



**EXECUTIVE SUMMARY**

On July 20, 2012, Fourth River Development was directed to evaluate 19 closed school properties and present recommendations designed to maximize property values through enhancement procedures leading to site-specific disposition strategies as well as detailed preliminary asset management strategies.

**The 19 closed schools are:**

Northview Heights	McNaugher	Mann	Sheraden (Schaeffer)	
Stevens	Schaeffer	Beltzhoover	Knoxville	Bon Air
Murray	Burgwin	Gladstone	Madison	Fort Pitt
Rogers	McCleary	Morningside	Belmar	Homewood (Old)

FRD was also directed to include Columbus School in this property enhancement process, which brings the number of former schools to 20.

FRD reviewed School District **policies and procedures** that impact property values and disposition, as well as **evaluating the marketability of the individual properties**.

The overall approach was that of an **independent third-party using an “Owner’s” point of view** to look for possible opportunities and hindrances that may not be apparent to School District management and Board Members.

**GENERAL RECOMMENDATIONS**

1. Work within Board Policy and the School Code to use all available means to sell/dispose of these 20 properties.
2. Utilize proceeds from recent sales of former District schools to offset the outstanding debt of the current 20 properties.
3. Establish a “reuse program” of operating equipment from closed schools.
4. Inventory each school for artwork, valuable artifacts, and memorabilia worth salvage and retention by the School District.
5. Inventory and remove furniture, supplies and non-operating equipment from schools.
6. Retain all mineral rights upon sale of any School District real estate (not just these 20 properties).
7. Investigate utility usage and maintenance procedures to look for cost saving measures.
8. Bundle school properties.
9. Initiate a marketing effort for properties identified as having a high potential for sale.

10. Initiate a search for state and federal remediation funds to assist in the removal of hazardous materials from schools.
11. Work with other local agencies that own or control public property to consider (1) cooperative efforts to market adjacent or nearby properties and (2) transfer/trade ownership of properties to enhance particular assets.
12. Offer the 20 former school properties and all other currently operating school properties as candidates for mobile communication cell sites and billboard locations for revenue enhancement.
13. Order Appraisals and Install Appropriate Signage.
14. Revise District "Properties for Sale" webpage.

### SITE SPECIFIC RECOMMENDATIONS

No	Facility Name	Address	Year Closed	Debt	Annual Operating Cost	FRD Recommendation
1	Northview Heights	310 Mt. Pleasant Road	2011	\$1,956,680	\$39,000	Negotiated Sale
2	McNaugher	2610 Maple Street	2011	\$532,380	\$38,500	Negotiated Sale
3	Mann	2819 Shadeland Avenue	2006	\$33,580	\$26,000	Negotiated Sale
4	Sheraden (Schaeffer)	3128 Allendale Street	2011	\$229,880	\$21,450	Negotiated Sale
5	Stevens	822 Crucible Street	2011	\$564,860	\$25,900	Negotiated Sale
6	Schaeffer	1235 Clairhaven Street	2011	\$296,710	\$15,450	Negotiated Sale
7	Beltzhoover	320 Cedarhurst Street	2004	\$32,000	\$23,400	Demolition
8	Knoxville	90 Georgia Street	2008	\$616,770	\$71,700	Retain as warehouse
9	Bon Air	252 Fordyce Street	2011	\$18,000	\$18,000	Negotiated Sale
10	Murray	800 Rectenwald Street	2011	\$379,000	\$33,900	Negotiated Sale
11	Burgwin	5401 Glenwood Avenue	2006	\$244,600	\$27,200	Negotiated Sale
12	Gladstone	327 Hazelwood Avenue	2001	\$43,050	\$80,200	Demolition
13	Madison	3401 Milwaukee Street	2006	\$65,499	\$29,800	Negotiated Sale
14	Fort Pitt	5101 Hillcrest Street	2011	\$1,863,870	\$46,000	Negotiated Sale
15	Rogers	5525 Columbo Street	2009	\$93,125	\$39,000	Limited Marketing/Donation/Demolition
16	McCleary	5251 Holmes Street	2011	\$19,100	\$18,550	Negotiated Sale
17	Morningside	1802 Jancey Street	2006	\$9,180	\$21,150	Negotiated Sale
18	Belmar	7109 Hermitage Street	2011	\$1,344,350	\$63,650	Demolition
19	Homewood (OLD)	7100 Hamilton Avenue	2011	\$152,960	\$43,000	Negotiated Sale
20	Columbus	1805 Buena Vista Street	2006	\$657,893	NA	Negotiated Sale
				\$9,146,318	\$681,850	