PRESENTATION TO THE TOWN MEETING

FEBRUARY 25, 2019
RE: ARTICLE 2, SALE OF THE KIDDER BUILDING
**Discovery Schoolhouse** is a nonprofit 501(c)(3) our mission is to provide affordable quality childcare and other community programs.

Benefits to Milton are substantial:

- *Through our program, MECA, we have provided $3.2 million in free programs and services in Milton*
- Affordable childcare; only non-public school program in town that accepts vouchers
- Over 350 Milton families have attended Discovery
- Parents seek us out for our diversity and our high-quality, play-based program
- We believe our missions to families, children, education, diversity, and community all align well with the Library’s mission. In 2009 the Trustees expressed how pleased they were to be able to rent to us because they felt Discovery Schoolhouse supported the Library’s mission.
Notified in February 2015 that library **plans to develop** a strategic **vision** which **could** end in future sale of building

- The final 3-year term of the lease negotiated in 2009 was December 2018 - November 2021
- In February 2018 we were informed the lease would not be renewed and were asked to vacate by November 2018
- An extension to August 2019 was negotiated
- Since February 2018 we have been seeking alternate space in and out of Milton
- During the library planning process we were never invited to a Trustee Meeting, were never asked for any input, were not invited to speak before the Warrant Committee
CONDITION OF THE BUILDING

- Building is in excellent condition
  - Slate roof was recently repaired
  - Front steps and ramp recently repaired
  - Fencing recently replaced
  - Heating system running efficiently and in good condition
  - Annual expenses average $7,555
  - We brought the building up to code prior to moving in
  - We are inspected and licensed by the State Dept of Early Education & Care
  - Building is inspected by the town Building Inspector, and Fire Department annually
CURRENT RENT IS NOT “BELOW-MARKET”

- Rent is $22,604 annually
- Negotiated in a competitive bidding process conducted by the library in 2009
- In line with rents paid by other similar organizations
- Our rent is 25% higher than the rent paid by Milton Arts Center in Kidder’s sister building in East Milton
# RENT VS. COSTS

Town accounting indicates that our lease generates an annual surplus

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent Paid Since 2009</td>
<td>$180,000</td>
</tr>
<tr>
<td><strong>Current Balance in Revolving Fund</strong></td>
<td><strong>$110,115</strong></td>
</tr>
<tr>
<td>Total Expenses since 2009</td>
<td>$69,885</td>
</tr>
<tr>
<td>Nine Years 3 months</td>
<td>$7,555</td>
</tr>
<tr>
<td><strong>Average Annual Expenses</strong></td>
<td><strong>$7,555</strong></td>
</tr>
<tr>
<td>Current Annual Rent</td>
<td>$22,604</td>
</tr>
<tr>
<td>Average Annual Expenses</td>
<td>$7,555</td>
</tr>
<tr>
<td><strong>Net Annual Surplus</strong></td>
<td><strong>$15,049</strong></td>
</tr>
</tbody>
</table>

**Why isn’t this surplus being used for the benefit of the Library?**

sources: Library Rental Revolving fund – subfund 2660, Town Accountant & Discovery Schoolhouse
IS SELLING REALLY THE BEST OPTION?

- Anticipated income from sale proceeds relies on a sale for $1.2M
- Zoned for childcare, religious, or residential use
- Appraised at $1.2M for childcare, church, or temple
- Only 4,766 sq. ft. and 13 parking spaces
- Appraised at $890,000 for residential, noting:
  “existing structure could be razed and the existing lot could subdivided into two individual lots available for single family development” (language from the 2/24/2018 appraisal)
- If it is sold, it will be lost to current and future uses by the town (unless the town buys it)