

RV05.	Develop a strategy for marketing the District's vacant and unneeded properties and maximizing short-term (sales proceeds) and long-term (real estate tax) revenues.	
	Target outcome:	Generate immediate sales proceeds and ongoing real estate tax revenue and avoid costs of maintaining the properties.
	Five year financial impact:	\$10.0 million
	Responsible party:	Board/Superintendent/Business Manager

The District has multiple properties that are not currently being used. In addition, projections based on live births and other available information suggests that the District will continue to lose student enrollment over the next five years. Since it is not likely that they will be needed by the District, a thorough and comprehensive feasibility study of all of the District's properties should be done to develop a long-range plan for their use, including an identification of any that should be put up for sale. Professional consultants working in conjunction with the District would be able to consider all aspects of these decisions, including the need to preserve sufficient collateral for current outstanding debt.

The financial impact of this item will depend heavily on which buildings are sold, when they are sold, and what the overall real estate market is at the time of the sales. It is impossible to predict with any precision at this time, but the following table is meant to illustrate a pattern of revenue that might reasonably be expected to be realized over a multiple-year period. The cumulative estimate for proceeds is much more important than the precise timing of the revenues.

The District shall ensure that a feasibility study and enrollment projection are done to determine the future building needs for the District, the buildings which best serve those needs, the marketability of the excess buildings and land, and a plan for disposing of those facilities based on district needs and the market values. The study shall, among other things, contain information that clearly demonstrates that the District has legal authority to enter into a valid agreement of sale for any buildings or land. Such plan shall take into consideration economic development initiatives being undertaken by the City and other government and non-for-profit agencies. The proceeds of any property sales shall be deposited in the District's capital fund and their future use restricted to capital construction, renewal or rehabilitation projects.

Financial Impact

2013-14	2014-15	2015-16	2016-17	2017-18	Total
\$0	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$10,000,000