

TOWN OF JAFFREY

# Town Offices Project Status Report

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**Town Offices Working Group**

**10/27/2014**

The Town Offices Working Group has reviewed options regarding the replacement of the existing structure and after taking a long-term vision of facility upgrades, is seeking policy direction from the Select Board and Budget Committee in order to advance the preferred alternative through the approval process.

**Background:** Voters at the 2013 Town Meeting appropriated \$35,000 to assist with the conceptual design of a new Town Office building. Article 18 was approved by the voters as presented:

**Art 18.** To see if the Town will raise and appropriate the sum of \$35,000 for preliminary design of a new Town Office building, including preliminary site design, geotechnical, preliminary programming and design of new town office at or near the Goodnow Street property, plan for temporary transitioning of town office operations and related work. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until this phase of the project is completed or by December 31, 2015.

Soon after the affirmative vote, the Select Board convened a Town Offices Working Group, which consisted of the Town Manager and the Town's Department Managers, led by Kathy Batchelder, the Select Board representative to the group. The group interviewed architects and subsequently engaged Chip Krause of CMK Architects, Manchester, to provide technical assistance during this phase of the project.

**Current Town Office:** The existing Town Office at 10 Goodnow Road has been utilized as such since 1995, when the Offices were relocated from 26 Main Street which is now occupied by the Police Department. Previous to its current use, the facility has been used as an operations center for a regional bank, a medical office and an ancillary building for a lumber yard/hardware store. The community has recognized the various deficiencies in the structure (as described in the following section) and has commissioned a number of space needs analyses to determine the appropriate square footage for a new facility. These analyses, generated by architectural or engineering firms, produced recommended square footage totals between 8,841 and 9,143 s.f. We have completed an internal review of those estimates and recommend that the Town plan on a facility in the 8,000 s.f. range. Absent a schematic design which outlines spatial relationships between departments, circulation space and location of utilities and mechanicals, it is difficult at this juncture of the project to determine the exact square footage.

This square footage estimate has been compared with other communities' experiences with the construction or renovation of town office facilities. The Town of Wolfeboro recently approved a multi-million dollar bond to renovate their municipal offices. As the staff of 19 is temporarily relocated to a wing of Huggins Hospital during renovations, the 21,000 sf structure (of which 4,000 is an auditorium) is being renovated to accommodate all town offices and meeting facilities. The Town of Belmont is in the midst of study to consider retrofitting the historic Belmont Mill for municipal use. The four story structure contains a grand total of approximately 12,000 sf, of which all but 2,000 sf will be renovated for use by Boards, Committees and its 15 employees. Jaffrey has 10 regular staff positions (including the General Assistance Administrator) in addition to the customary municipal positions which also require space, such as the Treasurer, Supervisors of the Checklist, contracted Assessor and various Board and Committee members.

**Past Facilities Studies:** The Town in the past has convened several committees to review and make recommendations for repairs, renovations and replacement of municipal facilities. An Ad-Hoc Facilities Committee submitted its final report on January 4, 2010. The Committee relied extensively on a report commissioned by the Town in 2008-09 which thoroughly reviewed the condition of public facilities. The H.L. Turner Group, authors of the study, issued a number of findings regarding the condition of each facility along with recommendations for improvements with cost estimates. The Turner Report identified 32 deficiencies at the Town Offices, some minor, some major. The report concluded that:

*The current Town Office Building has served the Town of Jaffrey well over the years, but it is quickly getting to the point when either the Town will outgrow the building, or the costs to maintain an acceptable working environment will become cost prohibitive. New windows, replacing a beam or two, adding more insulation, and general upgrades to finishes and fixtures are manageable items, but when you have to deal with overcrowding, providing more space for offices and storage where none exists, and providing full accessibility to the building by installing an elevator, that is when it becomes difficult to justify the costs. In our opinion, the Town should seriously consider, as part of its future planning, setting aside funds for a new Town Office Building. Whether it purchases an existing building that can be converted for Town use, or build a new structure, the process should start now so something can be in place in the next 5 to 6 years. (H.L. Turner Group Inc. Facilities Assessments, Municipal Buildings, Phase I, Jaffrey, NH, September, 2008)*

The Police Station was also identified as having functionality concerns due to the activities which take place on multiple levels. For example, the lower level is broken-up by an elevated platform at the bottom of the main stair set. The accessible ramp on the south side of the building, wrapping around the southwest corner, enters the building to a conference room. The structure has similar ADA issues as the Town Office, and has detainee processing facilities which may lend itself to hazardous conditions for both the officer and the public.

**Current Status of Project:**

The most time consuming segment of this project has been identifying a site for a new facility. The community has recognized that it is preferable for the seat of town government to be located in the downtown area on a site which is accessible, convenient and prominent. In keeping with the community's direction (and the language within the warrant article) the Group set about to investigate the feasibility of more than a dozen sites proximate to the Town Office's current 10 Goodnow Street location, as well as some "outliers" which were studied due to their status as town owned or could serve as a potential catalyst for economic redevelopment. The outliers included Blake Street adjacent to Community Field and the former Elite Laundry site, which has been remediated and is soon to enter the long-term monitoring phase. As one can see, the Group cast a wide net in its evaluation of potential sites:

1) **Build within the current footprint**

- a. No requirement to purchase additional land;
- b. Given long-term space considerations, may require construction of a three story building;
- c. Staff would need to be relocated for an extended period, increasing project expense;
- d. Construction costs may be slightly elevated due to difficulties with constructing a building so close to other structures.

2) **Construct a new building at the intersection of Main and North Streets**

- a. Would provide a significant downtown presence;
- b. Would displace green space and bandstand/memorial which will not be readily accepted;
- c. May crowd current Police Station;
- d. Would displace some downtown parking, and be further away from existing parking lot;
- e. Would eliminate New England Town Square character;
- f. Historic District conflict?

3) Construct an addition onto the Police Department

- a. With an addition to the front of the building, would provide a Main Street presence for town government;
- b. Would require elimination of parking on Memorial and may create handicapped parking issues;
- c. May allow Town to simultaneously address any ADA, structural or issues at the Police Department, albeit at a greater cost than address the Town Offices only;
- d. Town Offices/Police operations and planning need to be carefully coordinated;
- e. May require relocation of Police emergency vehicle or customer parking further from building;
- f. Historic District conflict?

4) Purchase and demolish the building at 24 Main Street (adjacent to Police Station)

- a. Would provide significant downtown presence;
- b. Would create additional parking with the demolition of the current Town Offices building;
- c. Would require the expenditure of funds to acquire the property (assessed valuation is \$301,525);
- d. Odd shaped lot may create design and construction challenges;
- e. Increases potential of conflicts between Town Offices traffic and police emergency traffic;
- f. Would require displacement of residential living units;
- g. Historic District conflict?

5) Purchase and demolish the building at 15 North Street (directly behind current offices)

- a. Would provide street front presence;
- b. Would reduce development congestion in area;
- c. Staff would need to be relocated for an extended period, increasing project expense;
- d. Would require displacement of residential living units;
- e. Would require the expenditure of funds to acquire the property (assessed valuation is \$212,013);
- f. Would provide ample footprint space when combined with current Town Offices location.

- 6) Purchase and renovate Dancause Building, 22 North Street
  - a. Adequate space for Town Offices needs;
  - b. Location previously considered by Town;
  - c. Present owner confirms that building is not available.
  
- 7) TD Bank Building, 28 Main Street (Either purchase building or lease from TD Bank, with or without co-occupancy)
  - a. May be adequate space for Town Office needs;
  - b. Co-occupancy with bank may present both opportunities and challenges;
  - c. Increases parking in current Town Offices footprint;
  - d. May be cost advantages;
  - e. May require expansion of building;
  - f. Timetable could be impacted negotiating with multi-national corporation;
  - g. Provides strong downtown presence;
  - h. Would need to evaluate building conditions.
  
- 8) Construct on Parking Lot in front of current Town Offices
  - a. Provides street front presence;
  - b. Increases design flexibility;
  - c. Impacts parking/traffic flow;
  - d. May allow for two street level entrances;
  - e. Would need to negotiate with TD Bank, as the entire parking lot less the parking spaces is encumbered with an access easement;
  - f. Allows TD Bank to address its concerns that its Drive-Through Banking Center is not adjacent to the main bank building;
  - g. Constructability conflicts?

- 9) Construct on current Drive-Through lot and parking lot north of Drive-Through (Goodnow Street)
- a. Provides street front presence;
  - b. Impacts parking/traffic flow;
  - c. May allow for two street level entrances;
  - d. Would need to negotiate with TD Bank, as the parcels are currently owned by the bank;
  - e. Allows TD Bank to address its concerns that its Drive-Through Banking Center is not adjacent to the main bank building.
- 10) Jaffrey Civic Center – The Civic Center is located on a 1.46 acre parcel at 40 Main Street
- a. Provides strong Main Street presence;
  - b. Owner has not indicated a preference to sell;
  - c. The building would need to be expanded;
  - d. Possible charitable prohibitions on conveyance;
  - e. Building may need significant updating/retrofit to accommodate Town Offices;
  - f. Would have to purchase real estate (current assessment - \$726,680);
  - g. Would need to evaluate building condition.
- 11) Library Property, 38 Main Street (Front lawn, total parcel size is 0.77 acres)
- a. Share lot with Library;
  - b. Provides strong Main Street presence;
  - c. Property managed by Trustees, any deed restrictions on conveyance/shared use?;
  - d. Would take away from Library's prominence;
  - e. Would displace green space;
  - f. Historic District conflicts?
- 12) Share Library Building (Occupy upper floors)
- a. Proposal previously rejected?
  - b. Adequate office/meeting space?
  - c. Would foot traffic/operations take away from Library mission?
  - d. Would reduce project cost;
  - e. Would increase available parking.

13) Purchase property at 17 Goodnow Street (adjacent to Library)

- a. Would require the expenditure of funds to acquire the property (assessed valuation is \$168,512);
- b. Street front presence;
- c. Continue to use current parking;
- d. Displacement of residential unit;
- e. Owner not yet surveyed regarding interest in selling;
- f. Possible connection to and integration with Library?

14) Elite Laundry Property, 38 Peterborough Street

- a. Would require purchase of 40 Peterborough to provide adequate space and visibility (assessed value is \$197,162);
- b. Would result in displacement of residential living units;
- c. Location not proximate to current location or town center;
- d. May present opportunities for gateway to Downtown (from the north);
- e. Possible grant funding with redevelopment of Brownfields site;
- f. Eliminates current municipal campus synergy

15) Blake Street Property

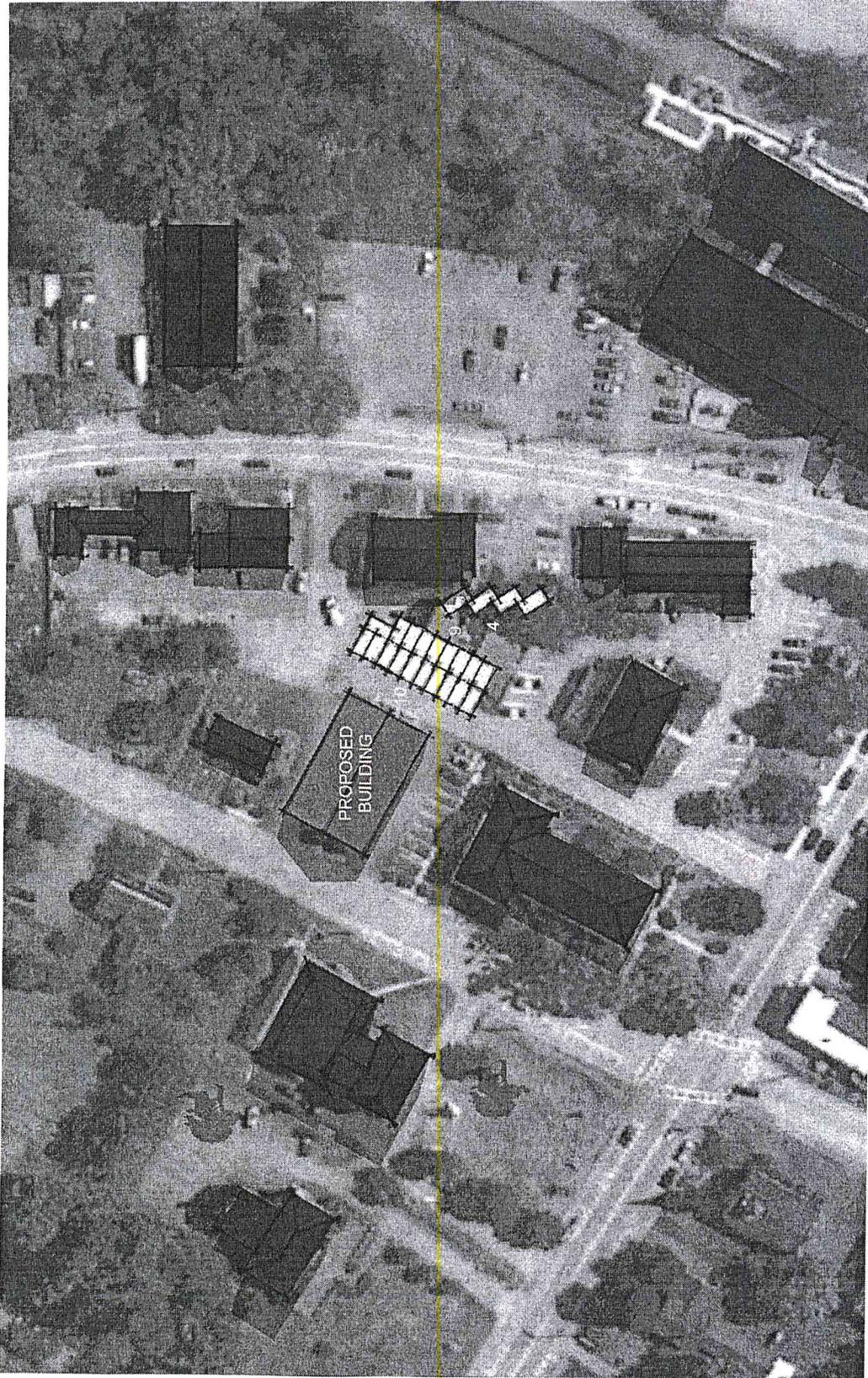
- a. Property is already owned by the Town;
- b. May serve as redevelopment catalyst once the State completes the reconstruction of the five-way intersection and through fare;
- c. Location at present is not convenient to access and shielded from public view;
- d. Eliminates current municipal campus synergy;
- e. Restricts future expansion opportunities for recreational activities;
- f. Inconsistent surrounding land uses

Many of these options were discarded as reducing green space and/or impacting the character of Jaffrey's downtown. The Committee preliminarily settled on presenting three options to the community at a public meeting convened on August 12, 2013. These included purchasing residential properties located at 17 Goodnow and 15 North Street, and constructing the new facility on the parking lot in front of the current building, with the new building fronting on Goodnow Street.

The August public hearing was well attended as the Select Board received valuable input from the public on a number of issues. Among the prevailing sentiments expressed at the meeting included:

- 1) The Town needs to reaffirm its square footage requirements, and construct a facility which meets needs and provides for expansion opportunities in the distant future;
- 2) The Town should avoid taking private property (particularly residential) for this project;
- 3) Although at that time TD Bank decided not to collaborate with the Town on the use of the "campus" layout (which is roughly described as the Town Office, TD Bank, TD Bank Drive-Thru, Police Department and Library), residents urged town leaders to re-engage with the Bank, advocating that the best opportunities for the Town involved some level of collaboration with TD Bank.

The Select Board agreed and directed the Working Group to pursue opportunities with TD Bank as the Town's best option to advance the project. Although the Town's first contacts with regional representatives of TD Bank were met with disinterest, the Town did subsequently establish a working relationship with the appropriate personnel thanks to the diligent efforts of local TD Bank staff. Discussions were restarted in earnest in June, 2014, and continue to the present; the Town and TD Bank have a verbal agreement whereby the bank will relinquish its easement over the travel lane between the bank's Drive Thru and the double row of parking on the Goodnow Street parking lot. The Town would then construct its new building at that location; once completed, the current Town Office would be demolished and the footprint of the current building repurposed for parking to replace the parking spaces displaced by the new Town Offices. (See Option I Site Plan on Page 9.)



PROPOSED TOWN HALL  
for:  
TOWN of JAFFERY, NH

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Recognizing that the construction of a new Town Office building will substantially address those space needs for at least 50 years, the Working Group felt an obligation to ensure that all long-term needs and visions were comprehensively explored. As part of that process, the Group explored the concept of addressing the long-term needs of the Police Department (the Department is currently located on Main Street adjacent to the Town Common and the TD Bank building). The Police Department building previously served as the Town Offices, and has been used by the Police Department since 1995. The building is still functional, yet has many code deficiencies, at variance with federal regulations and guidelines, and haphazard floor planning lend it to inefficiencies and occasionally unsafe working conditions. The building's deficiencies will need to be addressed in the mid-term, certainly within the debt service repayment period of any Town Offices project.

The Group worked with its architect to develop the magnitude of both cost and cost savings of constructing a joint facility to serve both as the Town Offices and police headquarters. This solution would position both agencies to provide services to the public in the most cost efficient manner possible. Additionally, there may be enhanced opportunities for outside grant funding with a joint building given its expanded role as an Emergency Operations Center and police headquarters. Among the potential sources are USDA RD funding, Homeland Security grants and assistance from the State Division of Emergency Management.

Given the current timeframe (three months from budget review and five months from Town Meeting), the Group recommends that funds for design and other work necessary for bidding be sought at the March, 2015 Town Meeting, with project funding based upon actual bid/negotiated construction numbers be requested at the March, 2016 Town Meeting.

**Recommended Alternative:** The Group recommends that the community policy makers given primary consideration to a combined Town Office/Police Station facility which would:

- 1) Resolve for the long-term space needs for both uses;
- 2) Maximize efficiencies by economizing on meeting space, common areas and utilities/mechanical systems;
- 3) By constructing the Town Office on Main Street with the Police Department occupying the rear of the building, provide a tangential benefit of having Town Office services more visible and better access for the public;
- 4) Enhances traffic flow and does not inhibit parking and other support commerce activities within the current municipal/commercial complex.

Challenges to this alternative which would need to be addressed include:

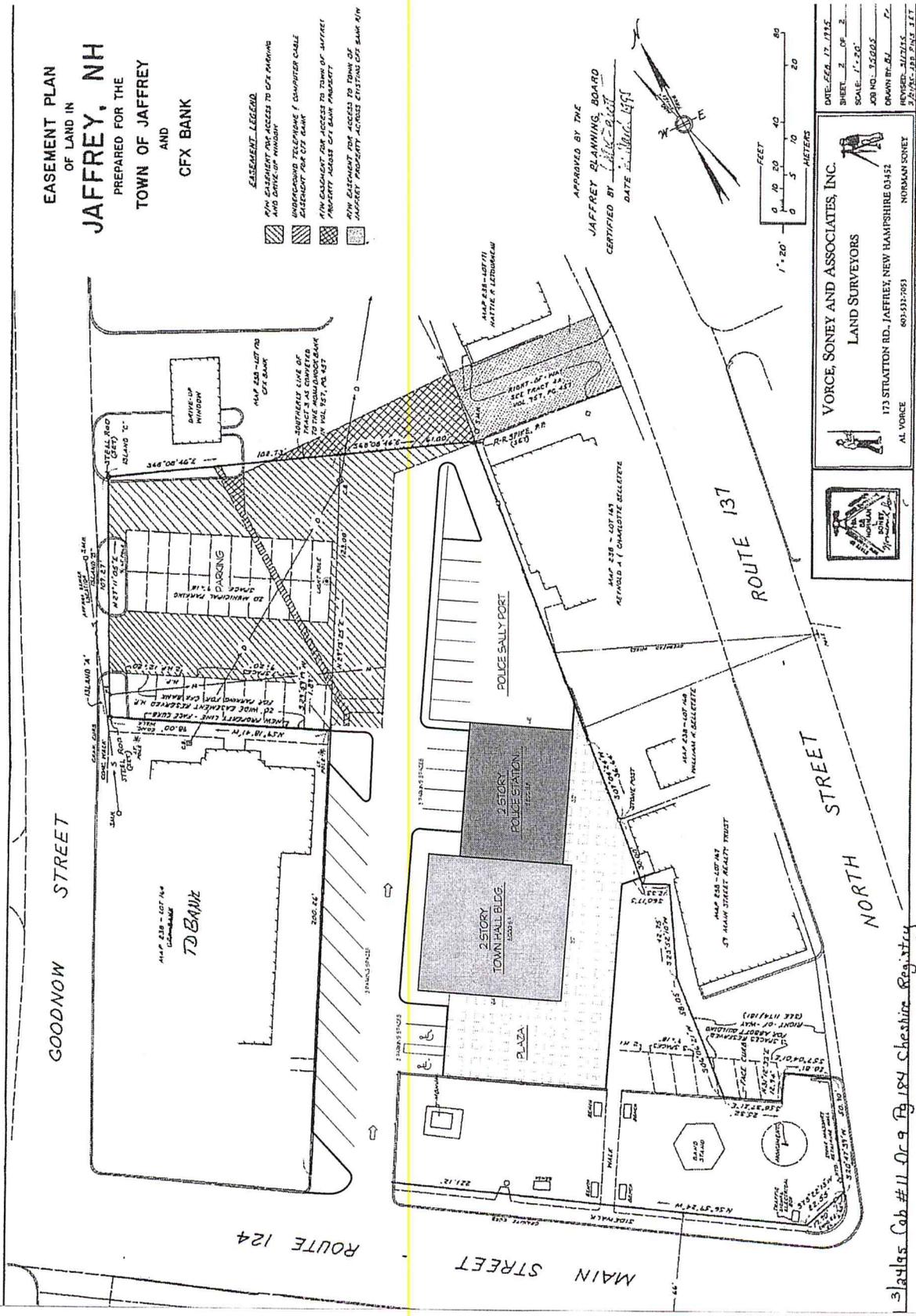
- 1) Higher investment in municipal facilities than previously envisioned by the community;
- 2) Temporary relocation of police operations during the 12 month construction period (Town Offices may remain in its current location during construction).

(See Option II site plan on Page 12)

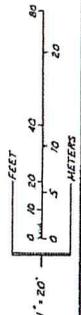
Option II

EASEMENT PLAN  
OF LAND IN  
**JAFFREY, NH**  
PREPARED FOR THE  
TOWN OF JAFFREY  
AND  
CFX BANK

- EASEMENT LEGEND**
- WITH EASEMENT FOR ACCESS TO CFX PARKING AND DRIVE-UP WINDOW
  - UNDERGROUND TELEPHONE / COMPUTER CABLE EASEMENT FOR CFX BANK
  - WITH EASEMENT FOR ACCESS TO TOWN OF JAFFREY PROPERTY FROM EXISTING EXISTING CFX BANK K/W



APPROVED BY THE  
JAFFREY PLANNING BOARD  
CERTIFIED BY LAURENCE B. JONES  
DATE 11/16/1999



VORCE, SONEY AND ASSOCIATES, INC.  
LAND SURVEYORS

DATE: FEB. 17, 1998  
SHEET: 2 OF 2  
SCALE: 1" = 20'  
JOB NO.: 152605  
DRAWN BY: B.J.  
REVISION: 2/2/98  
2/2/98 - 100 PAGES 3/97

AL VOICE 803-532-7053

173 STRATTON RD., JAFFREY, NEW HAMPSHIRE 03452  
NORMAN SONEY

3/24/99, Cab #11 Or 9 Pg 184 Cheshire Registry

**Cost Estimate:** Please note that the cost estimates presented below are without benefit of a formal design or in-depth studies; for this preliminary analysis, the estimates have been obtained from other communities' experiences and current industry square foot construction costs. The Group believes that these order of magnitude estimates will allow the policy makers to provide the Group with direction regarding which project should be selected for further study and presentation at Town Meeting.

Expectations anticipated by the architect include:

- 1) Cost savings of approximately \$300-\$500,000 for the construction of a combined facility as compared to constructing separate Town Offices and Police Department (the midrange of \$400,000 is used for the purposes of this financial analysis);
- 2) Project costs for each of the three alternatives are presented as follows:
  - a. Architect/Engineering expenses are anticipated at 10% of construction cost, of which 80% is incurred during the design phase and the balance during construction;
  - b. Construction contingency is set at 10% of construction costs, plus the remaining 20% of design costs;
  - c. Soft costs, including borings, material testing, equipment, furniture, communications, and relocation are estimated at 10% of construction costs.
  - d. Alternatives I and III include a \$100,000 increase in soft costs to reflect expenses anticipated with moving and temporarily housing the Police Department at an off-site location.
  - e. Due to this project being in the conceptual phase, the project costs are necessarily presented as a range; for this exercise, we have used the midrange for financial forecasting.
- 3) Although a stand-alone Police Department is not under consideration, costs for such a facility are presented for comparison purposes.
- 4) Cost estimates do not include any offsets for potential outside funding opportunities as mentioned earlier in this report.

<i>Cost Comparison of Various Facility Options</i>						
<i>Project</i>	<i>Construction Budget</i>	<i>Design</i>	<i>Contingency**</i>	<i>Other Soft Costs</i>	<i>Total Project Costs</i>	
I. Stand Alone Town Office Building Fronting on Goodnow Street	\$ 1,730,000.00	\$ 138,400.00	\$ 207,600.00	\$ 173,000.00	\$ 2,249,000.00	Note that the cost indicated is the midrange of an order of magnitude project cost of \$2.1-\$2.4M
II. Combination Town Office/Police Station with Town Office fronting Town Common	\$ 2,780,000.00	\$ 185,000.00	\$ 325,000.00	\$ 378,000.00	\$ 3,714,000.00	Note that the cost indicated is the midrange of an order of magnitude project cost of \$3.5-\$3.7M, plus \$100,000 for PD temp relocation.
III. Replacement of Police Station in present location DATE: TBD	\$ 1,434,615.38	\$ 114,769.23	\$ 174,000.00	\$ 243,461.54	\$ 1,865,000.00	Note that the cost indicated is the difference between the first two projects, and adding the estimated savings of a combined facility at the midrange estimate of \$400,000 plus \$100,000 for PD temp relocation
<b>Order of Magnitude Savings to the Community with Option II over Options I &amp; III</b>	<b>\$ 384,615.38</b>	<b>\$ 68,169.23</b>	<b>\$ 56,600.00</b>	<b>\$ 38,461.54</b>	<b>\$ 400,000.00</b>	

\*\* Includes 20% of design fee earned during construction phase.

**Additional Consideration:** As noted above, the Town has been working with TD Bank on Option I. Earlier in the process, one of the more attractive collaborative opportunities, which would involve relocating the Drive-Thru closer to the main bank building and constructing a Town Office at the edge of the parking lot where the Drive Thru presently is located; this idea was rejected initially by the Bank. In a follow-up call with TD Bank on October 22, 2014, TD Bank raised the possibility of that option being more attractive to the Bank (and we would think, the community) than Option I. During a brief conversation, discussion ensued regarding which party assumes cost for that relocation. For purposes of this analysis, this opportunity is identified as **Option IV**, with a pure guestimate of a total cost of \$100,000 more than Option I.

**Financing Plan:** You may recall during the 2014 budget process the Select Board, Budget Committee and Town Meeting were asked to consider a goal of stabilizing the amount of community investment in capital costs (including ongoing debt service) at a level equal to the Town's 2013 investment. This concept was well received and in fact used as a basis for recommending capital investments for the 2014 budget. It is from this basis that we will review how either Options I and II can remain as close as possible within this goal.

There are a number of options available which will affect the tax impact of the project. Among them are:

- 1) Raise design costs in the capital budget in one year or spread those costs out over two or more years;
- 2) Bond construction and contingency costs only, or include soft costs in the bonded amount;
- 3) Issue a conventional 20 year bond through the New Hampshire Municipal Bond Bank, or secure a loan from USDA Rural Development for a 30 year loan with no prepayment penalty.

As the selected alternative moves forward, the policy makers should engage in a thorough review of the various alternatives available; for the purposes of this report, we've presented the funding alternative which is most closely aligned with the goals of the Capital Funding Plan embraced during the most recent budget process:

### Comparison of Financing Plans for Options I and II

Year	Presume maintenance of 2014 Goal to level fund capital expenses at 2013 level:	Option II -	Option I -
		\$ 1,138,859.00	\$ 1,138,859.00
2015	Anticipated Expense with current obligations and long-term capital goals	\$ (949,524.00)	\$ (949,524.00)
	<u>Fiscal Capacity Available:</u>	<u>\$ 189,335.00</u>	<u>\$ 189,335.00</u>
	Fund Design Costs from Operating	\$ 185,000.00	\$ 138,400.00
	Fiscal Capacity Remaining:	\$ 4,335.00	\$ 50,935.00
	Tax Rate Impact:	\$ (0.01)	\$ (0.11)
2016	Anticipated Expense with current obligations and long-term financial goals	\$ (969,504.00)	\$ (969,504.00)
	<u>Fiscal Capacity Available:</u>	<u>\$ 169,355.00</u>	<u>\$ 169,355.00</u>
	Bond Construction and Contingency Costs		\$ 1,937,600.00
	Bond Construction, Contingency and Other Soft Costs:	\$ 3,483,000.00	
	Bond Interest Cost @ 1/2 year:	\$ 69,660.00	\$ 38,752.00
	Fund Other Soft Costs from Operating	\$ 0	\$ 173,000.00
	Fiscal Capacity Remaining:	\$ (99,695.00)	\$ (42,397.00)
	Tax Rate Impact:	\$ (0.22)	\$ 0.09
	Debt Service Payments		
2016	Anticipated Expense with current obligations and long-term financial goals	\$ (980,738.00)	\$ (980,738.00)
	<u>Fiscal Capacity Available:</u>	<u>\$ 158,121.00</u>	<u>\$ 158,121.00</u>
	Construction and Contingency Financing Only @ 20 years		\$ 174,384.00
	Fiscal Capacity Remaining:		\$ (16,263.00)
	Tax Rate Impact:		\$ 0.04
	Funding Option B: Construction, Contingency AND Soft Cost Financing @ 30 years	\$ 255,420.00	
	Fiscal Capacity Remaining:	\$ (97,299.00)	
	Tax Rate Impact:	\$ 0.21	

You will note that with Option I, the largest anticipated tax impact occurs in 2015 as the soft costs need not be bonded, but would result in a \$0.09 increase to the tax rate. With Option II, the tax rate would increase \$0.21 in 2016 (about 2%) with today's assessment base, to pay for the first year debt service. Debt service would decline each year thereafter.

**Timeline:** The Group recommends the following timeline for consideration of this project.

<b>Date</b>	<b>Milestone</b>
October 16, 2014	Working Group Meeting on Project Alternatives
October 27, 2014	<b>Select Board meeting on Project Direction</b>
November 12, 2014	<b>BudCom meeting on Project Direction</b>
November 17, 2014	<b>Community Public Hearing on Project</b>
Nov. – Dec, 2014	Finalize Design Costs/Milestones
January 13, 2015	Working Group Final Prep Meeting for BudCom presentation
January 15, 2015	<b>Bud Com meeting – Capital Projects</b>
February 7, 2015	<b>Budget Public Hearing at 9AM</b>
March 14, 2015	<b>Town Meeting Vote</b>
April 1 – Oct. 1, 2015	Design
September, 2015	<b>Community Public Hearing on Project (and again at 60%)</b>
Nov. – Dec., 2015	Bid or Finalize CM Costs
January 12, 2016	Work Group Final Prep Meeting for BudCom presentation
January 14, 2016	<b>Bud Com meeting – Capital Projects</b>
Jan. – March, 2016	<b>Community Info Program: Presentations to Boards, Commissions and Public</b>
February 6, 2016	<b>Public Hearing at 9AM</b>
February 22, 2016	<b>Last Day to Hold Bond Hearing</b>
March 12, 2016	<b>Town Meeting Vote</b>
April 1, 2016	Finalize Contracts/Construction Begins
April 1, 2017	Construction Complete

**Summary:** The Working Group requests policy direction from the Select Board to identify which alternative should be pursued and, in consultation with the Budget Committee, direction on the financial scope and structure of the project. This direction is critical to prepare for presentation to and consultation with the voters at the 2015 Town Meeting.