

**Vacant School Re-Use Project
Final Report**

**Prepared for A+ Schools
By the Community Design Center of Pittsburgh and Cool Space Locator**

September 13, 2006

Executive Summary

Early in its formation, A+ Schools identified vacant school re-use as an important opportunity for collaboration between community development and education reform. A+ Schools, with the support of The Heinz Endowments, launched the Vacant School Re-use Project (VSRP) in 2004 by convening community development stakeholders and hiring the Community Design Center of Pittsburgh and Cool Space Locator to conduct the analysis. The project was originally conceived to take approximately six to eight months, but – because of two decisions not to participate by the Pittsburgh Public Schools (PPS) School Board that held up the process – the project spanned almost two years, abruptly ending in April 2006.

Although the project as originally envisioned was not completed, the Project Team developed the following set of key recommendations:

- Pittsburgh Public Schools should seriously consider the possibility of selling the entire inventory to an intermediary so that it can focus its attention on educating students.
- Communities affected by closed schools should have ongoing and regular access to good information about the process of school disposition, as well as formal input into the process of redevelopment. The District should develop a policy about community input that is applied consistently across neighborhoods.
- Pittsburgh Public Schools should resist the temptation to sell buildings quickly. Higher values and greater public confidence can be garnered by a proper due diligence process.
- A pool of public and private resources should be developed and dedicated to financing planning for and re-use of vacant school buildings.

What follows is a report of the project findings to date and recommendations for moving forward

Background

Pittsburgh Closes Record Number of Schools

In 2006 the Pittsburgh Public Schools (PPS) completed its school consolidation effort. Urgent financial pressures drove the process and its ambitious timetable as the District acted to reduce its overhead immediately or risk a much larger fiscal crisis. Superintendent Mark Roosevelt’s “Right Sizing Plan” succeeded in closing eighteen schools in addition to the many that had closed in recent years. Roosevelt speculates that the “Right Sizing” process may be a national precedent: the largest number of city schools closed at a single time. While a handful of these facilities have been converted to other uses, the result is that 39 public school facilities throughout the City of Pittsburgh are now vacant or no longer used as public schools.

Number of schools vacant or not in service	39
Total building area	2,870,540 square feet
Total site area	150 acres
Average building size	73,604 square feet
Average site size	4 acres
Average building age	77 years

No Plan for the Closed Schools – a Looming Crisis for Communities

While District officials necessarily focused on the complex logistical, political and educational issues raised by the school closing process, the consequences to Pittsburgh’s communities of having this much significant real estate become vacant at once looms as a largely unaddressed challenge. Most of these properties are in communities that are economically distressed. The scale of the school closings has garnered much interest in the local press and elsewhere. However, there is no comprehensive discussion about the problem these facilities – once empty – may create for communities, nor is there any consensus among District officials or community leaders about how these closed buildings are to be handled. What’s more is that there is no working group within the school district charged with considering these issues and developing a plan. Approximately 75% of closed facilities owned by PPS are located in census tracts that are eligible for Community Development Block Grant funding (low-moderate income tracts).

A Community Development Effort – the Vacant School Reuse Project

In June 2004, A+ Schools hosted a workshop for community development practitioners to discuss issues and opportunities for vacant school re-use. The workshop was well-attended, and it generated great ideas and momentum for moving forward. Specifically, the group suggested initiatives to help PPS and neighborhoods assess the re-use potential for vacant school buildings.

Following the meeting, A+ Schools assembled a Steering Committee of technical assistance providers and stakeholders to develop and manage a plan of action. The Steering Committee includes the Pittsburgh Public Schools (PPS), Urban Redevelopment Authority (URA), Department of City Planning (DCP), Pittsburgh History & Landmarks Foundation (PHLF), Community Design Center of Pittsburgh (CDCP), Cool Space Locator (CSL), and Carnegie Mellon University’s Center for Economic Development (CED). This team, working with resources from a grant from The Heinz Endowments, became known as the Vacant School Reuse Project (VSRP). The group worked independently of school officials, but was solicitous of their input and support. The Steering Committee of VSRP determined that an analysis of the vacant school inventory was needed that evaluated potential opportunities and challenges, and recommended a process for addressing the sale and re-use of current and future closed schools.

Goals

The initial goal of the VSRP was to help Pittsburgh Public Schools and neighborhoods understand re-use potential for vacant schools and develop a standardized process for dealing with current and future vacant school inventories. Specifically, the project would:

- Inform public discussion about the real challenges and opportunities with re-using vacant schools, especially with regard to building value
- Develop a process for future re-use analysis and disposition of vacant school buildings and other publicly owned buildings
- Develop a re-use analysis for at least three vacant school buildings in terms of market value, building/architectural adaptation, re-use opportunities, and development financing

In the course of its work the VSRP team considered the following issues:

- What is the future of the closed school buildings?
- What is the best process for selling or otherwise disposing of the buildings that insures the best outcome for communities and the school district?
- What is the legal and/or regulatory environment that impacts the disposition of the schools?
- How might communities provide input into development choices?
- How do communities protect against developments that appear promising but do not materialize, and avoid the buildings becoming blighting influences?
- How can neighborhoods preserve these buildings so they remain the important & central structures in the public realm they enjoyed as schools?
- Is there a market for these properties? What is that market? What happens if there is no market for some schools?
- What are the challenges – financial and otherwise – developers might face in redeveloping these buildings?
- What are the costs of redevelopment? How feasible are these redevelopments financially?
- What other options exist for these properties if redevelopment is found to be unfeasible?
- What data might be developed that could be useful in supporting productive redevelopment?

Scope of Work

Work for the VSRP proceeded under the direction of the Steering Committee along several simultaneous paths including research on best practices; data collection regarding the schools themselves; outreach to the PPS staff, particularly the facilities staff; meetings with developers and architects and tours of the schools themselves. Ultimately, the work culminated in the analysis that follows in this report. Below is the process that was outlined by the Project Team at the onset of the project:

Phase I: Developing Priorities & Criteria (October 05 to February 06)

- Participate in planning meetings to define values/priorities, criteria, data analysis, and process for evaluating vacant schools and other city-owned facilities.
- Participate in planning meeting to draft collective values/priorities, criteria, data analysis, and process
- Develop and produce data for use in evaluating buildings and selecting buildings for further review
- Assemble information (data, plans, reports, etc.) on buildings
- Participate in evaluation of all closed schools (current as well as those identified in forthcoming school closure plan) against priorities, criteria and data
- Participate in the selection of up to 7 schools for further examination
- Meet with School Board Business & Finance Committee

Phase 2: Data Collection & Analysis (February-March 06)

- Benchmark national best practices
- Engage architectural consultants and developers

- Participate in Steering Committee workshop to review analysis and selection of representative cases
- Draft evaluation structure & tour questions
- Tour buildings with architectural and development consultants
- Respond to developer requests for additional data analysis
- Summarize and document findings from tours
- Participate in the selection of 3 buildings to serve as case studies
- Solicit input from CBO's/CDC's (1 mtg per selected bldg)
- Participate in post-tour design workshop with development and architectural consultants
- Perform architectural test fits and develop recommendations and conceptual cost estimates
- Meet with Steering Committee to review recommendations
- Meet with School Board Business & Finance Committee

Phase 3: Recommendations (April-May 06)

- Refine evaluation structure and prepare recommendations and draft report
- Meet with Steering Committee to review recommendations
- Revise and complete final report
- Meet with School Board Business & Finance Committee
- Present findings (to School Board, Community Stakeholders, Public)

Work Narrative

Architect and Developer Input

In order to better understand architectural and development challenges associated with re-use of the buildings, CDCP and CSL assembled a team of consultants to tour the buildings and offer professional insight into opportunities and challenges associated with their re-use. Developers were sought that had specific experience in working on older and larger-format institutional properties and reusing these buildings as multi-unit housing, elder care facilities, and office buildings that could provide insight into the specific constraints to redevelopment such properties present. CSL assembled a team of local developers who volunteered their time for this effort. They included Brooks Robinson Jr., RIDC; Jim Aiello Jr., Aiello Development; Victor Rodriguez, am Rodriquez Associates; Ernie Sota, Sota Construction; and Bill Gatti and Nicole Mance, Trek Development.

Following a Request for Proposal and selection process, the CDCP engaged Renaissance 3 Architects (R3A) to serve as the architectural consultant. As the architectural consultant, R3A was asked to participate in the planning workshop and community meetings and to tour and evaluate six selected buildings in respect to zoning, building code, and life safety issues. In addition, the firm was asked to develop conceptual, "thumb-nail" sketch plans to illustrate re-use strategies for up to three buildings. R3A participated in the January 2006 planning workshop and tours of the first four buildings in February.

Planning Workshop

On January 17, 2006 the Project Team hosted a Planning Workshop at CDCP that was attended by Steering Committee members and project consultants. At the meeting, the Project Team provided an overview of the project, and facilitated a discussion that led to the selection of seven buildings to tour, and established a set of criteria to be used as the basis for evaluation of each structure. These criteria included the following: local market, neighborhood context, architecture, building condition, site issues, re-use options, and renovation costs. The CED assisted with the process of selecting school facilities using data from the Pittsburgh Neighborhood and Community Information System. This information also was used to provide developers and other tour participants with information about markets and neighborhood conditions. A summary of the Planning Workshop discussion is attached.

Building Tours

In April 2006 the Project Team and their consultants completed tours of the following four buildings over two days: Beltzhoover, Arlington, Regent Square, and South VoTech. CSL gathered information from PPS – floor plans and facility reports – about each building in advance of the tours. After the tours each day, the Project Team facilitated a brief discussion to review observations and impressions from the tour. Participants also completed a brief tour questionnaire that was developed using criteria established at the Planning Workshop and captured their observations and comments that have been incorporated into this report. A copy of the tour questionnaire is attached.

Conferring with PPS Stakeholders

Over the course of the project, Project Team members met with several members of the PPS School Board, the PPS Superintendent and with Ira Weiss, legal council retained by the School Board. (Members of the PPS facilities staff, including Richard Fellers the head of operations for the PPS, were part of the Project Team.)

In April of 2006 the Project Team presented the overview of the VSRP work plan and goals to the School Board during their routine Business & Finance Committee meeting. Though several members of the Board were receptive to the effort, the project also elicited the concerns of others. It was clear after the meeting however, in subsequent dialog with individual board members with members of project team, that there was no consensus among the Board members about whether or under what conditions the Board could endorse the process.

After the presentation to the school board, individual members of the Project Team met with Ira Weiss to help clarify the legal requirements that PPS had to meet when selling schools and to discuss what options exist for transferring ownership of the schools.

Activities Completed

The attached Project Chronology chart details the sequence of specific activities and dates between development of the project parameters and scope in December 2004 and when the project was placed on hold in April 2006. Major activities completed include:

- Meetings with facilities staff of the Pittsburgh Board of Education
- Tours of schools with PPS facilities staff, architects retained by VSRP, and a team of developers and contractors that served as volunteers to the project.
- Consultation with attorneys to review the legal issues pertaining to the disposition of schools in the Pennsylvania State Code
- Presentations to the Pittsburgh Board of Education and Superintendent Roosevelt
- Assembling all existing data for the closed school buildings into a single data file

Work Not Completed

A series of setbacks and delays impinged upon the project as it was originally conceived. As a result, several of the tasks originally envisioned as part of this project were not completed. The project was abruptly stalled twice by the School Board. As a result, at two points in the process the VSRP was denied access to the school buildings. The VSRP steering committee concluded that going forward with the feasibility analysis of individual buildings was neither practical nor possible. The project was put on hold indefinitely in April 2006. This document was developed, in lieu of the completed project as it was originally conceived, to provide a summary of the project, including the scope of work and goals, work completed to date, lessons learned, and recommendations.

Community Input

Given the pivotal role that school buildings play in neighborhoods, community input has been considered integral to the planning process for this project. As part of the scope of work, meetings with community stakeholders – representative community development corporations and community-based organizations – were planned during Phase 2, following tours of the buildings by the Project Team. At these meetings, the Planning Team intended to: provide an overview of the project, review initial findings and recommendations from the building tours, and solicit input on potential re-use scenarios. Representatives from the architectural and development consultant team were asked to attend the meetings to address questions and provide professional insight into the opportunities and challenges. Invitations were mailed and meetings scheduled for April, but without permission from the School Board to finish the building tours, there was no basis on which to hold the meetings, so the team cancelled the meetings and decided instead to summarize its work to date and formulate recommendations for a future process.

Recommendations & Conclusions

Developer and Architect Findings

Building/Facility Constraints

Based on a close review of the portfolio of closed buildings by the VSRP team as well as real estate developers, construction contractors, and architects, it is clear these facilities will face enormous challenges in being redeveloped productively. The buildings are quite large (ranging in size from 15,000 to over 200,000 square feet, antiquated (average age 77 years), and – in most cases – in need of costly upgrades and environmental abatements. Many of the buildings are on sites that cannot meet contemporary parking or access requirements. While a small number of the buildings have attracted the attention of developers, more often than not, the schools are situated in communities with weak markets.

Building tours with architect and developer consultants confirmed the Project Team's initial suspicions. While some of the buildings offer attractive features – such as location and historic character – the majority face significant hurdles to redevelopment. These include:

- Older structures that require significant upgrading and maintenance to meet current building codes and use
- The large scale of the buildings and spaces within – such as auditoriums and gyms – that can be difficult to reprogram
- Excessive common space, particularly wide hallways and stairs in the older structures, that reduce leasable space
- Little or no existing or potential for onsite parking
- Accessibility challenges due to steep grades, raised entries, and lack of elevators
- Environmental issues including asbestos and lead paint
- Weak real estate market and market demand in many communities
- Visible blight and lack of vitality in surrounding communities
- High costs associated with building renovations
- Isolation of and limited access to some buildings
- Typical sealed bid process used by the District to dispose of property that does not allow for a due diligence process during which developers could further investigate the challenges noted above and create more informed development plans.

Overall Recommendations

Based on its work over 18 months, the VSRP Team makes the following recommendations:

- The school district should resist a quick sale of the most marketable properties and consider a systematic and universal approach to the evaluation and disposition of the closed schools as a portfolio.
- The School District should adopt criteria for buyers of the school properties (beyond highest price) in order to insure that developments go forward with responsible parties. One possible process, borrowed largely from the URA, is included as part of this report.
- Communities affected by closed schools should have ongoing and regular access to good information about the process of school disposition, as well as formal input into the process of redevelopment. The District should develop a policy about community input that is applied consistently across neighborhoods.
- The possibility of shifting the entire portfolio of closed schools to another entity should be seriously considered. This option may allow the district to get out from under the overwhelming burden of presiding over the disposition of each closed building one by one, while, at the same time, managing the immediate liability represented by the closed schools. The process of disposition of these real property assets is a management task that VSRP believes will take full-time staff, with specific expertise in real estate, a number of years to manage effectively.
- State and local government, as well as foundations that support community reinvestment in the Pittsburgh region, should begin to immediately consider their role in the support of the productive redevelopment of closed schools. Specifically, effort should be made to develop financial and institutional resources that will aid in school redevelopment in order to reduce the burden to communities. Without significant and new sources of supportive financing specifically for the redevelopment of closed schools the vast majority of the closed schools may remain vacant for many years to come. That situation could have dire consequences for many Pittsburgh neighborhoods, the School district, and the quality of life in the region as a whole.

Going Forward

VSRP has reached the end of its initial inquiry into the potential of reusing Pittsburgh's closed public school buildings. Unfortunately, the VSRP was unable to meet its objectives as originally conceived and is only able to deliver a fraction of the analysis that was hoped for at the outset. Yet the challenge of having a closed school is just becoming apparent to most affected communities. After this report is distributed to stakeholders in the process – including school officials - an agenda and timetable for acting on the preceding recommendations should be developed over the early fall of 2006. It is intended that new resources and partners should be identified and developed that can help facilitate the implementation of these recommendations over the course of the next 12 months. The Project Team offers the following recommendations for next steps:

- Identify a community-based organization or coalition to lead continuing efforts regarding vacant school re-use.
- Draft an OpEd piece that raises visibility for the issue and project
- Host local educational session(s) with national experts and other municipalities that have addressed similar challenges to expose school board and local stakeholders to the challenges and opportunities

- Develop a community outreach/public relations strategy to promote awareness and advocacy; consider leveraging the Pennsylvania Historical and Museum Commission's year-long *Educate Yourself About Preservation: Preserving Pennsylvania's Historic Schools* campaign
- Promote the project via a community development annual town hall meeting and/or similar venues
- Hold PPS accountable for their actions and responsibility to act in the public's best interest as they negotiate the process for the sale of closed buildings

Project Participants

Project Team

Carey Harris, A+ Schools

Anne-Marie Lubenau and Jason Vrael, Community Design Center of Pittsburgh

Kyra Straussman, Cool Space Locator

Jerry Paytas and Bob Gradeck, Carnegie Mellon Center for Economic Development

Steering Committee

Carey Harris, A+ Schools

Anne-Marie Lubenau and Jason Vrael, Community Design Center of Pittsburgh

Kyra Straussman, Cool Space Locator

Jerry Paytas and Bob Gradeck, Center for Economic Development

Lena Andrews, Pittsburgh Department of City Planning

Cathy McCollom, Pittsburgh History & Landmarks Foundation

Richard Fellers, Pittsburgh Public Schools

Tom Link, Urban Redevelopment Authority of Pittsburgh

Architecture and Development Consultants

Deepak Wadhvani and Mark Weber, R3A Architects

Brooks Robinson Jr., RIDC

Jim Aiello Jr., Aiello Development

Victor Rodriguez, am Rodriguez Associates

Ernie Sota, Sota Construction

Bill Gatti and Nicole Mance, Trek Development

Attachments

- Project Overview
- Project Chronology
- January 17th, 2006 Planning Workshop Discussion Summary
- Building Tour Questionnaire
- Recommendations on Disposition Process
- Closed School Data File
- State Statute on Selling Public School Buildings

Vacant School Project Project Overview

A+ Schools hosted a workshop for community development practitioners last June of 2004 to discuss issues and opportunities for vacant school re-use. The workshop was well-attended and generated great ideas and momentum for moving forward. Specifically, the group suggested initiatives to help Pittsburgh Public Schools and neighborhoods assess the re-use potential for vacant school buildings.

Following the meeting, A+ Schools assembled a team of technical assistance providers and stakeholders to undertake a re-use analysis for PPS vacant school inventory. This team includes the Pittsburgh Public Schools, Urban Redevelopment Authority, City Planning, Pittsburgh History and Landmarks Foundation, Community Design Center of Pittsburgh, Cool Space Locator, and Carnegie Mellon University's Center for Economic Development. The goals of the re-use analysis are as follows:

- Inform the public discussion about the real challenges and opportunities with re-using vacant schools, especially with regard to building value.
- Develop a process for future re-use analysis and disposition of vacant school buildings and other publicly owned buildings
- Develop a re-use analysis for at least 3 vacant school buildings in terms of market value, building/architectural adaptation, re-use opportunities, and development financing

A+ Schools is contracting with the Cool Space Locator, Center for Economic Development, and the Community Design Center of Pittsburgh to undertake the analysis. The scope and timeline for the project are as follows:

Phase I: Developing Priorities & Criteria (October 05 to February 06)

- Participate in planning meetings to define values/priorities, criteria, data analysis, and process for evaluating vacant schools and other city-owned facilities.
- Participate in planning meetings to draft collective values/priorities, criteria, data analysis, and processes
- Develop and produce data for use in evaluating buildings and selecting buildings for further review
- Assemble information (data, plans, reports, etc.) on buildings
- Participate in evaluation all closed schools (current as well as those identified in forthcoming school closure plan) against priorities, criteria and data
- Participate in the selection of up to 7 schools for further examination
- Meet with School Board Business & Finance Committee

Phase 2: Data Collection & Analysis (February-March 06)

- Benchmark national best practices
- Engage architectural consultants and developers
- Participate in Steering Committee workshop to review analysis and selection of representative cases
- Draft evaluation structure & tour questions
- Tour buildings (X total) with architectural and development consultants
- Respond to developer requests for additional data analysis

- Summarize and document findings from tours
- Participate in the selection of 3 buildings to serve as case studies
- Solicit input from CBO's/CDC's (1 mtg per selected bldg)
- Participate in post-tour design workshop with development and architectural consultants
- Perform architectural test fits and develop recommendations and conceptual cost estimates
- Meet with Steering Committee to review recommendations
- Meet with School Board Business & Finance Committee

Phase 3: Recommendations (April-May 06)

- Refine evaluation structure and prepare recommendations and draft report
- Meet with Steering Committee to review recommendations
- Revise and complete final report
- Meet with School Board Business & Finance Committee
- Present findings (to School Board, Community Stakeholders, Public)

A Steering Committee made up of representatives from the Pittsburgh Public Schools, Allegheny County, and City of Pittsburgh is overseeing the project.

This project can greatly assist Pittsburgh Public Schools and neighborhoods to understand re-use potential for vacant schools and develop a standardized process for dealing with current and future vacant school inventories.

Vacant School Reuse Project Chronology

Date	Description
December 2004 January 2005 February 2005	Established parameters of project; Developed project scope; Created draft matrix of material; Meetings with project team members
March 2005	Research on best practices & projects in other cities; Meetings to discuss findings with project team; Discuss the tour of buildings with PBOE staff and project team.
April 2005	Prepare for A+ School Closing public meetings; Project team meetings; Additional research; Meeting with URA leadership about project.
May 2005	Prepare material; Meeting with CDCP staff.
June 2005	Project discussions with steering committee members; Preparation of materials for PBOE meeting (aborted); Development of criteria matrix on closing schools.
July 2005	Team meeting; Preparation for school tours with PBOE staff.
August 2005	Preparation for school tours; Team meeting; Discussion with team member; Tours of schools with PBOE staff.
October 2005	Meeting at City Planning with project team.
November 2005	Meeting with steering committee; Preparation of materials with team leadership.
December 2005	Meeting with reuse committee (City Council); Preparation of material; Discussions with team members.
January 2006	Meeting with committee (CDCP); Preparing scheduling tours; Preparation for meeting; Discussion with team members.
January 17, 2006	Initial Developer/Architect Meeting at CDCP.
February 2006	Preparations; scheduling of tours; communication with team members.
February 21, 2006	Tour Beltzhoover Elementary and Arlington Middle School with Architects & Developers; follow-up discussion.
February 23, 2006	Tour South Vo-Tech High School and Regent Square Elementary School with Architects & Developers; follow-up discussion.
February 27, 2006	Planning meeting at CDCP.
March 2006	Administration: get developer availability for community meetings, communication with team members; Research in preparation for PBOE meetings; Scheduling and preparation for final tours.
March 6, 2006	Tour South Vo-Tech High School and Regent Square Elementary School with Architects & Developers (Bill Gatti & Nicole Mance)
March 20, 2006	Prep for PBOE Meeting at A+ Schools office.
April 2006	Administration: communication with team members; Research in preparation for PBOE and finance committee meetings; Scheduling and preparation for final tours and community meetings.
April 4, 2006	PBOE and finance committee meeting.
April 25, 2006	Team meeting for planning the next steps of project.
April 17, 2006	Meeting with Ira Weiss, Attorney for PBOE, re: disposition of buildings.
May 8, 2006	Meeting with Ira Weiss, Attorney for PBOE, re: disposition of buildings.

**A+ Schools
School Building Reuse Project
Planning Workshop Discussion Summary**

Attending: Carey Harris (A+), Kyra Strausmann (CSL), Robyn Barber (CSL), Nicole Mance (Trek Dev.), Anne-Marie Lubenau (CDCP), Jason Vrabel (CDCP) Bob Gradeck (CMU), Lena Andrews (City Planning), Brooks Robinson Jr. (RIDC), Jim Aiello (Aiello Dev.), Deepak Wadhvani (Renaissance 3 Architects), Mark Weber (Renaissance 3 Architects), Tom Link (URA), Victor Rodriguez (Rodriguez Assoc.), Ernie Sota (Sota Construction), Bill Gatti (Trek Dev.).

January 17, 2006

Developer evaluation methods and comments

- Start w/ identifying demand by engaging commercial/residential brokers; collect data on absorption rates
- Examine typology of what's been done, e.g. Wightman School (Ernie Sota)
- Undertake market study to assess viability, e.g., senior housing, could this be a HUD 202? Section 8? Etc. (Victor Rodriguez)
- Need compatible floor plates – at least 60' is preferred for senior housing (Ernie Sota)
- Existing construction and materials; steel buildings are more easily adapted than masonry
- What are the potential negatives? Environmental conditions (asbestos), defects, old HVAC, replacement costs, etc. (Nicole Mance)
- Examine proximity to services, demographics, neighborhood observations (housing stock, physical accessibility, stability of neighborhood), competitive analysis (Bill Gatti)
- Amount of common space – more than 25-30% creates problematic pro forma for residential (Bill Gatti)
- Mothballing has high holding costs (Brooks Robinson, Jr.)
- Buildings can be symbolic to neighborhood residents, even more so when there's a threat to remove them
- New construction is superior for senior housing; rehab very difficult (“seniors prefer single story cottages and not schools” – Bill Gatti)
- Good location is important, but benefits can be offset by rehab challenges
- Old buildings might not be able to be brought into compliance with current requirements for senior housing
- Market-rate and upscale housing works well in school buildings
- PHFA affordable housing tax credits are a primary resource; very competitive. Also CDBG (Bill Gatti and Victor Rodriguez)
- Senior Housing: Nursing Homes vs. Assisted Living? A. L. requires separate bathrooms for each apartment, but not much difference in the building itself. (Nicole Mance.)
- Important factors: length of time to break even on the pro forma, market ability. Would like to see benchmark established with the appraisal, then factor in cost of sitting for 15 years (negative factors like pigeons, water, roof decay, etc. Help determine the lower cost of abatement vs. initial cost to offset costs and determine realistic prices for the buildings at onset. (Deepak Wadhvani – R3A)
- Is there room for the building to expand? (Ernie Sota)

Main Objectives for the Project

- High Return
- Viable projects
- Community buy-in/support
- Transparent process
- Management of expectations (of all involved – the District, the developers, the communities)
- Get buildings back on the tax rolls – “performing buildings” (not sitting vacant)

Building Evaluation

During the building tours, all participants will evaluate the buildings with the following criteria:

1. Evaluate Market (competitive analysis – who else is selling? Who is potential competition?)
2. Neighborhood Observation
3. Building Type (potential)
4. Structural Integrity
5. Re-use Options
6. Rehab Costs
7. Access, Parking , Site Conditions
8. Community Vision (existing community plan/vision)

Building Selection

Team reviewed the complete list of school buildings currently closed, and those proposed to be closed through the Right-sizing Plan. Each building was evaluated against criteria including size, market strength of neighborhood, capacity of nearby community-organizations, geography, and other factors. The team selected seven buildings (plus two “fall-back” options) that best represented a balance of these criteria for the purpose of touring and evaluating based on the elements listed above. Tours of any buildings that are currently open but on the Right-Sizing Plan list will not be toured until the School District votes on the plan in February. Tours of currently closed buildings will be scheduled by Cool Space Locator and will take place in January or February. Following the tours will be a workshop.

Next Steps

- Create contact list for project team (A+)
- Formulate tour questions/building evaluation criteria (CDCP)
- Schedule tours and workshop (CSL)
- Create packets of available information for each closed school (A+)

**A+ Schools
School Building Reuse Strategy**

**Building Tour Questions
February 14, 2006**

During your tour of each building, please consider the following issues. Using this worksheet as a guide, come prepared to discuss your evaluation of each structure in respect to the following issues at the Post-tour Debriefing Session following the building tours each day.

Local Market

- What is your perception of the local market based on personal observations, experience, data?
(weak) 1 2 3 4 5 6 7 8 9 10 (strong)
- What market opportunities exist? List: (housing, business, education, other)
- What other transactions are occurring that are relevant to this building/project? List:
- Do you believe the market may improve in the future?
Unlikely 1-5 yrs 5-10 yrs 10 or more

Notes:

Neighborhood Context

- What is your perception of the neighborhood surrounding the school building?
(weak) 1 2 3 4 5 6 7 8 9 10 (strong)
- What are the neighborhood's assets? List:
- What are the neighborhood's liabilities? List:

Notes:

Architecture

- What is your overall perception of the building's architectural character?
(poor) 1 2 3 4 5 6 7 8 9 10 (good)
- What are significant assets? List:
- What are significant liabilities? List:
- What are significant opportunities? List:

- What are significant challenges? List:

Notes:

Condition/Structural Integrity

- What is your perception of the buildings condition?
(poor) 1 2 3 4 5 6 7 8 9 10 (good)
- What are major issues for concern? List:
- Are there significant unknowns? List:

Notes:

Site Condition, Access, and Parking

- What is your perception of the overall site conditions?
(poor) 1 2 3 4 5 6 7 8 9 10 (good)
- What are significant site assets? List:
- What are significant site liabilities? List:
- What is your perception of the overall site access?
(poor) 1 2 3 4 5 6 7 8 9 10 (good)
- What is your perception of the potential for parking?
(poor) 1 2 3 4 5 6 7 8 9 10 (good)

Notes:

Re-use Options

- What is your perception of the building's re-use potential?
(poor) 1 2 3 4 5 6 7 8 9 10 (good)
- What are the primary re-use options? List: (housing, office, education, other)
- What are significant limitations? List:
- What are significant opportunities? List:

Notes:

Renovation Costs

- Provide opinion of probable cost for the renovation of the building based on the re-use options identified above. Provide a simple description of rationale for basis (such as square foot, line item costs, etc.)

Notes:

Other Observations or Comments not already noted:

Vacant School Acquisition: Acquiring Pittsburgh Public School Property

Recommendations on Disposition Process

Prequalification of Developers:

1. On-going process to establish developer qualifications of prospective purchaser/developer. Includes preliminary credit and capacity analysis to determine proposed buyer's financial and professional capability.
 1. Analysis of development team (references, experience, etc.)
 2. Analysis of financial statements (i.e. annual reports, balance sheets, credit history, bank statements, etc.)
 3. Solicit feedback from network of financing, government, community and development partners to determine credit worthiness and capacity of development team
 4. Prospective purchaser must be current on all taxes, water and sewer charges due on the property currently owned by the purchaser.
 5. Other

Sealed Bid Process

2. School Board or its designee determines terms and conditions of sale to include, but not be limited to:
 - Pre-qualified developer
 - Minimum bid price
 - Minimum Option Price
 - Preliminary Development Plans
 - Commitment to procure:
 - Evidence of Community Support
 - Evidence of Financing
 - Zoning approvals
 - MBE/WBE participation
3. School Board or its designee publicly advertises request for sealed bids/proposals and established deadline for submitting bids/proposals.
4. Prospective purchasers submit bid/proposal by deadline to purchase property including evidence of meeting terms and conditions (Proposal Package)
5. PPS (or designee) opens and reviews bids/proposals for completeness. Bids/proposals are scored based on terms and conditions and re-use rubric (Score sheet).
6. Highest scored redeveloper may either a) enter into Option agreement to complete due diligence (typical) or submit development proposal
7. Option terms, price and payments negotiated and Option is executed (typically 6 months with 6-month extensions at Optionor's (i.e. PPS) discretion
8. Redeveloper exercises Option by submitting development proposal (see process below)

9. Redeveloper submits Proposal (including proposal drawings) and Good Faith Deposit of 10% of purchase price.
10. Review by community group (if required)
 1. Note: this review could (an often does) happen prior to entering into Option or sales agreement
11. PPS Board Action. If redeveloper's Proposal is approved, the redeveloper may be required to make a monthly payment to the PPS of 0.5% of purchase price.
12. Preliminary (or final) MWBE Plan approval (if required)
13. School Board Action
14. Disposition Contract executed
15. Redeveloper submits preliminary drawings for PPS (or designee) approval
16. Redeveloper submits final working drawings & specifications for PPS (or designee) approval
17. Redeveloper submits evidence of financing for PPS (or designee) approval
18. Final MWBE Plan approved
19. Closing - conveyance of title
20. Construction start
21. Construction completion
22. Issuance of Certificate of Completion to release certain Deed covenants
23. Return of Good Faith Deposit

Name	Building Closed	Year Closed	Current Use	Lot/ Block	Year Built	Building SF	Site Acres	Historic status	PHLF plaque	City Historic Structure	National Register Status	PHLF Right of First Refusal	No. of Floors	Appraisal	2003 County Assessed Value**
Arlington Middle, 2429 Charcot Avenue Belzhoover Elementary	no	2004	none reopening as: Early Childhood center	013 L 211	1964	25,310	0.49	none	no	no	no		3	\$160,000	\$680,200
* 320 Cedarhurst Street (includes Demountable)	yes	2004	none	015 M 131	1905	60,023	1.89	Designated & Thematic	yes	yes	yes		3	\$67,000	\$950,700
Boggs Elementary, 850 Boggs Avenue	yes	1985	offices	015 J 125	1923	19,245	1.67	none	yes	no	yes		3	\$115,000	\$621,700
Bon Air Elementary, 252 Fordyce Street	yes	2006	none	034 M 062	1955	14,563	0.34	none	no	no	no		2		\$464,000
Burgwin Elementary, 5401 Glenwood Avenue	yes	2006	none	057 C 393	1937	67,081	2.84	none	no	no	no		4		\$1,678,700
Chartiers 3799 Chartiers Avenue	no	2004	reopening as: Early Childhood center	071-K-150	1958	25,548	5.61		no	no	no			~	\$1,028,700
Chatham Elementary, 277 Bonvue Street	yes	2006	none	116 A 152	1923	45,887	6.08	none	no	no	no		3		\$1,026,200
Clayton Elementary 1901 Clayton Street	yes	2006	none	023 B 001	1956	53,459	3.55	none	no	no	no		4		\$579,700
Columbus Middle, 1805 Buena Vista Street	yes	2006	none	022 H 092	1965	99,155	3.44	none	no	no	no		5		\$362,600
* Connelly Adult Education 1501 Bedford Avenue	yes	2004	offices	009 R 194	1930	233,822	2.62	standards & thematic	yes	no	yes		7	\$980,000	\$8,528,100
Crescent K-5 8080 Bennett St.	no	2006	reopening for Faison's grades 4-8?	231 N 225	1939	34,246	5.93		no	no	no				
East Hills Elementary, 2150 East Hills Drive	yes	2006	none	231 R 250	1972	92,975	5.63	none	no	no	no		3		\$6,638,100
Friendship Elementary 201 South Graham Street	no	2006			1899	22,212	2.73		yes	yes	yes				
Gladstone Middle School 327 Hazelwood Avenue	yes	2001	storage	056 C 334 056 C 360	1914	142,519	6.77	none					5	\$285,000	\$3,760,400
Greenway 6-8 1400 Crucible Street	yes	2006		020 E 099		80,102	36.35		no	no	no				\$15,536,400
Homewood (old), 7109 Hamilton Avenue Knoxville Elementary & Middle	no	2004	none reopening as: Early Childhood center	125 S 125	1891	33,300	1.48	none					4	\$100,000	\$701,500
324 Charles Street	yes	2006	?	014 P 060	1881	142,519	2.65	standards	yes	no	no		4		\$1,722,200
Lemington Elementary 7061 Lemington Avenue	yes	2006	none	173 A 176	1938	44,172	2.75	Designated & Thematic	yes	yes	yes		4		\$1,443,300
* Letsche 1530 Cliff Street	yes	2004	none	009 R 167 009 R 172 009 R 186	1925	54,962	1.12	standards	yes	no	no		4	~	\$108,500
Madison Elementary 3401 Milwaukee Street	yes	2006	none	026 P 280	1902	46,453	0.85	Designated & Thematic	yes	yes	yes		4		\$760,700
Mann Elementary 2819 Shadeland Avenue	yes	2006	none	045 A 166	1874	56,759	3.16	none	no	no	no		5		\$1,342,900
McCleary 5251 Holmes Street	no	2006	reopening as: Early Childhood center	080 D 309	1900	25,097	1.17		yes	no	yes				\$796,700
Miller Elementary 61 Reed Street	yes	2006	none	010 R 050		149,851	0.492	none	yes	no	no			~	\$1,120,700
Milliones Middle 3117 Centre Avenue	yes	2006	none	027 F 170	1928	149,651	4.8	none	no	no	no		5		\$10,871,200 (including another building?)
Morningside Elementary 1802 Jancey Street	yes	2006	none	121 K 166	1897	36,191	0.78	none	no	no	no		3		\$1,094,800
Overbrook Elementary 2140 Saw Mill Run Blvd Prospect Elementary & Middle	yes	2002	offices	095 E 140	1928	46,678	6.6	none					3	\$420,000	\$3,751,100
161 Prospect Street	yes	2006	none	004 K 166	1931	129,161	3.72	standards & thematic	yes	no	yes		5		\$3,408,200
Reizenstein Middle 129 Denniston Avenue	yes	2006	none	084 M 130	1975	232,735	12.91		no	no	no		2		\$13,062,800 (including another building?)
Regent Square 829 Milton Street	yes	2004	none	176 J 186	1928	33,488	0.8	none					3	\$885,000	\$1,116,400
Ridge Avenue 635 Ridge Avenue	yes	2003	none reopening as: Pittsburgh Gifted Center	008 B 032	unk	44,618	2.8	none					3	\$1,320,000	\$2,068,800
Rogers CAPA 5525 Columbo Street	no	2005		083 E 116	1914	19,325	2.74	Standards	yes	no	no			\$89,000	\$2,553,500
Roosevelt (old) 200 The Boulevard	no	2003	classes for New Roosevelt	060 H 028 060 H 030 060 H 032	1959	13,946	0.81	none					1	\$430,000	\$807,700
Schaeffer 1235 Clairhaven Street	no	---		040 H 099	1960	13,060	1.01		no	no	no				
Schenley High 4101 Bigelow Blvd.	no	?		027 G 320	1915- 1916	320,000	4.18		yes	District	yes				\$11,854,700
Sheraden K-5 3128 Allendale Street	no	2006	reopening as Schaeffer's grades 4-8	042 P 042	1958	25,280	2.47		no	no	no				\$616,300
* South High 930 Carson Street	yes	2004	none	003 L 296	1897	178,000	1.46	Historic District	yes	no	yes		5	\$2,100,000	\$4,855,200
South High Annex	yes	2004	reopening as: Construction Technology Center (on hold)			22,000	0.969								
South Hills High 101 Ruth Street	yes	1986	environ. abatement & partial demo in progress; agreement with URA	015 C 220	1916	228,000	3.42	none	no	no	no		5	~	\$2,342,700
1501 Spring Garden Avenue (includes demountable)	no	2004	2 Headstart & 1 Pre-Kindergarten; reopening as early childhood center	047 S 096	1939	27,969	3.55	none	no	no	no		3	\$145,000	\$763,700
Washington Polytechnic 169 40th Street West Side Elementary 1865 Broadhead Fording Road	yes	2006	none	049 E 201	1908	91,852	0.73	thematic	yes	no	yes		6		\$2,658,900
	yes	2001	none	070 E 185 070 E 241	1922	31,538	3.23	none					2	\$55,000	\$1,165,900

Maximum Placon Replacement Cost	Estimated Demolition Cost	Operating cost/ Year (closed Bldg.)	Neighborhood Character/ Integrity	Market (is there one?)	Market Strength (weak/ strong)	Additions	Renovations	Gymnasium SF	Auditorium SF	Multi-purpose Room SF	Pool	Foundation Type	Floors type	Exterior Masonry	Windows Replacements	
\$2,935,960	\$390,000	\$23,066		senior housing	average	none	1996	none	none	2,442	none	spread footings	concrete	brick	1964	
\$6,962,668	\$769,000	\$37,291	average to low		in the path of progress, 5-10 years	1910	none	1,536	none	3,072	none	sandstone	concrete/ steel	brick/ stone	1984	
\$2,232,420	\$203,000	\$34,012			average	none	none	2,176	none	none	none	concrete/ steel	clay tile	brick/ stone	1968	
			solid residential		weak	none	none									
					weak- Mon Fayette	none	none									
\$2,963,568	\$280,000	\$22,274				1963										
			unstable			none	none									
						none	none									
						none	none									
\$27,123,352	\$3,715,000	\$167,826	near downtown	housing or offices	strong	none	1993	4,992	5,576	7,024	yes	spread footings	concrete	brick/ stone	1985	
			middle of public housing		increasing	none	none									
			good	residential	strong		1961									
\$16,532,204	\$1,924,000	\$60,649			long-term but currently weak	1922 1965	1925 1996	4,176 2,016	2,376	2,448	yes	spread footings	steel/ concrete	brick	1986	
\$3,862,800	\$427,000	\$47,024				1905	1958	none	none	2,400	none	spread footings	steel/ concrete	brick	1988	
			average	residential	long-term but currently weak	1897, 1926, 1931	1954	none								
						none	none									
\$6,375,592	\$817,000	\$19,326				1940	none	2,900	2,016	1,056	none	pread & pier footings	concrete	brick & stone	1978	
						none	1929									
			average			1958	1958									
					increasing											
\$6,319,448	\$728,000	\$39,148		close to downtown												
						1976	1976									
			stable			1925	2000	1925	2000							
\$5,414,648	\$529,000	\$42,008		office campus	weak	1932	1962	1999	3,136	2,400	none	strip footings	concrete	brick	1988	
			average	housing or offices/has views	strong	1936	1979	1936	1979							
						none	none									
\$3,882,608	\$448,000	\$25,995	good		strong	none	none	1,728	2,268	1,188	none	strip footings	structural tile	brick	1989	
\$5,175,688	\$535,000	\$33,666	good	near aviary		none	1966	1996	none	1,536	none	spread footings	concrete	brick	unknown	
\$7,029,368	\$776,000	\$44,466			weak											
\$1,617,736	\$160,000	\$25,616				1978	none	none	none	1,280	none	caissons	slab on grade	brick	1994	
			average		weak											
\$26,102,784	\$3,758,000	\$109,950	good	housing or offices	strong	1924	1940	none	2,400 2,160	5,760	4,032	yes	piles	steel concrete clay tile	brick & stone	1940's
\$26,448,000	\$3,628,000	\$19,075				1925	1969	none	3,600 3,600	9,600	3,200 2,240	yes	spread footings	steel/ concrete	brick	1978
\$3,244,404	\$490,000	\$24,214				none	none	1,344	none	1,600	none	piles	steel/con concrete	brick	1997	
						1928	1937	1928	1937							
\$3,658,408	\$381,000	\$15,449				1946, 1947, 1951 1972	none	none	none	1,056	none	spread footings	concrete	brick	1974	

Roof Replacement	Elevator	ADA Toilets	Mechanical System	Sprinkler System	Electrical System	Alarm System	Parking Spaces	Documents Available
1996	none	none	HW boilers (1999)	none	61.6 KW (2000)	1964	14	1, 2, 3, 4, 8, 9, 10
1997	none	none	steam boilers (1979)	none	73.7 KW (1986)	1985	20	4, 5, 8, 9, 10
1992	none	none	steam boilers (1958)	none	40.6 KW (1958)	1959	48 accessible	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
1986	1997	none	steam boilers (1972)	partial	458.4 KW (1966)	2001	120 accessible	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
1996	none	none	steam boilers (1996)	partial	228.0 KW (1965)	1996	85	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
1996	2003	none	steam boilers (2002)	none	65.4 KW (1990)	2000	23 accessible	4, 5, 6, 8, 9, 10
1997	none	yes	steam boilers in Conn3elley	none	104.8 KW (1971)	1970	37: 24 in gravel, 2 accessible	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
1974	none	yes	steam boilers (1981)	none	94.0 KW (1985)	1974	45	4, 5, 8, 9, 10
1997	none	none	steam boilers (2001)	none	45.6 KW (1972)	1988	none	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
1984	none	none	HW boilers (1965)	partial	93.9 KW 1980	1966	80	4, 5, 9, 10, 11
1997	none	none	HW Boilers (1993)	none	35.6 KW (1959)	1959	none	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
before 1986	none	none	steam boilers (1970)	none	362.4 KW (1969)	1985	none	1, 2, 3, 4, 5, 8, 9, 10 annex not included
			boilers in South High building					
1975	none	none	coal fired steam boiler	none	unknown	1980	50 +/-	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
1986	none	none	steam boilers (1971)	none	49.6 KW (1972)	1987	20: 1 accessible	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
1989	none	none	steam boilers (1989)	none	53.8 KW (1990)	1990	22	1, 2, 3, 4, 8, 9, 10

* Work on this building which utilizes Federal or State funds or licenses must be reviewed by the PA bureau for Historic Preservation
 ** From the Allegheny County Real Estate web-site. Per a discussion with Keefe Ellis or Ellis Real Estate Company, actual appraised values may vary considerably from the County assessment values.

- Documents Available**
- 1 Architectural Plans
 - 2 Mechanical (Plumbing/HVAC) Plans
 - 3 Electrical Plans
 - 4 Site Plans
 - 5 Works Progress Administration (WPA) Surveys
 - 6 Original Building Construction Photographs
 - 7 Original Building Specifications
 - 8 Addition/Renovation Plans
 - 9 Interior Alteration Plans
 - 10 Appraisal Available
 - 11 Environmental Survey Available

Historic Status Definition
 City of Pittsburgh "Designated" and "Historic District" are subject to the "Effects of Designation" as described in the Pittsburgh Historic Preservation Ordinance, Title 11, Chapter 1, "Historic Studies, Districts, Sites, and Objects"

"Standards" must meet preservation and design standards and are reviewed by staff of the Department of City Planning, Pittsburgh Historic Landmarks Foundation is offered an opportunity to comment.

The Board must give Pittsburgh Historic Landmarks Foundation 8 months notice of their intent to demolish these buildings.

Indicates that school is NOT CLOSED



§ 7-707. Sale of unused and unnecessary lands and buildings

The board of school directors of any district is hereby vested with the necessary power and authority to sell unused and unnecessary lands and buildings, by any of the following methods and subject to the following provisions:

(1) By public auction, either on the premises to be sold or at places selected by the school board, after due notice by publication in one or more newspapers of general circulation published within the county or the school district and in the legal newspaper in said county, if any, once a week for three successive weeks before the date fixed for said sales, and by hand bills, one or more of which must be posted on the property proposed to be sold, and at least five of which must be posted at conspicuous places within the vicinity of said real estate.¹ Terms and conditions of sale shall be fixed by the board in the motion or resolution authorizing the sale.

(2) Upon sealed bids requested by the school board, notice of the request for sealed bids to be given as provided in clause (1) of this section. Terms and conditions of sale shall be fixed by the board in the motion or resolution authorizing the request for sealed bids.

(3) At private sale, subject to the approval of the court of common pleas of the county in which the school district is located. Approval of the court shall be on petition of the board of school directors, which petition shall be executed by the proper officers of the board, and shall contain a full and complete description of the land proposed to be sold, a brief description and character of the building or buildings erected thereon, if any, the name of the prospective purchaser, the amount offered for the property, and shall have attached thereto an affidavit of at least two persons who are familiar with the values of real estate in the locality in which the land and buildings proposed to be sold are located, to the effect that they have examined the property, that the price offered therefor is a fair and reasonable one and in their opinion a better price than could be obtained at public sale, and that they are not interested, either directly or indirectly, in the purchase or sale thereof. Before the court may act upon any such petition it shall fix a time for a hearing thereon and shall direct that public notice thereof be given as provided in clause (1) of this section. A return of sale shall be made to the court after the sale has been consummated and the deed executed and delivered.

(4) In the case of land, or any interest therein, acquired by a school district of the first class at any sale on a tax or municipal

For Title 24, Consolidated Statutes, see Appendix following this Title

TERMS: (CANDIDATES)

16/10/17

claim, or on a bid submitted at any judicial sale, where the school district has an interest arising out of unpaid taxes against the premises being sold, or by voluntary conveyance in payment of taxes, the land so acquired may be sold by the school district of the first class, at public or private sale, pursuant to a resolution of the board of public education of such school district, without advertisement, and without further proceedings or confirmation by the court.

(5) The board of school directors may, at their discretion, when selling real estate, sell and convey such real estate to the purchasers for the accepted consideration, payable partly in cash and partly in the form of a purchase money mortgage (and bond) to be paid in not more than five (5) years from the date thereof and bearing interest at the rate of not less than five (5) per centum, said mortgage and bond to contain the customary provisions requiring fire insurance and the payment of taxes, water rents, and assessments by the mortgagor and obligor.

(6) The board of school directors, when selling property at private sale, may engage the services of licensed real estate brokers to secure prospective purchasers, and pay them the customary real estate agents' commission charged within the school district, but only in the event the sale is actually consummated by the brokers.

(7) The moneys derived from sales of real estate enumerated in clause (4) of this section shall be paid into the general fund, along with moneys derived from taxes, and may be used for current expenses of the school district. The moneys derived from sales of other real estate shall be used for debt service or for capital expenditures.

(8) Notwithstanding the foregoing provisions of this section, any school district of the second, third or fourth class, upon approval of two-thirds ($\frac{2}{3}$) of the members of the board of school directors of such district, may convey any unused and unnecessary lands and buildings of the district to the city, borough, town or township, the boundaries of which are coterminous with or within those of the district or a volunteer fire company, volunteer ambulance service or volunteer rescue squad located within the district, without consideration, or for such consideration and on such terms of exchange or otherwise as may be agreed upon, without first complying with the requirements of the foregoing provisions of this section.

All such conveyances to a city, borough, town or township shall contain a clause whereby the lands and buildings will revert to the school district if they are no longer being used for municipal or

authority purposes, with the following exception. If the lands and buildings acquired from a former school district are conveyed to a city, borough, town or township, the boundaries of which are coterminous with or within those of the former school district, the conveyance need not contain a reverter clause. However, all conveyances to a volunteer fire company, volunteer ambulance service or volunteer rescue squad shall contain a clause whereby the lands and buildings will revert to the school district if they are no longer being used for fire, ambulance or rescue services.

(9) Notwithstanding the foregoing provisions of this section, any school district may lease, grant, assign or convey to the State Public School Building Authority, a municipality authority or any profit or nonprofit corporation, partnership, association or person, with or without consideration, in connection with any lease for a school building or project, any lands, easements or rights in lands, together with any improvements, buildings or structures therein or thereon, now owned by the school district or hereafter acquired by it, deemed necessary to carry out the project, as well as furnishings and equipment used or useful in connection therewith.

(10) Notwithstanding the foregoing provisions of this section, any school district may convey any unused and unnecessary lands and buildings which are of historical significance and importance to any legally constituted historical society for historical purposes without consideration or for such consideration and on such terms or exchange or otherwise as may be agreed upon without complying with the other provisions of this section.

(11) Notwithstanding the foregoing provisions of this section, and subject to the limitations herein set forth, any school district, upon approval of two-thirds ($\frac{2}{3}$) of the members of the board of school directors of said district, may convey, with or without consideration, any unused or unnecessary lands and buildings of the district to: (i) A community college organized and existing under the provisions of the "Community College Act of 1963,"² or (ii) The State Public School Building Authority or a municipality authority with which the community college has entered into or is about to enter into a lease rental agreement for the use of the subject lands and buildings.

The conveying school district shall: (i) Be a sponsor of the community college to which the conveyance is to be made, or with which the State Public School Building Authority or the municipality authority to which the conveyance is to be made has entered into or is about to enter into a lease rental agreement for the use of the subject lands and buildings; or (ii) Be coterminous with or includ-

ed within the boundaries of a municipality or county board of school directors sponsoring the community college to which the conveyance is to be made or with which the State Public School Building Authority or the municipality authority to which the conveyance is to be made has entered into or is about to enter into a lease rental agreement for the use of the subject lands and buildings.

1949, March 10, P.L. 30, art. VII, § 707. Amended 1949, April 21, P.L. 677, § 1; 1955, Sept. 27, P.L. 650, § 1; 1957, May 17, P.L. 148, § 1; 1957, July 11, P.L. 775, § 1; 1963, July 31, P.L. 404, § 1; 1967, Oct. 25, P.L. 486, § 1; 1983, Dec. 20, P.L. 267, No. 73, § 2, imd. effective; 1968, July 31, P.L. 796, No. 242, § 1; 1988, Dec. 21, P.L. 1321, No. 169, § 1, imd. effective.

¹ Enrolled bill reads "easement".

² 24 P.S. § 5201 et seq.

Historical and Statutory Notes

Prior Laws:

1945, May 25, P.L. 1020, § 1.
1939, May 11, P.L. 117, § 1.

1911, May 18, P.L. 309, § 602.1, added
1939, May 11, P.L. 117, § 1 (24 P.S. § 672a).

Cross References

Validation of certain sales, see 24 P.S. § 672b et seq.

Library References

Schools ⇐65.
WESTLAW Topic No. 345.

C.J.S. Schools and School Districts
§ 241 et seq.
P.L.E. Schools § 58.

Notes of Decisions

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 - Option to purchase 3
- Review 8
- Use of proceeds 6

1. In general

Under this section, a school board need not fix the terms and conditions of a private sale of unused and unnecessary lands and buildings. In re Petition of Bd. of School Directors of Bentworth School Dist. for Private Sale of Real Estate, 36 D. & C.3d 153, 1985.

Under this section, the initial motion or resolution of a school board authoriz-

ing the sale of a school property must set forth the terms and conditions of the sale, and failure to do so voids any sale made thereunder. In re Sale of Fourth Ward School, 12 D. & C.3d 461, 1979.

A resolution authorizing the sale of a school property "as per the same specification for advertisement" as another property was not sufficient; the terms and conditions of the sale must be set forth, as must instructions as to whether the sale is to be by sealed bid, the time limitations as to when bids may be received, the manner of payment, the amount of down payment required, the terms for closing, etc. Id.

A school district must be given a reasonable time to dispose of real property which becomes surplusage because of a change in the school system. Deaven v.

For Title 24, Consolidated Statutes, see Appendix following this Title

Note 1

School Dist. of West Hanover Tp., 1 D. & C.2d 293, 66 Dauph. 169, 1954.

Act 1939, May 11, P.L. 117, § 1, as amended, now this section was not retrospective and did not apply to cases where a contract to sell was executed before the enactment of the statute. *Tp. of Lower Chichester v. Lower Chichester School Dist.*, 29 Del. 92, 36 D. & C. 616, 9 Som 358, 1940.

Prior to this section, school directors had authority to sell unnecessary land without approval by the court. *Id.*

2. Court approval—In general

This section granting court the power to approve or disapprove a private sale of unused and unnecessary school land and buildings by school district does not give court the power to negotiate for better price, make a new sale or conduct an auction. *Swift v. Abington School Dist.*, 297 A.2d 538, 7 Pa.Cmwth. 26, 1972; *In re Freedom Area School Dist.* Petition, 66 D. & C. 92, 33 Beaver 195, 1974.

Petition of school district for approval of proposed private sale of certain school district property, the court of common pleas exceeded its powers by conducting, after refusing to approve the sale, a public auction sale of the subject property, and therefore the court's order directing conveyance of the property to a third party could not stand. *Petition of Bd. of Public Ed. of School Dist. of Pittsburgh*, 376 A.2d 1009, 31 Pa.Cmwth. 431, 1977.

Since the court below erred in conducting an auction sale of school district property after disapproving proposed private sale of the property, and since the record presented was inadequate to permit the Commonwealth Court to judge the propriety of that disapproval, the order of the court below directing conveyance of the property to another was vacated and the record was remanded for further proceedings. *Id.*

Court approval must be obtained for private sale of real estate by school board; approval or disapproval of proposed private sale is sole function of court, duty to make the sale rests with the board. *Petition of Whitmarsh Tp.*

School Dist., 215 A.2d 644, 419 Pa. 590, 1966.

3. — Option to purchase, court approval

Where an option agreement for sale of unused and unnecessary school land is authorized and has also been approved by board of public education of school district, equitable considerations should operate so as to favorably influence a court's approval of the petition for sale; one of those considerations is whether the interests of the public would be better served if the proposed sale were to be approved. *Petition of Bd. of Public Ed. of School Dist. of Pittsburgh*, 405 A.2d 556, 44 Pa.Cmwth. 468, 1979.

An option to purchase unused school realty gave no additional equities to holder of option as against other bidders when school district board petitioned for approval of sale to holder of option. *Petition of School Bd. of School Dist. of Borough of McKees Rocks*, 62 A.2d 20, 360 Pa. 285, 1949.

4. — Conveyances not sales, court approval

Deed of conveyance from school district to private individuals which recited that conveyance was made in accordance with court order, and was in conjunction with construction of new school, did not violate provisions of this section concerning sales of real estate by school district in that conveyance was not sale; in absence of indication that transfer was sale or abandonment of its real estate, school district's general authority to convey real estate as found in 24 P.S. 7-707 concerning sale of real estate by school districts was sufficient to authorize subject conveyance without further court approval. *Wolcott v. Athens Area School Dist.*, 437 A.2d 98, 62 Pa.Cmwth. 491, 1981.

5. — Higher offers, court approval

A proper exercise of discretion may require approval of a private sale of unnecessary school lands and buildings, despite a higher offer, where circumstances exist which override the difference in the offers; fact that a higher offer has been made is only one factor to be considered by the court, and is not necessarily controlling with regard to

the approval or disapproval of the sale. Petition of Bd. of Public Ed. of School Dist. of Pittsburgh, 405 A.2d 556, 44 Pa. Cmwlth. 468, 1979.

Although a church had given assurances that it would be ready to buy certain unused and unnecessary school land for \$41,400, circumstances existed which overrode difference between this offer and \$36,000, which was sale price in proposed land purchase option agreement in which school district agreed to sell the property to acute care general hospital for use as parking spaces, and thus proposed sale should have been approved, with appropriate provision being made for use of the parking lot by church pursuant to conditions set forth by city planning commission. *Id.*

A proper exercise of judicial discretion may require approval of a private sale of school district property in the face of a higher offer where the price differential is small or other circumstances exist which override the difference in offers. Petition of Bd. of Public Ed. of School Dist. of Pittsburgh, 376 A.2d 1009, 31 Pa. Cmwlth. 431, 1977.

The court may properly approve a private sale of unused and unnecessary school land and buildings by a school district despite a higher offer where the difference in price is small or where other circumstances regarding the sale negotiated by the school district appeal to court's sound discretion. *Swift v. Abington School Dist.*, 297 A.2d 538, 7 Pa. Cmwlth. 26, 1972.

Where offer made by another prospective purchaser at hearing on school district's petition for approval of private sale of unused and unnecessary building and lot was only a prospect of a future offer to buy property and was only slightly higher than sale price negotiated by school district, sale negotiated by school district was properly approved, despite higher offer. *Id.*

Court did not err in disapproving proposed private sale of unused and unnecessary land and returning matter to school board where a third party made an offer approximately 5% higher and where terms and conditions of additional offer were not shown. Petition of

Whitemarsh Tp. School Dist., 215 A.2d 644, 419 Pa. 590, 1966.

Board of school directors makes the private sale and not the court, and where board petitioned for approval of sale to specified person, but substantially higher bids were received from others, court properly refused to approve sale to the specified person, but court could not direct board to sell to one of the higher bidders. Petition of School Bd. of School Dist. of Borough of McKees Rocks, 62 A.2d 20, 360 Pa. 285, 1949.

Court had full discretion over approval or disapproval of any proposed private sale, and could consider adequacy of an increased offer over that of person to whom sale was proposed, and could require a sufficiently guaranteed assurance, if approval was denied; that any such substantially increased offer would be made to the Board of School Directors when the premises were again offered by the Board either at private sale, public sale, or upon sealed bids. *Id.*

Board of School Directors could expose the land to public sale or receive sealed bids in lieu of a private sale, where court refused to approve private sale to person specified in petition of board for approval, because substantially higher offers were received. Petition of School Bd. of School Dist. of Borough of McKees Rocks, 62 A.2d 20, 360 Pa. 285, 1949.

Where, at the hearing on a petition to approve a private sale by a school district of unnecessary lands, a person appeared stating that he represented another person, who was not present, who was willing to pay a larger sum, but the alleged agent presented no authorization in writing from his principal, the school officials present informed the court that the alleged principal had made two prior offers, lower in price than that sought to be approved, and the increase in price was small, the private sale referred to in the petition was approved. *In re Freedom Area School Dist. Petition*, 66 D. & C.2d 92, 33 Beaver 195, 1974.

The court may properly approve a private sale despite a higher offer where the difference in price is small or where other circumstances regarding the sale

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Note 5

negotiated by the school board appeal to the court's sound discretion. *Id.*

Petition for sale of a one-room brick schoolhouse and surrounding land for \$500 to trustees of a community center who would use building and land for benefit of community, was granted, despite fact that an individual who desired to use the building as a private residence had offered \$575. *Petition of Springfield Tp. School Dist., 9 D. & C.2d 608, 1958.*

6. Use of proceeds

Borough school districts' appropriation of amount of net proceeds of their sales of unused and abandoned school buildings and sites to joint school authority, pursuant to covenant in proposed lease of buildings to districts by authority, did not violate this section requiring school districts to use proceeds of sales of realty for debt service or capital expenditures, in view of provision in lease for appointment of receiver on districts' default, districts' payment of sufficient rentals to pay interest on and principal of bonds issued by authority, and § 311 of Title 53 authorizing districts to convey or pay to authority any

interest in property or funds available for building construction or improvements. *Detweiler v. School Dist. of Borough of Hatfield, 104 A.2d 110, 376 Pa. 555, 1954.*

7. Burden of proof

A court will not approve a private sale of unused and unnecessary lands and buildings under this section unless the school board sustains its burden of proving that it formally determined by motion or resolution that the property was unused and unnecessary. *In re Petition of Bd. of School Directors of Bentworth School Dist. for Private Sale of Real Estate, 36 D. & C.3d 153, 1985.*

8. Review

On appeal of order sustaining school district's demurrers to complaint seeking to set aside conveyance of school district property on ground that transfer was illegal, Commonwealth Court could not consider district's arguments that it abandoned subject real estate or that its title to real estate was questionable. *Wolcott v. Athens Area School Dist., 437 A.2d 98, 62 Pa.Cmwlth. 491, 1981.*

§ 7-708. Abandonment of property

No property that has heretofore been acquired by, or conveyed or granted to, any school district for school purposes, or which may hereafter be acquired by any school district for school purposes shall be considered as abandoned until the board of school directors of such district shall pass, by vote of the majority of members of the board, a resolution declaring it to be the intention of such district to vacate and abandon the same, whereupon all right, title, and interest of such district in such premises shall be fully terminated.

1949, March 10, P.L. 30, art. VII, § 708.

Historical and Statutory Notes

Prior Laws:

1911, May 18, P.L. 309, § 603 (24 P.S. § 673).

Library References

Schools ¶65.
WESTLAW Topic No. 345

C.J.S. Schools and School Districts
§ 241 et seq.

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