



***Plainview-Old Bethpage CSD
Fern Place Facility
June 3, 2019***

Fern Place: History

- **The Fern Place facility was built in 1955 and was last occupied by the District for public school use in June 1974.**
- **The building has about 47,000 square feet of usable space and an additional 2,567 square feet of basement space used for utilities and storage.**
- **Fern Place sits on about 8.44 acres of property.**
- **The school is the the smallest District-owned building on the smallest piece of land.**

Fern Place: History

- **The Association for Children with Down Syndrome (ACDS) has leased the facility since 1999.**
- **The District and ACDS have renewed the triple-net lease since 1999.**
- **ACDS pays for ongoing expenses of the building, including insurance, general maintenance, utilities and rent.**
- **The District is responsible for taking care of the grounds surrounding the building, and for larger capital projects.**
- **The current agreement with ACDS expires in August 2019.**
- **ACDS has previously expressed interest in purchasing the building.**
- **ACDS's interest in the building was most recently discussed at the June 4, 2018; July 2, 2018; and September 5, 2018, Board of Education meetings.**

Historical Revenue

<u>Total Square Feet</u>	47,043		
<u>Year</u>	<u>Rate per Square Foot</u>	<u>Monthly Rental</u>	<u>Total Annual Rate</u>
September 2014 - August 2015	\$9.86	\$38,642	\$463,708
September 2015 - August 2016	\$10.15	\$39,791	\$477,486
September 2016 - August 2017	\$10.46	\$41,006	\$492,070
September 2017 - August 2018	\$10.77	\$42,221	\$506,653
September 2018 - August 2019	\$11.10	\$43,515	\$522,177

Annual and Future Expenses

Annual Expenses:

- **Costs exceed \$100,000 annually for basic building upkeep, maintenance and inspections.**

Capital Expenses:

- **\$6,754,800 (in 2016 dollars) identified in the 2016 Building Condition Survey prepared by BBS for capital repairs to be performed at Fern Place in order to preserve the building, and to make sure the facility does not slide into “unsatisfactory” condition.**
- **\$726,000 appropriated in the 2014 Bond to replace the building’s fire alarm system, to replace some of the interior and exterior doors, and to perform interior and exterior masonry repair. The actual cost to the community for these projects, if completed, will approach \$1.1M over the life of the borrowing for the work.**

Current Status of Lease

- **ACDS has expressed interest in purchasing a school for their permanent home and has engaged a real estate broker to find a suitable building to purchase.**
- **ACDS has expressed an interest in purchasing the property and has also notified the District that they are not interested in renewing the lease on Fern Place.**
- **The lease for the use of the property by ACDS expires at the end of August 2019.**
- **The District is currently in discussion with ACDS for a possible sale of the building and parking lot, while retaining the fields, and access to them, for community use.**

Preliminary Steps

- **The District has received an appraisal of the property to determine the fair market price of the building.**
- **The Board of Education is receiving advice of counsel regarding laws and regulations pertaining to the sale of school district property.**
- **District legal counsel is in negotiations with ACDS's real estate broker for a potential purchase of the building.**



Questions?

