

Martha R. Lang, Ph.D.  
138 Colchester Avenue  
Burlington, VT 05401  
(802) 862-1094

January 22, 2014

President Shannon and  
Burlington City Councilors  
City Hall  
149 Church Street  
Burlington, VT 05401

RECEIVED  
JAN 22 P 1:52  
BURLINGTON CLERK  
TREASURY OFFICE

**Re: Undisclosed and Misleading School Department Expenses**

Dear President Shannon and City Councilors:

**Introduction.** At the Burlington Board of Finance meetings on June 17th and 24th of 2013 the Burlington School Department proposed selling the Ira Allen Building at 150 Colchester Avenue for \$2M and leasing the Taft School for \$1.6M. This money would be used to purchase St. Joseph's School for \$2M and renovate the building for \$1.5M. There was no mention of the net loss of 117 parking spaces. This proposed property transaction was promoted as a revenue neutral deal that would not cost the Burlington taxpayers any money. These numbers seemed to perfect to me.

**1. Renovation Costs on St. Joseph's School \$8M.** There were no backup documents on the renovation costs. It took me five weeks to get that information. When a summary of the revised renovation estimates were available on October 31st, 2013 they were \$8M not \$1.5M. It is interesting to note that neither estimates included asbestos abatement. However, on August 2nd, 2005 a city building permit for asbestos abatement was issued, and never closed out, for St. Joseph's School.

a. Only a one page summary of the real estate appraisal on St. Joseph's School is available to the public. In other words, the Burlington taxpayer is supposed to agree to buy a building for \$2M based on one page of information.

b. There were no backup documents for the first estimates on the renovation costs. Even the summary for the second renovation estimates of \$8M did not include the costs for building and zoning permits, architect's fees, legal fees, and asbestos abatement, all of which could be substantial.

c. There is no information that the Roman Catholic Diocese of Vermont will sell of St. Joseph's School to the Burlington School Department for \$2M. And, the school department does not know if the \$20,000 refundable retainer they offered will give them the right of first refusal on this building.

Page 2. Letter January 22, 2014, Martha R. Lang.

**2. Debt on The Ira Allen Building of \$410,364.38.** Under Vermont state statute if the Ira Allen Building is sold the money the state invested in it, \$410,364.38, must be paid back to the state. Thus, the net profit from a possible sale of the Ira Allen Building is not \$2M but \$1.6M. This debt has been known to the superintendent of the Burlington Schools since at least October 28, 2005.

a. Information on the \$410,364.38 debt was not available from the school department. It was obtained from the Vermont Agency of Education in Montpelier.

b. The real estate appraisal only valued one lot of land when two are being discussed. Unfortunately, it was the smaller .10 of an acre lot was included.

**3. Taft School Lease Equals the Sale Price.** On July 18th, 2008 the superintendent of the Burlington Schools signed a Memorandum of Understanding with the City of Burlington to lease 572 sq. ft. of The Taft School to Burlington Telecom. At the June 24th Board of Finance meeting when the superintendent was asked if space at Taft School was leased, other than to school programs, she said no. Nor was lease information included in the real estate appraisal dated October 29, 2012. Burlington Telecom is paying \$6/sq. ft. for their Taft School space. According to the information available in June, 2013 on the Taft School Lease the prospective tenant would make a one-time payment of \$1.6M for an 80 year tenancy. That equals .82 cents a square foot or the appraised purchase price.

a. It seems attempts are being made to reinterpret the Probate Court's decision on the use of Taft School, dated September 18th, 2008, to the school department's advantage.

b. There is no public information, other than the sale price, on the terms of the Taft School Lease.

Based on the above information, I would like to suggest an immediate investigation into the school department's attempt to sell the Ira Allen and Taft School buildings and to buy St. Joseph's School.

Thank you.

Sincerely,

Martha R. Lang.

cc:

Daloz, Todd, Assistant Attorney General, The State of Vermont.

McDermott, John, Apostolic Administrator, The Roman Catholic Diocesan of Vermont.

McNeil, Colin, Attorney, The Burlington School Department.

Sullivan, Thomas, President, The University of Vermont.

Weinberger, Miro, Mayor, The City of Burlington.

RECEIVED  
JAN 22 11:52  
BURLINGTON  
SCHOOL DEPARTMENT  
OFFICE