

The St. Paul's Alliance (“SPA”) Financial Plan for the Adaptive Re-Use of the St. Paul's Main Building

Introduction — Preserving, rehabilitating, and adapting the Main Building on the St. Paul's Campus will require fiscally responsible acquisition of capital, a strong commitment of resident's time, and intelligent allocation of community resources.

In other communities, strategic investment in village-wide projects that benefit all residents can result in property-value increases of 3% to 8%



The St. Paul's Alliance ("SPA") Financial Plan for the Main Building at the St. Paul's Campus

- Adopts and supports the September 2023 Westerman Report *Scope of Work and Capital Costs* for Adaptive Reuse of the St. Paul's Main Building
- Secures a **MINIMUM COST** and **SHORTEST TIMELINE** for this restoration project
- More efficient project development and procurement process saves residents 20-40% costs in comparison to traditional VoGC procurement
- Provides a Phase I Average Annual Capital Cost per Taxpayer of **\$320- \$400**
- Has been reviewed and approved by highly respected, nationally recognized legal and financial experts

The SPA's Financing Plan Requires:

1. The Village of Garden City ("VoGC") to retain legal title to all of the land and buildings on the St. Paul's Campus – **NO ALIENATION of PARKLAND**
2. VoGC enters into an Agreement with an IRS Approved, charitable, 501c3 organization ("the Charitable Organization" or "CO") to provide recreational, artistic, athletic, musical and personal scientific/technological enrichment programs to VoGC residents of all ages
3. The Agreement would be drafted as a Service or Operating & Maintenance or "True Lease" type of agreement subject to certain legal analysis and preferences
4. The Charitable Organization would be required to upgrade and restore the Main Building at St. Paul's in order to provide the services required by its Agreement with the VoGC
5. The VoGC would pledge an annual appropriation of VoGC revenues and pay the Charitable Organization an annual fee for providing the Services the VoGC required in its Agreement with the CO

The SPA's Financing Plan Requires:

6. The Charitable Organization would borrow money in the tax-exempt capital markets to pay to upgrade and restore the Main Building at St. Paul's
7. The Charitable Organization, as the borrower, NOT VoGC would be obligated to repay the bonds used to restore the Main Building
8. The Charitable Organization would oversee and manage the restoration of the Main Building as well as create and manage the programs and services required by the Agreement
9. The Charitable Organization collects its revenues from payments under the Agreement from the VoGC; charitable contributions, annual membership fees from residents like The Garden City Pool
10. The CO revenues collected from VoGC are used to pay all debt service on the money borrowed to restore the main building and to pay annual operating and maintenance costs
11. The VoGC does not pledge its General Obligation credit to support the restoration of the main building a St. Paul's

What are the Significant Advantages of the SPA Financing Plan?

1. Less expensive on an annual basis than the VoGC General Obligation financing
2. Not subject to the restrictions and limitations of the NYS Public Finance Law that governs the VoGC financings
3. Not subject to a Voter Referendum
4. More flexible and efficient finance structures and repayment periods which reduce annual costs for residents
5. Does not use the VoGC general obligation credit to support or repay the money borrowed to rehabilitate and restore the Main Building
6. Does not impact the VoGC “AAA” credit rating

Significant Advantages of the SPA Financing Plan

7. Quicker project development process including environmental reviews such as SEQRA and through the use of “Design Build” procurement rather than traditional “Competitive Bid Procurement” process that the VoGC would be required to use
8. Use of Project Labor Agreements (“PLA’s”) rather than Prevailing Wage requirements to reduce Project Costs
9. Broader resident participation in the Charitable Organization’s governance, program development, and annual operation
10. Costs savings of 20-40% in comparison to traditional municipal competitive bidding process, with greater ability to manage construction risk through design-build procurement
11. VoGC BoT retains oversight involvement in the Project through the terms of the Agreement and the annual appropriation process, similar to the structure of the Central Park Conservancy

Who would Implement the SPA Financing Plan?

The SPA Financing Plan would be implemented by the Board of the Charitable Organization which would:

- Be subject to the VoGC Board of Trustees oversight of budgets required under the Agreement between the VoGC and the Charitable Organization
- Be open to all VoGC residents and comprised of resident volunteers
- Hire the appropriate professionals in architecture, engineering, legal, finance, Operations and Maintenance, and recreational programs
- Utilize the VoGC Recreation Department and Board of Education as consultants for programming and operations

Conclusion

The St. Paul's Alliance Financing Plan provides an efficient and lower annual resident cost to restore and rehabilitate the Main Building at the St. Paul's Campus. Unencumbered and unrestricted by the current NYS Public Finance Law and various NYS and local government procurement and labor regulations, the SPA Financing Plan can provide significant savings for VoGC residents in the estimated amount of 20%-40% versus the annual financing costs and procurement processes that the VoGC would be required to pursue.

Additionally, the SPA Financing Plan and Procurement Process can provide a Community Center within the existing St. Paul's Main Building, available for resident use, years sooner than the current alternatives such as Facadism and Demolition.

APPENDIX: Annual Debt Service // \$39m Bond Issuance -- OR -- \$49m Bond Issuance



St Paul's Alliance

Supporting A Center For Recreation And Community Enrichment

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