FITCHBURG HISTORICAL SOCIETY

Susan Navarre
director@fitchburghistoricalsociety.com
Fitchburghistorical society.org
Fitchburg City
Hall 1852
Old Town Hall
Originally First Parish
Auditorium
Possibly after 1879 expansion
1960 Renovation
Getting Back to City Hall Main

2012 TO PRESENT
How did we get here?
2012

Closing of City Hall Main Street

• August 2012, anticipating repair and/or replacement, Mayor Wong establishes City Hall Subcommittee to make recommendations on the future of the City Hall Building and examine possible alternatives.

• Shortly after, the City Hall roof truss is declared “failed” and vacating the building is the only option.

• September 2012, arrangements are made for a lease and renovations at 166 Boulder Drive to temporarily house central City operations beginning in October 2012.

• Other operations are moved to various locations throughout the City as a temporary emergency measure.
2014

Putnam Place, A Temporary Solution

Sentinel & Enterprise, 8/14/2012

FITCHBURG — The city is looking at negotiating a four- to six-year lease with the Fitchburg Redevelopment Authority to temporarily house city offices at Putnam Place, and there are plans to build out at least two additional spaces at the building. Building Inspector John Moran said Monday.

Mayor Lisa Wong announced Friday that the city will move forward with completing a lease to rent an initial 8,700 square feet of built office space, and an additional 2,500 square feet of space for storage, information technology and printing, at Putnam Place.

Because the space at Putnam Place is so small, and offices are going to be cramped until build-out into the two additional 6,000-square-foot spaces on either side occurs, some offices are still going to have to be moved to the Department of Public Works on Broad Street and the Fuluhah Water Treatment Facility on Rindge Road, he said.

Core services at Putnam Place:
- Mayor and Staff
- City Clerk
- Assessor
- Treasurer
- Payroll
- Purchasing
- Human Resources
- Board of Health
- Building Department
- Auditor
- Information Technology

Core services housed in other buildings:
- DPW Administration
- Engineering
- Water Department
- Veterans
- Recreation
- Print Shop
- Legal
- Retirement
- Community Development & Planning
2014

City Hall Subcommittee

• 3 sites reviewed – City Hall Main Street, 166 Boulder Drive, and Rollstone Bank & Trust.

• Nine options considered for the future of City operations:
  ➢ Demolition of City Hall Main Street
  ➢ Demolition of City Hall Main Street, retaining façade and building new
  ➢ Sale of City Hall Main Street for development
  ➢ Renovation of City Hall Main Street as a public/private venture
  ➢ Purchase of private property for use as City Hall
  ➢ Reuse of other city owned Buildings
  ➢ Long term lease at 166 Boulder Drive as configured or expanded
  ➢ Build new City Hall on existing site or one to be determined
  ➢ Renovate City Hall Main Street
2014

Subcommittee Recommendation

- November, 2014, unanimously voted to recommend the original City Hall building be renovated and used as the home of municipal government in Fitchburg.

- “The presence of City Hall is vital to the economic and cultural development of Main Street... and its central place in the history of the city requires us as a city to accord this building the respect it deserves.”

- “We strongly urge the Mayor and the Capital Planning Committee to move forward with the necessary planning to accomplish this restoration.”

(Citations from Findings and Recommendations of the Fitchburg City Hall Subcommittee dated: November 2014)
Exploring Options under a New Administration
Mayor DiNatale’s State of the City Address:
“It is my promise to you while Mayor, in some form or another, Fitchburg City Hall will return to 718 Main Street.”

The following tasks were performed in preparation for the future of the 718 Main Street location:

- Removal and relocation of remaining City files and furniture from City Hall
- Transfer of historic documents, tools, photographs and items of interest to the Historical Society for preservation purposes
- Public auction of surplus items remaining from 718 Main Street
- Initiated and conducted hazardous materials inspections and testing.
Limitations at Putnam Place

- Location was not intended to be a permanent solution.
- No private area for public to speak privately with City personnel.
- Limits public’s access to City departments.
- Setting offers no conference spaces and no meeting spaces.
- Various City departments remain at dispersed locations.
- Employees separated from filing systems and documents used on a daily basis because of space limitations.
- Inefficient storage, in some cases not up to State standards.
- No workstations for visiting employees from off-site and interns.

2016
2016

Request for Proposals (RFP) to Purchase Property #1

• City issued a solicitation seeking properties on Main Street that could be used as municipal offices.
• No proposals were received.
2016

Exploring Options – June 2016

Request for Proposals (RFP) to Purchase Property #2

- City restructured and updated the prior solicitation and issued a new request for proposals.
- City performed outreach to property owners on Main Street to identify parties who may want to respond to the solicitation.

- Two proposals were received.
- One proposal was rejected due to not meeting the criteria for a public building.
- One proposal was accepted, but upon a site visit it was evident the property would not be suited for a municipal building.
Entering the Feasibility Study Stage

2017

Request for Proposals (RFP) Issued, January 2017

• 9 proposals received and evaluated by the Selection Committee
• Entered into fee negotiations with Lamoureux Pagano & Associates (LPA) after their selection
• Award of Feasibility Study contract to Lamoureux Pagano & Associates (LPA) following City Council vote to appropriate funds
• LPA begins work on Feasibility Study for the City of Fitchburg, March 2017
City Hall Building Committee Appointed by Mayor DiNatale

- Chair, Mary Delaney, Chief Procurement Officer
- Michael Kushmerek, City Council President
- Thomas Donnelly, City Councilor At-Large
- Lenny Laakso, Commissioner of Public Works
- Kenneth Wilson, City Assessor
- Mark Barbadoro, City Building Commissioner
- A.J. Tourigny, Chief of Staff
- William McSheehy, Citizen Representative
- Phil Esposito, Business Representative
- Ellen DiGeronimo, Representative from Fitchburg Historical Commission
- Jay Bry, Vice President of Finance and Administration, Fitchburg State University
The Mayor approached Bank of America to inquire about donating 700 Main Street to the City.

In consultation with Lamoureux Pagano & Associates, the City decided the building would lend itself well to the overall concept for a new City Hall.

Development of a campus style City government, using the space at 700 Main Street will provide additional square footage; meaning that additional departments could return to the core of City Hall operations.

On Monday, August 14, 2017 the City officially obtained the building.
City Hall Building Committee and LPA arrive at a final concept

- June 2, 2017 the City Hall Building Committee unanimously approved Option 1 as presented by Lamoureux Pagano & Associates (LPA) and made their recommendation to Mayor DiNatale.
- “…to honor the dignity and historical significance of 718 Main Street... and afford state-of-the-art service for the residents and visitors to Fitchburg. As proposed, City Hall will balance the needs of the City departments while creating a positive customer service experience.”
- “We are recommending Option 1 as our concept choice. The renovation offers a conservative financial approach, while making major interior renovations to accommodate community-style offices, interactive counter approaches, much improved layout, and a new vision for outdoor spaces.”
Action Items:

- City Council, press, and members of the community were provided with the Feasibility Study documents on November 2nd for review.

- November 15th - Special Meeting of the City Council – Report on Feasibility Study for 700-718 Main Street.

- Working with the City Council to determine plan of action moving forward.
Presentation of the City Hall Feasibility Study

by LAMOUREUX PAGANO & ASSOCIATES
Main Street View from East

Main Street View from Northwest
Site Plan Key

A. Parking Deck Access (One way)
B. Plaza Gateway (Pedestrian only)
C. Pedestrian Crossing and haunched sidewalk
D. Surface Parking
E. Plaza Lawn
F. Surface Parking (Under Parking Deck)
G. Parking Deck
H. Event Platform
I. Parking Deck Exit
Current View of Building from Southeast

Circa 1879 View of Building from East
Current View of Existing Attic Space

Historic View of Grand Hall

Current View of Existing Attic Space
Existing City Hall Building

Department Key
1. Assessor
2. Auditor
3. Retirement
4. Board of Health
5. Building
6. City Clerk
7. Human Resources
8. Toilet Room
9. Mechanical/Electrical
10. Mayor
11. Chief of Staff
12. Planning/Community Development
13. Purchasing
14. Recreation
15. Treasurer
16. Veterans
17. Conference/Meeting
18. Council Chamber
19. Mail Room
20. Print Shop
21. Lounge
22. Storage
23. Vault
24. Engineering
25. DPW

Existing Basement Floor

Existing Third Floor

Existing First Floor

Existing Fourth Floor

Existing Bank Building Floor Plan

Existing Bank Building

Department Key
1. Lobby
2. Tellers
3. Vault
4. Office
5. Break Room
6. Drive-Thru Teller
Option 1 – Renovation without Grand Hall

Department Key
1. Assessor
2. Auditor
3. Retirement
4. Board of Health
5. Building
6. City Clerk
7. Human Resources
8. Info Tech
9. Legal
10. Mayor
11. Chief of Staff
12. Planning/Community Development
13. Purchasing
14. Recreation
15. Treasurer
16. Veterans
17. Conference/Meeting
18. Council Chamber
19. Mail Room
20. Copy Center
21. Lunch Room
22. Unassigned
23. Satellite Office
24. Server Room
25. Equipment Room
Department Key
1. Assessor
2. Auditor
3. Retirement
4. Board of Health
5. Building
6. City Clerk
7. Human Resources
8. Info Tech
9. Legal
10. Mayor
11. Chief of Staff
12. Planning/Community Development
13. Purchasing
14. Recreation
15. Treasurer
16. Veterans
17. Conference/Meeting
18. Council Chamber
19. Mail Room
20. Copy Center
21. Lunch Room
22. Unassigned
Department Key
1. Assessor
2. Auditor
3. Retirement
4. Board of Health
5. Building
6. City Clerk
7. Human Resources
8. Info Tech
9. Legal
10. Mayor
11. Chief of Staff
12. Planning/Community Development
13. Purchasing
14. Recreation
15. Treasurer
16. Veterans
17. Conference/Meeting
18. Council Chamber
19. Mail Room
20. Copy Center
21. Lunch Room
22. Unassigned

First Floor

Second Floor

Third Floor

Fourth Floor

Plaza Elevation

Boulder Drive Elevation

Main Street Elevation
Department Key
1. Assessor
2. Auditor
3. Retirement
4. Board of Health
5. Building
6. City Clerk
7. Human Resources
8. Info Tech
9. Legal
10. Mayor
11. Chief of Staff
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13. Purchasing
14. Recreation
15. Treasurer
16. Veterans
17. Conference/Meeting
18. Council Chamber
19. Mail Room
20. Copy Center
21. Lunch Room
22. Unassigned

First Floor

Fourth Floor

Second Floor

Plaza Elevation

Third Floor

Boulder Drive Elevation

Main Street Elevation
Option 5 – New Construction with Existing Facade

1. Assessor
2. Auditor
3. Retirement
4. Board of Health
5. Building
6. City Clerk
7. Human Resources
8. Info Tech
9. Legal
10. Mayor
11. Chief of Staff
12. Planning/Community Development
13. Purchasing
14. Recreation
15. Treasurer
16. Veterans
17. Conference/Meeting
18. Council Chamber
19. Mail Room
20. Copy Center
21. Lunch Room
22. Unassigned
Preliminary Budget Recommendations for Options Comparison

<table>
<thead>
<tr>
<th></th>
<th>Option 1 Renovation w/out Grand Hall</th>
<th>Option 2 Renovation w/ Grand Hall</th>
<th>Option 3 Add/Reno w/ Entrance from Parking</th>
<th>Option 4 Add/Reno w/ Plaza Entrance</th>
<th>Option 5 New Construction w/ Existing Façade</th>
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</thead>
<tbody>
<tr>
<td>City Hall Renovations</td>
<td>$10,170,000 - $12,430,000</td>
<td>$10,925,000 - $13,350,000</td>
<td>$17,100,000 - $20,900,000</td>
<td>$20,700,000 - $25,300,000</td>
<td>$20,100,000 - $24,530,000</td>
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<td>Bank Annex</td>
<td>$685,000 - $835,000</td>
<td>$685,000 - $835,000</td>
<td>$685,000 - $835,000</td>
<td>$685,000 - $835,000</td>
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<td>Sitework - Plaza</td>
<td>$773,000 - $2,710,000</td>
<td>$773,000 - $2,710,000</td>
<td>$773,000 - $2,710,000</td>
<td>$773,000 - $2,710,000</td>
<td>$773,000 - $2,710,000</td>
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<tr>
<td>Garage</td>
<td>$1,200,000 - $1,500,000</td>
<td>$1,200,000 - $1,500,000</td>
<td>$1,200,000 - $1,500,000</td>
<td>$1,200,000 - $1,500,000</td>
<td>$1,200,000 - $1,500,000</td>
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<tr>
<td>Total Construction Cost</td>
<td>$12,828,000 - $17,475,000</td>
<td>$13,583,000 - $18,395,000</td>
<td>$19,758,000 - $25,945,000</td>
<td>$23,358,000 - $30,345,000</td>
<td>$22,758,000 - $29,575,000</td>
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<tr>
<td>Soft Cost (40%)</td>
<td>$5,131,200 - $6,990,000</td>
<td>$5,433,200 - $7,358,000</td>
<td>$7,903,200 - $10,378,000</td>
<td>$9,343,200 - $12,138,000</td>
<td>$9,103,200 - $11,830,000</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>$17,959,200 - $24,465,000</td>
<td>$19,016,200 - $25,753,000</td>
<td>$27,661,200 - $36,323,000</td>
<td>$32,701,200 - $42,438,000</td>
<td>$31,861,200 - $41,405,000</td>
</tr>
</tbody>
</table>

* Limited Sitework – Plaza: Reduced scope at plaza area limited to demolition of existing bank parking, curbing, drive thru and interior asphalt paved circulation areas, re-grading and base preparation, new materials limited to lawn, minimal plantings, minimal concrete walkways, and asphalt parking area off of Wood Place.

Note: Total construction cost has general conditions, overhead & profit, arch./eng. design contingency and escalation (summer 2018) included in the cost.

Soft Cost includes:
- Owner’s Project Manager (OPM) fees 6.5%
- Architect and Engineering fees 10.0%
- Furnishings, Fixtures and Equipment 6.5%
- Owner’s Contingency 15.0%
- Administration and Legal fees 1.0%
- Miscellaneous Project Costs 1.0%

Budget Recommendations for Options 1
The current budget recommendation based on a more detailed cost estimate for Option 1, with a tighter swing range than the preliminary budget recommendations, falls between $21,568,000 and $23,839,000.
Basement Floor Plan
Second Floor Plan
Fourth Floor Plan
Option 1 – Renovation without Grand Hall

Fitchburg City Hall

Plaza Elevation

Main Street Elevation

Bank Annex First Floor Plan

Bank Annex Mezzanine Plan
Getting Back to City Hall Main

The Numbers
Option A
The house of your dreams.
$$$$$$$$$$$

Option B
The house that meets your needs.
$$$

Option C
The cheapest option, but doesn’t meet most of your needs.
$
City Hall Options

Option A
A brand new City Hall for $40+ million. Meets needs, but unaffordable.

Option B
Renovation of old City Hall for $23.5 million. Affordable and meets needs.

Option C
Build-out at 166 Boulder Drive and mothballing of old City Hall for $4+ million. Affordable, but does not meet needs.
Option B—City Hall Renovation
The Numbers

• The cost estimate is $21,568,000 to $23,839,000.
• Estimate includes sufficient contingencies for the unforeseen.
• Estimate allows for either contractor at risk or design build process.
• Estimate includes costs of design, engineering, site work, construction, and furniture and fixtures, as well as a parking garage and renovation of the Bank of America building.
The Numbers

- Mayor will recommend a project budget of $23.5 million.
- Two orders will be sent to City Council.
  - Loan Order for $22.5 million
  - Money Order from Available Funds for $1.0 million
- Money Order for $1.0 million will cover costs to June, 2018, which will delay the need to borrow for 1 year.
- City will make interest only payments for FY2020 and 2021.
- Principal and interest payments will begin in FY2022.
- In addition to City Hall renovation, consideration has also been given to funding renovation at both Crocker School and Fitchburg Public Library.
The Numbers

• Why does the city have or need to have debt?

  • Like a home mortgage, debt is a way to acquire long term assets like buildings, infrastructure, and major equipment without having to pay cash.

  • Allows for the payment of the asset to be made over the life of the asset, instead of all up front.

  • To the financial markets, well managed debt is an indication of well managed assets, that is, the city is taking proper care of what it has.
The Numbers

The question that needs to be answered is

Is this project affordable?

Let’s do the analysis.
Analysis

• This analysis will show how the Debt Service Projection spreadsheet was calculated.

• The first step will be to calculate current net debt.

• Second, future projects and future estimated projects are added to current net debt to calculate projected debt service.

• Finally, budgeted capital spending is added to new debt to calculate the projected budget impact.
Current Net Debt

• Start with projected principal and interest payments,

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Current Debt Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$4,236,345</td>
</tr>
<tr>
<td>2019</td>
<td>4,174,060</td>
</tr>
<tr>
<td>2020</td>
<td>704,900</td>
</tr>
<tr>
<td>2021</td>
<td>676,300</td>
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<tr>
<td>2022</td>
<td>248,950</td>
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<tr>
<td>2023</td>
<td>236,900</td>
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<td>2024</td>
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<td>2025</td>
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</tbody>
</table>
Current Net Debt

- Subtract the MSBA reimbursement,

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Current Debt Service</th>
<th>MSBA Reimb.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$4,236,345</td>
<td>$(1,924,946)</td>
</tr>
<tr>
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<td>4,174,060</td>
<td>(1,924,946)</td>
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<td>2025</td>
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</tbody>
</table>
### Current Net Debt

- The result is the city’s net debt expense. The big drop in FY2020 is from paying off the high school and fire station.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Current Debt Service</th>
<th>MSBA Reimb.</th>
<th>Current Net Debt</th>
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</thead>
<tbody>
<tr>
<td>2018</td>
<td>$4,236,345</td>
<td>$(1,924,946)</td>
<td>$2,311,399</td>
</tr>
<tr>
<td>2019</td>
<td>4,174,060</td>
<td>(1,924,946)</td>
<td>2,249,114</td>
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<tr>
<td>2020</td>
<td>704,900</td>
<td>-</td>
<td>704,900</td>
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<td>2021</td>
<td>676,300</td>
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<td>2025</td>
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</table>
## Projected Debt Service

- Start with the Current Net Debt

<table>
<thead>
<tr>
<th>FY</th>
<th>Current Net Debt</th>
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</thead>
<tbody>
<tr>
<td>2018</td>
<td>$2,311,399</td>
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<tr>
<td>2019</td>
<td>2,249,114</td>
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<tr>
<td>2025</td>
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</table>
Projected Debt Service

- Then add the currently borrowed loan orders.

<table>
<thead>
<tr>
<th>FY</th>
<th>Current Net Debt</th>
<th>Parking</th>
<th>Airport</th>
</tr>
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<td>2018</td>
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<td>2019</td>
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<td>2020</td>
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<tr>
<td>2021</td>
<td>676,300</td>
<td>122,400</td>
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<tr>
<td>2022</td>
<td>248,950</td>
<td>118,800</td>
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<td>2024</td>
<td>-</td>
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<tr>
<td>2025</td>
<td>-</td>
<td>108,000</td>
<td>58,000</td>
</tr>
</tbody>
</table>
Projected Debt Service

- Add the initial borrowing for the city hall renovation, which would be in FY19 with payments beginning in FY20.

<table>
<thead>
<tr>
<th>FY</th>
<th>Current Net Debt</th>
<th>Parking</th>
<th>Airport</th>
<th>City Hall</th>
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</thead>
<tbody>
<tr>
<td>2018</td>
<td>$2,311,399</td>
<td>$ 27,000</td>
<td>$ 15,000</td>
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<tr>
<td>2019</td>
<td>2,249,114</td>
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<td>2021</td>
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<td>108,000</td>
<td>58,000</td>
<td>1,890,000</td>
</tr>
</tbody>
</table>
**Projected Debt Service**

- Add future projects using estimated costs and project start dates. Because these figures are estimates, they are subject to change.

<table>
<thead>
<tr>
<th>FY</th>
<th>Current Net Debt</th>
<th>Parking</th>
<th>Airport</th>
<th>City Hall</th>
<th>Crocker</th>
<th>Library</th>
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<tbody>
<tr>
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<td>$27,000</td>
<td>$15,000</td>
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<td>111,600</td>
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Projected Debt Service

- The sum of current, future, and projected future debt is Projected Debt Service.

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<th>Parking</th>
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<td>1,008,000</td>
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Projected Budget Impact

• Start with the projected debt service, which is the total of principal and interest for current, future, and future estimated borrowing.

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<th>Fiscal Year</th>
<th>Projected Debt Service</th>
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<td>2018</td>
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<tr>
<td>2025</td>
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Projected Budget Impact

• Add budgeted capital spending to build the budget.

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<th>Budgeted Capital Spending</th>
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Projected Budget Impact

- The projected budget impact is a gradual increase spread over four years.

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<tr>
<th>Fiscal Year</th>
<th>Projected Debt Service</th>
<th>Budgeted Capital Spending</th>
<th>Projected Budget Impact</th>
<th>Net Change to Budget</th>
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</table>
Summary

• Over the next four years, the city budget for debt service and budgeted capital spending will increase approximately $350,000 per year.

• The city will use budgeted capital spending to cover the costs of smaller projects and capital equipment.

• With each budget cycle, the city will also be reviewing its estimates on future projects, refining the numbers as they become more solid.

• The city will show that it is investing in itself by taking on debt to complete a long term capital project that directly improves city operations.
The renovation of City Hall can be managed within the city budget.
City of Fitchburg
Debt Service Projection
New City Hall - $22.5 million Loan plus $1.0 million Appropriation

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</tbody>
</table>

This projection assumes that $22.5 million will be borrowed and $1.0 million will be appropriated from available funds. In FY2020, the city will have paid off the construction of Fitchburg High School and the North Street Fire Station, thereby freeing $1.5 million in debt service for future projects. The city will have to increase its appropriation for debt service in FY2022, as these projects are bonded, but that increase can be done incrementally over the next four years using budgeted capital spending.

In my opinion, based on current projections, the city hall project for $23.5 million is affordable.