

Update to School Ballot Question

September 18th I attended the forum at the Senior Center regarding affordability of the ballot question shown below. Shortly before this meeting, the Mayor shared an amazing reduction in costs to homeowners although no reduction in the overall \$132 million project occurred. Of note, the total bond amount owed each year was reduced by \$1 million over 30 years based on an anticipated payment of \$1 million per year by the schools. This was factored in although there is no guarantee that this is possible economically, or is legal under state regulations or will meet net school spending requirements. To state that this cost reduction to the taxpayer is premature is a huge understatement. As Dr. Zrike said...it is a proposal. There is no contract or legal determination on this question. Also, the interest rate was arbitrarily lowered to obtain a more favorable number.

While most are completely ignoring the business impact of this vote, the General Manager of the Holyoke Mall clearly stated the passage of this debt Cote would have a severe impact on our largest taxpayer. This needs to be seriously considered along with the impact to our other businesses. Right now there is \$500,000 growth in our budget, (practically zero). New projects are mentioned, but businesses

leaving our city are not noted. The serious impact of this vote on our entire city must be considered. It is not only about what the average homeowner would pay. My belief is the 250 figure is more realistic than the new suddenly reduced amount.

Not stated at the meeting, but true, the first bill to be paid by the city if this vote passes, is the repayment of this debt exclusion bond. So if there are revenue losses, those departments funded in the city budget will be affected because the debt exclusion vote will protect the school bond before all other expenses.

Another matter specific to Ward 5 is McMahan School stated to be one of the worst in the portfolio. At one point, Dr. Zrike stated the school would have to be gutted. At another point during the meeting, he said it could be used for pre-school. So it is unclear what the plans/costs would be for McMahan School.

There are many questions that need to be answered and cost reductions or increased revenue that must be found to change my vote from No on this bond for \$55 million for 30 years.

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