

Lower Fields Project Update - February 2, 2012

- **Community Preservation Committee (CPC)
Presentation done January 26, 2012**
- **Conclusion: too many financial, political and
legal entanglements to move ahead with the
intergovernmental agreement**
- **That agreement called for the use of \$757,000 in
CPC money**
- **Lower Fields Committee met this morning; Steve
Mills, Dave Wilson, Chip Orcutt, Steve Desy, Erin
Bettez, Tess Summers, Brigid Bieber, John
Petersen, JD Head**

Recommendations

- **ABRSD and FOLF continue this initiative together.**
- **FOLF is very confident that they can pursue \$1,000,000 loan.**
- **ABRSD would bond approximately \$1,500,000 over 15 years.**
- **All ABRSD and FOLF agreements, such as scheduling of the fields, remain in effect unchanged.**

The Superintendent recommends moving ahead with this initiative at this time because:

- FOLF has generated tremendous political capital, good will and momentum with town youth groups.
- FOLF continues to have approximately \$250,000 in immediate available revenue.
- FOLF is ready at this time to sign guarantee lease agreements with potential tenants that will ensure income to cover expenses.
- ABRSD has \$275,000 allocated in FY13 budget.
- Facilities Director has spent approximately \$50,000 on site design.

Next Steps

- **Prepare final detailed financial analysis for the March 1st Regional School Committee Meeting**
- **Prepare warrants for the Acton and Boxborough Town Meetings**
- **Steve Mills and Dave Wilson will present at the Boxborough Board of Selectmen's meeting on February 13th**
- **Potential benefits far outweigh the potential risks**
- **Success more likely by moving ahead now rather than later**

The Capital Plan

- **Total cost of installation: \$3.1M (inclusive of TJ O'Grady)**
- **\$1.77M FOLF \$980K CPA/\$325K ABRSD***
 - \$213K “equity” to be raised from Youth Soccer, Youth Lacrosse, Pop Warner AB Soccer Boosters and other private sources
 - \$1.6M of debt, amortized by field rental
 - \$980K to be financed via CPA funds
 - \$325K to be financed via capital funds from ABRSD

*Final numbers to be determined based on additional engineering, bidding and bank loan terms.



The Capital Plan

- **Total cost of installation: \$3.0M (exclusive of TJ O'Grady)**
- **\$1.2M FOLF \$0K CPA/\$300K ABRSD***
 - \$213K “equity” to be raised from Youth Soccer, Youth Lacrosse, Pop Warner AB Soccer Boosters and other private sources
 - \$1.0M of debt, amortized by field rental
 - \$0K to be financed via CPA funds
 - \$283K to be financed via capital funds from ABRSD
 - \$1.5M bonding over 5, 10 or 15 years by ABRSD



*Final numbers to be determined based on additional engineering, bidding and bank loan terms.

Cash Flow: Fields will generate \$241K per season conservatively

- Target revenue to reach on a 1.0M loan is \$175K per year.
- 1st tenant wants ~\$100k of time per year;
- 2nd tenant we meet with this weekend, but anticipate the ~75K of time per year;
- 3rd tenant wants Friday and Saturday nights = ~\$16K per year
- Charge to Youth Programs under programming agreement = \$50k per year



Return on Investment

- For a \$3.0M* asset, approximately \$1.8M of local tax dollars are required or 60 cents on the dollar
- Put another way, every local tax dollar we invest provides an immediate return of 66%.
- At the end of the day, this will be a \$1.2M single transfer of benefit to ABRSD

*Final numbers to be determined based on additional engineering, bidding and bank loan terms.

