

Public Information Forum

6:00 PM
September 14, 2017
Ayer Town Hall

Timeline

- **April 2017**
Town Officials met with AMSC, 114 East Main, LLC and MOBD in April '17
- **June - August 2017**
Negotiated terms of the STAA
- **September 5, 2017**
Approved by BOS, pending Town Meeting Approval
- **September 22, 2017**
MOBD Meeting for State Approval, pending Town Meeting Approval
- **September 25, 2017**
Town Meeting, 7:00 PM, Ayer Town Hall, 2nd Floor
- **March 31, 2018**
Business Operations moved from Devens to Ayer

Overview of the STAA

- 10 Year Reduced Tax Assessment, 15 year commitment to property
 - Includes "Claw Back" Provisions
- Provides AMSC with a reduced property tax assessment for 10 years
- AMSC will...
 - move its corporate headquarters, Gridtec manufacturing operations and administrative support functions to Ayer
 - and property owner will make capital investments to the property
 - relocate 82 employees currently in its existing corporate headquarters to Ayer
 - use local contractors and companies to support its business operations
 - partner with the Ayer Office of Community and Economic Development to develop a High School Innovation Technology Apprenticeship Program



Former Cains Property



Former Cains Property



Former Cains Property

AMSC Corporate Intro





Our Vision is to power the world
with smarter, cleaner

...better energy



design,
support,
succeed

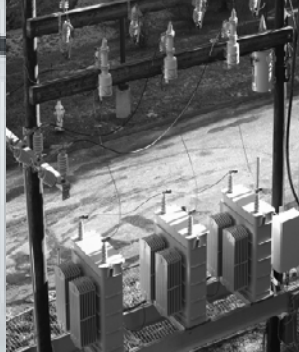


Maximizing turbine
availability, reliability
and energy production.



reliability,
connectivity,
control

The proven solution
for power system
stability and reliability.





Powering tomorrow's fleet today.

Reduced weight, reduced space, better protection.



Mission



Vision



Values



Constantly Collaborating

We collaborate with each other across geographies, organizations and levels to achieve excellence in all that we do



Always Accountable

We set accurate product development timelines, customer expectations and financial forecasts, and we take ownership and responsibility for all outcomes



Best and Brightest

By employing highly competent and energetic employees with varying backgrounds, cultures and ideas, we are building a dynamic, high-performance organization



Listen and Learn

By taking the time to understand our customers' evolving needs, we ensure strong relationships and positive outcomes



Inherently Innovative

We are energized by the development of new solutions that improve our customers' businesses and the world's power supplies

STA Assumptions:

Parcel I.D.	28-119 & 34-75
FY2017 Market Valuation	3,934,000
FY2017 CIP Tax Rate	\$30.64
Est. Annual Tax Increase%	3.8%
STA Exemption Term (Years)	10
Growth Valuation (10 years)	0

Year	Fiscal Year	Tax Rate	Market Valuation	Market Tax	STA Valuation Exemption%	STA Net Taxable Valuation	STA Valuation Exemption	STA RE Tax	STA RE Tax Exempted
1	2018	\$31.80	3,934,000	\$125,101	90%	393,400	3,540,600	\$12,510	\$112,591
2	2019	\$33.01	3,934,000	\$129,861	70%	1,180,200	2,753,800	\$38,958	\$90,903
3	2020	\$34.26	3,934,000	\$134,779	50%	1,967,000	1,967,000	\$67,389	\$67,389
4	2021	\$35.56	3,934,000	\$139,893	40%	2,360,400	1,573,600	\$83,936	\$55,957
5	2022	\$36.91	3,934,000	\$145,204	30%	2,753,800	1,180,200	\$101,643	\$43,561
6	2023	\$38.31	3,934,000	\$150,712	25%	2,950,500	983,500	\$113,034	\$37,678
7	2024	\$39.77	3,934,000	\$156,455	20%	3,147,200	786,800	\$125,164	\$31,291
8	2025	\$41.28	3,934,000	\$162,396	15%	3,343,900	590,100	\$138,036	\$24,359
9	2026	\$42.85	3,934,000	\$168,572	10%	3,540,600	393,400	\$151,715	\$16,857
10	2027	\$44.48	3,934,000	\$174,984	5%	3,737,300	196,700	\$166,235	\$8,749
Totals				\$1,487,957			13,965,700	\$998,620	\$489,336

STA Impact Summary:

Total Market RE Tax	\$1,487,957
Total STA RE Tax	\$998,620
Total Valuation Exempted	13,965,700
Total RE Tax Exempted	\$489,336
% RE Tax Exempted	33%

Special Tax Assessment

2017 Actual Tax Rate Data	Residential Tax Rate	CIP Tax Rate	Mean Single Family Bill Change	Median Com/Ind Bill Change
	\$14.39	\$30.64	\$194	\$301
STA Assumptions @ 90% 1st Year Exemption)	Loss of Valuation	Property Tax Reduction		
	\$3,540,600	\$108,484		
2017 Estimated Tax Rate Data @ 90% 1st Year Exemption	Residential Tax Rate	CIP Tax Rate	Mean Single Family Bill Change	Median Com/Ind Bill Change
	\$14.49	\$30.74	\$223	\$327
Estimated Potential Impact of STA (\$)	\$0.10	\$0.10	\$29	\$26

<u>Year</u>	<u>Exemption Percentage</u>	<u>Avg. Res. Bill</u>	<u>Med. C/I Bill</u>
1	90%	\$29	\$26
2	70%	\$24	\$18
3	50%	\$18	\$13
4	40%	\$15	\$10
5	30%	\$9	\$8
6	25%	\$9	\$5
7	20%	\$6	\$5
8	15%	\$6	\$2
9	10%	\$3	\$2
10	5%	\$3	\$0
	Total	\$122	\$89

Local Tax Impact

Questions



For More Information:
www.ayer.ma.us