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MEMORANDUM

TO: Athol Board of Selectmen
FR: Shaun A. Suhoski, Town Manager
RE: Town Manager's Report
DT: January 4, 2016

Dear Board: Please see the following update for your meeting on January 5.

Elementary School Bond: Per your request, attached please find estimated amortization schedules for the \$7M second installment of debt for the new school. The spreadsheet prepared by Lisa Aldrich illustrates the anticipated tax rate impact, annual cost for average single-family home and total interest costs under 15, 20 and 25 year terms.

- For a 15-year term the annual property tax bill for the average single-family home would go up by \$160.21 in year one (tax rate increase of \$1.24 per thousand).
- For a 20-year term the annual property tax bill for the average single-family home would go up by \$133.08 in year one (tax rate increase of \$1.03 per thousand).
- The difference in the average SFH tax bill is \$27.13 more per year – or \$6.78 per quarter – if the Board elects the 15-year term instead of 20 years, but, that same property owner will save \$739.08 in interest costs.
- The 25-year term interest will cost taxpayers \$1,583,637.50 more than 15 years, or \$929,600 more than 20 years, and is not recommended.

Also, the library debt will be paid in FY18. In today's dollars this will reduce the average single-family home tax bill by \$155.04 (tax rate reduction of \$1.20 per thousand). So, taxpayers will see tangible relief in two years when the \$3.72 million library debt is retired.

Note: the water line extension is not debt excluded and does not have any impact on the tax rate as its debt service is wholly funded from the new growth value of the Market Basket building. Any new growth of the property tax base associated with the Marshall's, Maurice's, and future buildings will become revenue available for appropriation.

We are also preparing for a bond rating review in January 2016. We hope that our rating and outlook remain stable and will argue that the outlook be improved from stable to positive.

Town-owned Property Auction: This item was previously reported via email and published to the Web site. On December 16, the Town held another successful public auction that appears to have returned 11 or 12 properties to the tax roll. Currently, high bidders have until January 29, 2016 to complete their closings after which a final list of net proceeds will be made public. For now, the high bids for the properties are as follows:

Exchange Street (30-244; vacant lot)	\$ 2,000	
Exchange Street (30-253 A; vacant lot Maroni)	\$ 3,000	
Exchange Street (30-253 B; vacant lot Steel Pub)	\$ 3,000	
25 Exchange Street (Maroni Building)	\$ 6,000*	
40 Maple Street (vacant parcel)	\$ 16,000	
Main Street (vacant parcel; CVS/Dona's)	\$ 4,000	
232 Pequog Ave. (single family home)	\$ 20,000	
104 South Athol Road (single family home)	\$ 20,000	
209 South Street (single family home)	\$ 5,000	
232 South Street (single/multi-family home)	\$ 16,000	
156 Daniel Shays Hwy (former car dealership)	\$130,000	
White Pond Road (15+/- acres vacant land)	\$ 50,000	\$275,000**

**pending confirmation of bidders' intent **pending all closings occur*

Surplus Property Clearance Municibid Results: The Board recently declared a list of obsolete DPW property to be surplus. Diana Cooley posted all equipment for public bids on the Municibid system which meets all state procurement requirements. Between the sale of the DPW materials, and a slow-but-sure reduction in surplus property crammed into Liberty Hall, the Town has realized nearly \$14,000 in miscellaneous revenue. The Town also received a bid of \$6,360 for the retired ambulance though the closing is still pending.

Thanks, Diana, for taking these projects on with enthusiasm!

Miscellaneous Items:

- Attended seminar on "Redeveloping Mill Buildings" at CMRPC with sponsorship from state Dept. of Housing & Community Development.
- Attended "Gift and Gab" event in Orange featuring Jay Ash, state Secretary of Housing and Economic Development.
- Met with hotel developer and coordinated meetings with top local employers and chamber of commerce executive.
- Participated in CDBG meeting to review scope of grant project near Uptown Common.
- Scheduled meeting with Union regarding consolidated Dept. of Inspectional Services and agreed to delay implementation one month to complete logistics.
- Continued to advance several economic development projects.