***a. People thought we should
stay where we are***

***b. They did not like the
location***

c. The cost was too high

**Despite this, people acknowledged
that we need to do something to
meet our growing needs.**

**2. We can't stay put
because:**

- a. The Fire Marshall found 10 violations***
- b. Cost to cure the violations is estimated at \$335,000.***
- c. Leaving the only option to tear down and rebuild.***

d. But the School would only grant a 30 year lease

e. We concluded that it makes no sense to rebuild in a spot we may have to leave in 30 years

At the special School Board meeting in June, the School said that if the Town Office left, the building would probably be demolished, since it made no sense for the School to invest \$335,000. in the building just to meet the Fire code.

3. So we considered other options:

a. Two Young properties

1. behind the Baptist Church

2. behind the Fire House

b. Two Langelier properties

1. across from Nan's

2. to the right of Nan's

c. The Inn at Grace Farm

d. Hillcrest Farms

***e. Boissoneault land on Ferguson
Road***

f. Rowell Property – Maple St.

g. The Little League Field

h. Jim and Lena Meunier's House

***i. Clokey property to the right of the
Cow Wash***

**After much deliberation the
Committee narrowed it down to:**

***a. The Langelier parcel to the
right of Nan's***

***b. The Clokey parcel to the
right of the Cow Wash***

***c. The Young parcel behind
the Fire House***

After more study the Clokey Parcel was eliminated as an option because it was too small (.8 acres), with limited and expensive opportunity for expansion.

Although it offered the lowest per acre cost, the Young parcel behind the Fire House was eliminated because:

- 1. It would require building a road which crossed a ravine***
- 2. Access would be shared with the Fire House and Rescue Squad***
- 3. It is not visible from Main Street (an important factor for many who answered our survey)***

This leaves us with the Langelier Parcel at the corner of Main Street and Buck Hollow Road.

The proposal is to acquire 1.5 acres, with frontage on Main Street, for \$157,500.

The Langeliers offererd “first right of refusal” on additional land, should we wish to expand in the future.

Access would likely be between 300 and 400 feet up Buck Hollow Road, keeping it clear of a busy intersection

4. We have lowered the cost by reducing the size of the building

We have carefully studied the space requirements of each department and determined that by careful sharing of facilities and alternative designs we can reduce the building size from 5720 square feet (which was last spring's proposal) to about 4800 square feet.

We then asked experienced contractors and professionals to give us a careful estimate based on the 4800 square foot estimate.

The result is an estimate for \$877,479., for everything from design and engineering to construction, 8% contractor's profit and a 10 % contingency.

We added this estimate to the land cost of \$157,500, and came up with a total project cost of \$1,034,979

We then took this number to the Vermont Bond Bank, which gave us an estimated 20 year finance cost of \$376,405., bringing the total project cost to \$1,411,384.

We increased the finance cost to \$425,021., because interest rates can go up.

This gave us the \$1,460,000. which is the amount on the Ballot. This is \$290,000. less than the \$1,750,000. on the previous proposal.

5. Ways to reduce the cost to the taxpayers

a. After the 2012 Town Meeting the Selectboard adopted a new Impact Fee Ordinance. This Ordinance collects \$2010. from the developer of each new home built in Fairfax. \$620. for each single family home built, and \$440 for each multi-family unit built, is set aside to help fund a new Town Office.

If 20 new single family homes, and 5 multi-family units are built in Fairfax each year for the next 20 years (well below the long term average) then \$292,000. would be collected over the 20 year period to fund the new Town Office.

This is money the taxpayers would not need to contribute and, would lower the taxpayers' cost of the project from \$1,460,000. to \$1,168,000.

b. Committee members have contacted Congressman Welch's Office to ask for help in identifying possible sources of grants. We are continuing to look for other sources of funds

c. Committee members and the Selectboard have had some preliminary discussions about the possibility of selling some town land which is not suitable for a Town Office, and using the proceeds to help fund a new Town Office.

d. We will explore ways to reduce the interest cost of the project, by considering a shorter term bond for the land purchase, and by looking for other sources of bonds, as well as by early prepayment of principal, should funds be available

6. Impact on your taxes

Two cases will be shown:

- a. Tax impact assuming the taxpayers fund the full amount of \$1,460,000.**
- b. Tax impact assuming Impact fees pay \$292,000. and the taxpayers pay \$1,168,000.**

Average Annual Tax Contribution over a 20 year period

**(based on 2012 assessed value (\$411,327,374.)
of all taxable properties in Fairfax)**

	Based on the full Project cost of <u>\$1.46 Million</u>	Based on the Project Cost of \$1.168 (Reduced <u>by Impact Fees</u>)
<u>Assessed Property Value</u>		
\$50,000.	\$8.87	\$7.10
\$100,000.	\$17.75	\$14.20
\$150,000.	\$22.62	\$21.30
\$200,000.	\$35.50	\$28.40
\$250,000.	\$44.37	\$35.50
\$300,000.	\$53.25	\$42.60
\$400,000.	\$71.00	\$56.80
\$500,000.	\$88.75	\$71.00

7. The Ballot **(also called the Article)**

It is intended to ask the legal voters of Fairfax if they authorize the Selectboard to borrow up to \$1,460,000., by issuing bonds, to finance the purchase of land and the design and construction of a new Town Office.

The Town attorney, reviewed the proposed Article with an expert attorney in Bonds, who also reviewed it with a third attorney. The result is the Article as it is worded. We are sure it is legal. We wish it were a little more straight forward in its wording.

8. What Happens if the Article is defeated?

- a. We could be forced to leave the current office and find other quarters, which would be temporary until we can get approval for the purchase of land and construction of a new Town Office. This could involve considerable expense which is essentially wasted money**

- b. Or we could ask the voters for the \$335,000 needed to repair the current office (which does not address any of our future needs)**
- c. Or we could ask the voters for the money to tear down the current office and rebuild on the same spot (less than 1/2 acre) with the likelihood that the School would only grant a 30 year lease, after which we would be looking again**

All three of these options involve some form of temporary quarters, which could be a significant expense and which makes no contribution to a lasting solution

We do not believe any of these is a good option and we believe that the proposed plan is the best one available to us.

9. We THANK YOU for your attention and welcome your questions