

CITY OF NEWTON

IN BOARD OF ALDERMEN

REAL PROPERTY REUSE COMMITTEE REPORT

TUESDAY, MARCH 27, 2012

Present: Ald. Albright (Chairman), Ald. Laredo, Crossley, Danberg, Fischman, Swiston, and Gentile; absent: Ald. Merrill; also present: Ald. Fuller

City personnel: Robert Rooney (Chief Operating Officer), Stephanie Gilman (Commissioner of Public Buildings), Maciej Konieczny (Sustainability & Energy Manager), Julie Ross (Assistant City Solicitor), Ouida Young (Associate City Solicitor), Linda Finucane (Assistant Clerk of the Board)

School Department: Mike Cronin (Director of School Operations) and School Committee members: Margie Ross-Decter, Steve Siegel, and Jonathan Yeo

#80-12 HIS HONOR THE MAYOR recommending that the Carr Cultural Center, located at 225 Nevada Street, be transferred to the School Department for use as swing space, which after solicitation of all municipal departments by the Director of Planning and Development pursuant to Sec. 2-7 of the City of Newton Ordinances, 2007, is the only department that expressed interest in the property.

ACTION: APPROVED 7-0

NOTE: Mr. Rooney explained that the proposal for Angier School is moving more quickly than anticipated, with a meeting scheduled on March 28 with the Massachusetts School Building Authority. Given the projected swing space needs for Angier and other schools that will be the subject of future capital projects over an estimated twenty-year period, the city needs to have in place a facility in which to house students during construction. *Please see attached presentation from Mr. Rooney, which includes a tentative schedule for Angier, projected school swing space needs, school swing space options, and Carr renovation estimate.*

The Carr School was declared surplus in 1980 and sold to the League School. In 2000 the city repurchased it for use as swing space during the Williams School and Memorial Spaulding renovations. In 2002 the city leased it to the Jewish Community Day School for one year. In 2004 it was transferred to Parks & Recreation for use as the Mayor's Office of Cultural Affairs. In the interim, the vacant building had been vandalized and the city's insurer refused to reinsure it. After Cultural Affairs moved in, a number of nonprofit organizations began leasing spaces. The leases generate approximately \$98,000 per year and overhead costs are approximately \$112,000, but having the building tenanted has been a benefit to the city. Mr. Rooney's timeline indicates the summer of 2014 as the target date for Angier to move. Tenants have been given a move out date of July 2013. This will allow sufficient time to perform the necessary renovations to Carr. The cost estimate includes a large contingency to cover any unforeseen problems encountered during renovations. The estimate is rough, the building is older and the type as well as the extent of renovations could trigger other code issues, hence the large contingency, just in case of any surprises. Mr. Rooney noted that renovations will have to be undertaken whether or not it continues to be leased or used as a school. Mr. Rooney said a detailed breakout for costs would be done as soon as possible.

In anticipation of questions about leasing or purchasing the vacant former Aquinas Junior College on Jackson Road, Mr. Rooney included in his presentation the comparison of swing space options, which indicates that leasing or purchasing Aquinas, which is bigger than what the city needs and lacks a gym, would cost twice as much as renovating Carr. Carr has 18 classrooms. The approximate number of students to be displaced from Angier is 435.

Alderman Gentile requested that rent and overhead cost information for Carr be provided in writing. (*See attached March 29 memo from Mr. Rooney.*) He asked that the city not chase out the tenants too soon. Mr. Rooney said the city will work with the tenants, but Carr School was repurchased expressly for the city to use as school swing space. The Chairman reiterated that the Carr School was always intended to be reused for swing space. Alderman Crossley moved to transfer custody of the building from the Parks & Recreation Commission to the School Department, which motion carried 7-0.

#72-12 HIS HONOR THE MAYOR proposing an amendment to §2-7 of the City of Newton Revised Ordinances, 2007 to facilitate the installation of solar panels on public property.

ACTION: APPROVED 7-0 (*Draft Ordinance attached*)

NOTE: Mr. Rooney reported that several vendors have approached the city about entering a public/private partnership to install solar panels on city-owned property in exchange for a small cost benefit. Typical targets include roofs, sides of buildings, and parking lots. Given the rapid change in technology, requests may eventually include wind. Mr. Konieczny said approximately six sites appropriate for such installations have been identified. The cost return could involve displacing power purchases from other suppliers and/or receiving energy credits, as well as facilitating clean energy. The private party would construct, own and operate the system and the city would reap some recompense.

Mr. Rooney said the proposed amendment, which mirrors the provision for installation of wireless communication equipment on city-owned property, will streamline the reuse process for this type of installation. The considerable amount of time the reuse process takes conflicts with the timing needed to procure a vendor through G.L. c. 30B or G. L. c. 25A because the state RFQ process presumes the sites have been pre-approved for leasing. Timing is also crucial in order to benefit from tax credits and other incentives for as long as they continue to be available. Leasing city-owned property for solar panels would be referred to the committee of the Board that deals with matters of public buildings; it will still require a public hearing and specified period for action.

Alderman Danberg moved approval of the amendment, which motion carried unanimously.

The meeting was adjourned at approximately 9:30 PM.

Respectively submitted,
Susan S. Albright, Chairman

Attachments: R. Rooney 4-page presentation re Carr School
R. Rooney 03/29/12 Memorandum re Cost & Income Accounting for Carr
Draft ordinance for #72-12

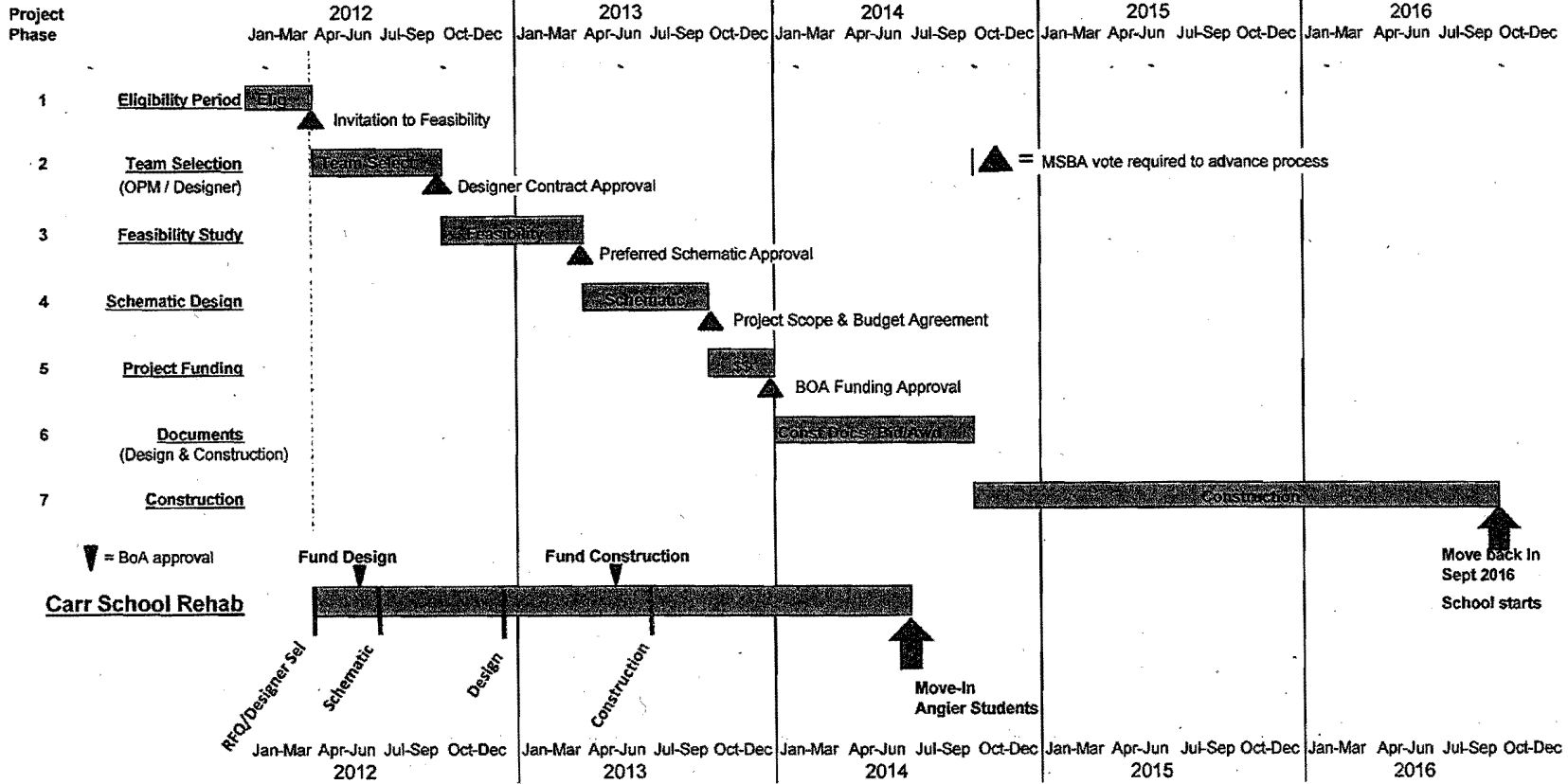
As of:
3-13-12

DRAFT

Angier Elementary School

DRAFT

Tentative Schedule



School Swing Space Options

School Swing Space Options

DRAFT 3/12/12

	RENOVATE CARR	PURCHASE AQUINAS	LEASE AQUINAS
Building Data			
Year Built	1934	1965	1965
Square Feet	51,400	94,500	94,500
Number of Classrooms	18-20	26	26
Costs			
Cost to Acquire	\$0	\$17M	\$0
Cost to Lease	\$0	\$0	\$1M-\$1.7M
Est. Cost of Required Work	\$8M-\$10M	\$1M	\$1M
Amortization			
	P + I	P + I	(Rental)
Annual P/I	\$700K-900K	\$1.5M	(rent) \$1M-\$1.7M/Year
20 Yr Bonding Cost	\$11M-\$14M	\$24.7M	(rent) \$20M-\$34M
20 Yr Utility Cost	\$1.2M*	\$7.4M	\$7.4M
20 Yr Maintenance Cost	\$1.8M*	\$3.6M	\$3.6M
ESTIMATED 20 YR LIFE CYCLE	\$14M-\$17M**	\$35.7M	\$21M-\$45M
Pros	City already owns building. Long term utilization of building Sized appropriately for swing space Has all needed spaces for temporary use.	Flexibility of options for long term use No disruption to existing programs	Use only as long as needed No disruption to existing programs
Drawbacks	Need to vacate tenants Need to relocate Cultural Affairs	Larger than needs ID'd No gymnasium Total long-term cost Not needed for 2 years; but need to secure space now. Time needed to fund/acquire High maintenance cost compared to need.	Larger than needs ID'd No gymnasium Total long-term cost Not needed for two years; may not be available when needed Intensive planning and coordinations

* Incremental additional cost for utilities and maintenance.

** Long term use of Carr will require investment to maintain and extend the life of the building for any future use.

Projected School Swing Space Needs

Projected School Swing Space Needs

	Existing Building Square Feet	Projected Number of Classrooms Needed	2017 Projected Number of Students
Angier	51,300	18	435
Cabot	45,095	18	398
Zervas	34,846	17	366
Ward	38,000	13	296
Carr	51,400	18-20 (existing)	

Carr Renovation Estimate

CARR RENOVATIONS NEEDED

BUDGET ESTIMATE

EXTERIOR:

Roofs, Masonry, Windows / Doors, Ramp / Stairs / Railings \$900K-\$1M

INTERIOR:

Mechanical, Electrical, Plumbing \$2.2M-\$2.5M

Interior Finishes \$900K-\$1M

Accessibility \$400K-\$500K

Sprinklers / Fire Alarm \$600K-\$700K

Interior Subtotal: \$4.1M-\$4.7M

SITE:

Parking, Walks, Grounds, Lighting \$100K-\$200K

OTHER PROJECT COSTS:

Soft costs, Contingency \$3M-\$4M

Total \$8.1M-\$9.9M

Note: Scope and budget are based on building condition assessment and estimate completed by HMFH Architects, Inc. as part of the Newton Public Schools Facility Study.



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March 29, 2012

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To: Chairman Susan Albright and Members of Real Property Reuse Committee

From: Bob Rooney, Chief Operating Officer *BR*

Subject: Cost & Income Accounting for Carr Building

This memo is in response to the Committee's request for a financial accounting of the Carr building. The data is projected to the end of FY12.

CARR BUILDING OPERATING EXPENSES & INCOME REVENUE

ANNUAL OPERATING EXPENSES (APPROX.):

NATURAL GAS (HEATING/HOT WATER)	\$ 50,000
ELECTRICITY	\$ 20,000
WATER/SEWER	\$ 8,000
MAINTENANCE	\$ 20,000
CLEANING & CLEANING SUPPLIES	\$ 13,000
TOTAL ANNUAL OPERATING EXPENSES:	\$ 111,000

LEASE INCOME (M-F, 8-5):

REGIONAL POLICE TASK FORCE	\$ 6,240
THE SUSUKI SCHOOL OF NEWTON	\$ 52,524
DISCOVERING WHAT'S NEXT: REVITALIZING RETIREMENT, INC.	\$ 2,352
NEWTON PRIDE	\$ 1,067
NEWTON CHILD CARE FUND, INC.	\$ 800
THE NEWTON REPERTORY THEATRE	\$ 13,852
GREEN DECADE NEWTON	\$ 832
WARMLINES/MASSACHUSETTS SCHOOL OF PROFESSIONAL PSYCHOLOGY	\$ 16,128
LEASE INCOME (M-F, 8-5):	\$ 93,795
AFTER-HOUR INCOME (misc groups):	\$ 5,600
TOTAL ANNUAL INCOME:	\$ 99,395

CITY OF NEWTON
IN BOARD OF ALDERMEN

ORDINANCE NO. Z-

April 2, 2012

BE IT ORDAINED BY THE BOARD OF ALDERMEN
OF THE CITY OF NEWTON AS FOLLOWS:

That the Revised Ordinances of Newton, Massachusetts, 2007, as amended, be and are hereby further amended with respect to **Section 2-7 Sale or lease of city owned real property.**, as follows:

1. In the first paragraph of Section 2-7 insert after the last sentence the following:

Notwithstanding the foregoing, this section shall not apply to the lease of city owned real property for solar panels; provided, however, that in the case of such a lease the procedures outlined in subsection (9) of this section shall apply.

2. Re-number existing subsections (9) and (10) to (10) and (11), respectively.
3. Insert a new subsection (9) as follows:

(9) In any instance where the lease of city owned property for solar panels is part of an arrangement under which the city uses power produced by the solar panels and/or receives net metering credits pursuant to state law, the following procedures shall apply:

- a) The executive department shall submit a proposal for such lease to the board of aldermen for approval. Such proposal shall indicate the location of the city owned property for which a lease is sought and such other information as may be available regarding the likely types of solar panels and related equipment that may be placed at the site. In preparing the proposal, the executive department shall consult with such city departments, aldermen for the ward involved and abutting property owners as the executive department may consider appropriate, taking into account the procurement requirements applicable under the General Laws.
- b) At the earliest opportunity, the board of aldermen shall, for purposes of this section, assign the proposal for public hearing before its committee dealing with matters of public buildings and/or other city owned real property and this committee shall hold a public hearing. Due notice of such public hearing shall be given to the abutters of the city owned real property which is proposed for lease and to the abutters of such

abutters. Said notice shall include the location of the property proposed for lease for solar panels and related equipment and, if available, a description as to the likely types of solar panels and related equipment that may be placed at the site. The committee shall deliberate and, if recommending approval, may affix such restrictions and conditions to the lease terms, other than financial conditions, as it deems in the public interest. The committee shall make a recommendation to the board of aldermen within forty-five (45) days following the public hearing as to whether the proposed lease is in the public interest.

- c) Within sixty (60) days of receipt of the committee report, the board of aldermen shall vote as to whether to authorize the mayor to lease such city owned property for solar panels and related equipment. If the vote is in the affirmative, then the mayor may proceed on such terms and conditions as determined by the mayor to be in the public interest. If the vote is in the negative, then the mayor shall not lease such property for solar panels and related equipment, provided, however, that nothing herein shall preclude the board from authorizing the mayor to lease such property pursuant to a subsequent request to lease such property.
- d) The requirement of notice and public hearing under subsection (9)(b) may be waived by a three-fourths vote of those members of the board of aldermen present and voting.