



FORMER INTERNATIONAL PAPER MILL



ERVING'S DEPARTMENT OF COMMUNITY PLANNING
DRONE PHOTOGRAPHS BY CHARLES ZILINSKI

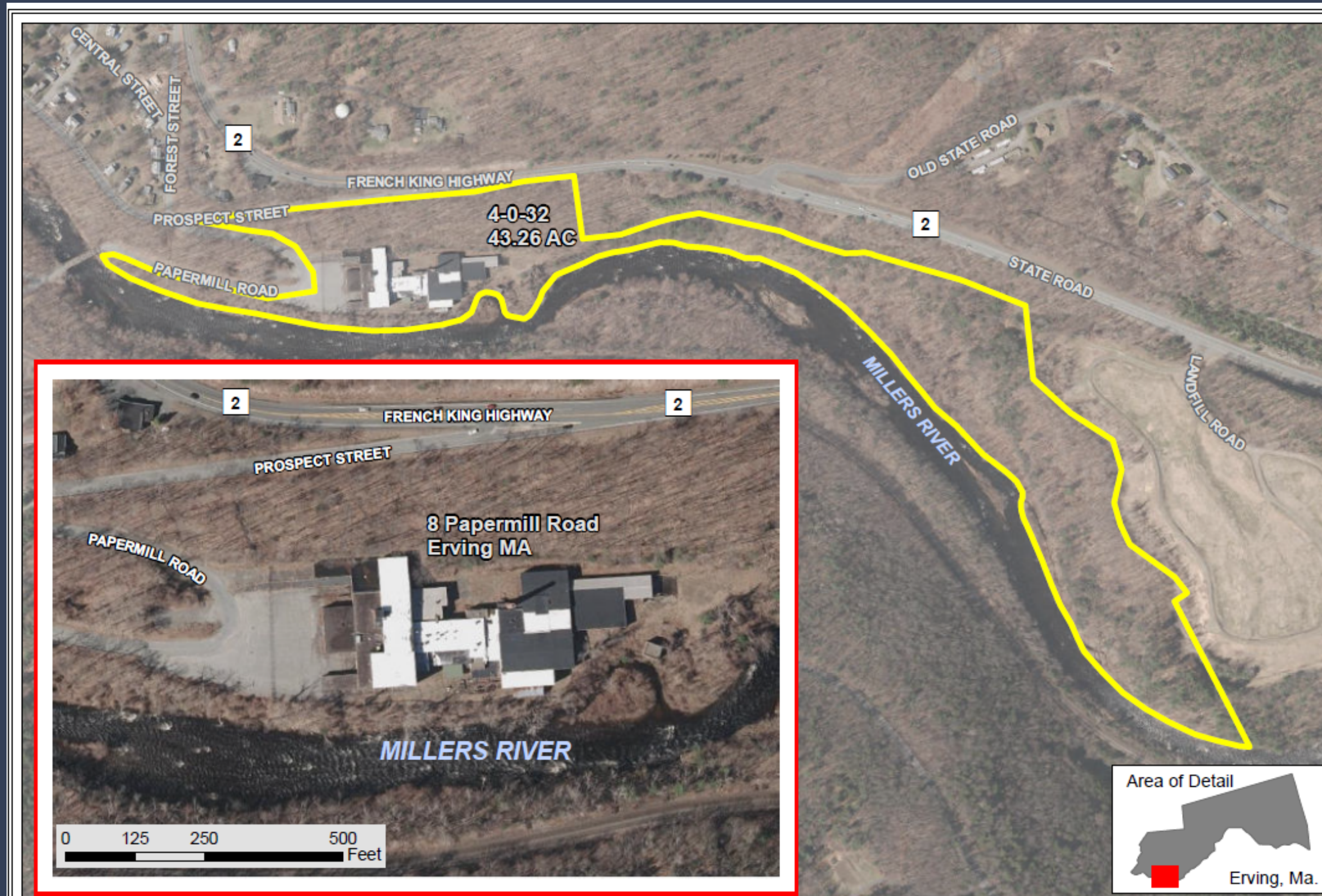
APRIL 24, 2023

GOALS

The goals of today's community meeting are:

- Inform residents about the current state of the IP Mill and bring you up to date on redevelopment efforts
- Present 6 funding options for demolishing all buildings except for #8
- Hear input from taxpayers on pros, cons, and preferences for the funding options and which to move forward, if at all

211,000 SQ FT - 43 ACRES





Building Label	Footprint (SF)	Stories (#)	Total Area (SF)
1a	4,520	2	9,040
1b	7,040	2	14,080
1c	2,750	1	2,750
1d	1,640	1	1,640
1e	1,640	1	1,640
2	13,210	4	52,840
3	3,220	1	3,220
4a	6,580	3	19,740
4b	3,040	3	9,120
4c	2,700	2	5,400



Building Label	Footprint (SF)	Stories (#)	Total Area (SF)
4d	970	1	970
4e	1,400	1	1,400
4f	960	2	1,920
5a	8,640	4	34,560
5b	2,530	3	7,590
5c	1,010	1	1,010
5d	2,110	2	4,220
5e	700	2	1,400
6a	3,010	3	9,030
6b	3,830	3	11,490
6c	1,970	3	5,910
7a	6,030	1	6,030
7b	5,010	1	5,010
8	690	2	1,380
TOTAL	81,200	-	211,390



1

2

3

4a

5d

6b

6a

6c

5a

7b

7a

5b

5c

8

THE HISTORY



INFRASTRUCTURE HISTORY

- **Early 1900s** - Mill was constructed, buildings added on over decades
- **2000** - Mill was suddenly shut down
- **Mid 2000s** - Mill was sold to a real estate developer who abandoned the building
- **2010 - 2013** - Town took the mill for unpaid taxes
- **2015 & 2018** - A feasibility study & subdivision feasibility study were completed by engineering firm Tighe & Bond
- **2019 & 2020** - Transformer removal and lead and asbestos abatement via \$200,000 Brownfields grant
- **2021 - 2023** - Installation of new sewer pump station with MassWorks grant funding \$500,000 plus ARPA funding

REDEVELOPMENT DEFINITIONS

➤ RFI

Request for Interest is a way to gather information on whether developers are interested in a property before going through the full legal process of the Request for Proposals

➤ RFP

Request for Proposals is the process of asking developers to submit proposals for how they would develop the property to meet the Town's requirements and preferences. This option give the Town more control over development.

➤ AUCTION

An auction is another option to sell a property, as it would go to the highest bidder. However, there is no control over what the highest bidder does with the property





REDEVELOPMENT HISTORY

- **Fall 2021** - Request for Interest released, 2 interested parties
 - The Community Builders - affordable housing
 - Rural Development Inc - affordable housing
- **November 2021** - MassDevelopment awarded Erving \$600,000 grant for partial demolition (may not be used for 100% residential use)
- **Spring 2022** - Request for Proposals released & advertised widely, 0 responses
 - The Community Builders withdrew interest in the project citing a lack of community support for housing and residents voting down zoning changes that would support housing



FY24 BUDGET HISTORY

- **November 2022** - Town Planner submitted a capital request for demolition of all buildings except #8
- **March 2023** - Demolition study received from Tighe & Bond
- **March 2023** - Updated capital request submitted for \$3,988,000 for all buildings except #8
- **March 2023** - Select Board, Finance Committee, and Capital Planning Committee jointly request a community input session to hear residents' opinions on funding options

THE FINANCIALS

FINANCE DEFINITIONS

➤ **LEVY**

The property tax levy is the revenue a community actually raises through real and personal property taxes. The property tax levy is the largest source of revenue for most towns.

➤ **TAX LEVY LIMIT**

The levy limit is the amount the town can raise. This limit is increased from year to year as long as it remains below the levy ceiling. Permanent increases in the levy limit result from the automatic 2.5% increase yearly, new growth resulting from new construction and overrides.

➤ **PROPOSITION 2 1/2 OVERRIDE**

A levy limit override increases the amount of property tax revenue a community may raise in the year specified in the override question and in future years. It increases the community's levy limit and becomes part of the base for calculating future years' levy limits. The result is a permanent increase in taxing authority. G.L. c. 59 § 21C(g)

➤ **TAX LEVY CEILING**

The levy ceiling is 2.5% of the total full and fair cash value of all taxable real and personal property in the community. (This is equal to a \$25.00 tax rate.)

➤ **CIP**

A category of taxable property which includes commercial, industrial, and personal property

➤ **DEBT OR CAPITAL EXCLUSION**

An exclusion increases the amount of property tax revenue a community may raise for a limited or temporary period of time in order to fund specific projects. The amount of an exclusion may be raised in addition to the community's levy limit. It does not increase the community's levy limit nor become part of the base for calculating future years' levy limits.

FUNDING SCENARIOS

\$3.7 MILLION

- Capital Exclusion
- 3 year Debt Exclusion
- 5 year Debt Exclusion



\$1.85 MILLION

- Capital Exclusion
- 3 year Debt Exclusion
- 5 year Debt Exclusion



- Calculated by Principal Assessor Jacquelyn Boyden and Treasurer Jennifer Eichorn
- Estimates based on FY2023 values and subject to change

Former IP Mill Override Scenario Calculation Table - demolish all buildings except for #8

Option	Amount	Type of Override	Additional Residential Tax Rate	Tax Impact for \$100,000 value home	Tax amount for average value home (\$238,352)	Additional Commercial Tax Rate	Tax Impact on CIP every \$100,000	Tax impact average commercial value \$400,000
A	\$3,700,000	Capital Exclusion	\$2.45	\$245.27	\$584.60	\$4.03	\$402.53	\$1,610.12
B	\$3,700,000	3 Year Debt Exclusion	\$0.89	\$89.94	\$212.00	\$1.46	\$145.97	\$583.88
C	\$3,700,000	5 Year Debt Exclusion	\$0.56	\$55.61	\$132.55	\$0.91	\$91.27	\$365.07
D	\$1,850,000	Capital Exclusion	\$1.23	\$122.23	\$292.30	\$2.01	\$201.26	\$805.06
E	\$1,850,000	3 Year Debt Exclusion	\$0.44	\$44.47	\$106.00	\$0.73	\$72.99	\$291.94
F	\$1,850,000	5 Year Debt Exclusion	\$0.28	\$27.81	\$66.28	\$0.46	\$45.63	\$182.54

Table 1: This table is meant to illustrate the potential impact of a Proposition 2 1/2 override. The table assumes that the FY24 base tax rate will include the 2.5% levy limit increase that is allowed by law. The tax impact calculated for \$100,000 in value is specifically looking at the Proposition 2 1/2 override options. This amount would be in addition to the taxpayers existing tax costs. These are estimates based on current information, subject to change.

****The projected FY24 Tax Rate for R/O is \$8.21 and for CIP \$13.47 based on FY23 values****

April 2023 IP Mill Demolition Study Costs

Concept	Buildings Included	Revised Costs from 3/20	Cost with \$600,000 MassDevelopment Grant
Concept #1	Demolish 4E, 5A, 5B, 5C, 7A, 7B	\$1,281,300	\$681,300
Concept #2	Demolish all other buildings except for 2 and 8 AFTER separately demolishing the buildings from Concept #1	\$2,278,000	\$1,678,000
Concept #3	Demolish all but Buildings 2 and 8, including Building 2 repairs	\$3,223,300	\$2,623,300
Concept #4	Demolish all structures	\$4,345,000	\$3,745,000
Recommended Option	Demolish all structures except for Building 8	\$4,300,000	\$3,700,000