

FINNEYTOWN LOCAL SCHOOL DISTRICT
Special Meeting, April 13, 2023
Springfield Township Grove Event Center
9158 Winton Rd
Cincinnati, OH 45231
6:00 pm

The Finneytown Board of Education met in special session on Thursday, April 13, 2023, at the Springfield Township Grove Event Center, 9158 Winton Rd, Cincinnati, OH 45231. Mr. Gast, Ms. Lee, Ms. McMullen, Mr. Rea and Mr. Reeb Jr. were present. The President called the meeting to order at 6:00 pm.

61-23 Ms. Lee moved, seconded by Ms. McMullen, that the Board dispense with the Opening Ceremony and Approval of the Minutes from the Regular Meeting of March 20, 2023. The President declared the motion passed.

Opening Remarks

Mr. Gast, Board President, reminded the audience that the Board acts in the interest of all citizens not the special interests of a few. He then relayed that there would be no items to vote on at this Special Board Meeting and any design-related materials are merely sales pitches and nice drawings to help members of the Board visualize potential opportunities available for Whitaker Development.

Discussion – Long Range Facility Planning

Welcome and Feedback Review

Dr. Banks, Finneytown Superintendent, acknowledged that while the February 28, 2023, Special Board Meeting was in reaction to misinformation that had been presented to the community, there were several key take-a-ways from the Board Meeting (Key Take-aways, Attachment 1) including general interest and curiosity around the timing and phasing of the construction project on both campuses; options for the Whitaker property, ideas for how the property could be used, and concerns about traffic, safety, and the impact of development at Whitaker. The purpose of the Special Meeting tonight is to educate the community about Finneytown's Master Facilities Plan and related processes.

Master Planning

Ms. Lisa Gulley from Elevar reviewed the project phases and funding sources of the Project Plan (Project Phases and Funding, Attachment 2). Elevar has been working with the District on the Master Facilities Plan for all District properties. Ms. Lisa Gulley also

shared design renderings for the secondary campus. She emphasized the design renderings were schematics to show the feasibility of a new high school being built between the PAC and the Gym with baseball and softball fields behind the new build. As it is very early in the process, Ms. Gulley reiterated that the design renderings will most certainly change.

Beyond the Master Plan

Messrs. Anderson and Warmack, Director of Business Operations and Athletic Director respectively, explained that the baseball and softball fields were lost during Phase I of construction. Several big-ticket items that the district has identified as needs are outside of the OFCC funding and require local funding. Big-ticket items include baseball and softball fields, tennis courts, replacement of the track, and an updated press box.

Fiscal Stewardship and Facilities

Mr. David Oliverio, Treasurer, shared that in 2019 the district partnered with OFCC in a 60/40 split, after 25 years of waiting, to build new facilities valued at \$55 million including locally funded initiatives. A \$27.8 million bond levy, equaling 7.19 mills, was passed by the community to build Finneytown Elementary. While the ballot language permitted a financing period of 37 years, the district's financial brokers with the strength of the District's AA credit rating sustained since 2010, were able to secure financing over 30 years at a 3.45% interest rate. Additionally, the District was able to pay down \$2.1 million of principal in the first year and has been able to earn \$744,000 interest income to further stretch the funding of the first phase of the project. Mr. Oliverio noted that since the district choose to be an early site project, the district was able to minimize the effects of rising inflation rates, supply chain issues resulting from the pandemic, and finish the first phase of the project under budget and on time. He also noted that money is due back from both the Engineer and the Architect on the project.

Mr. Oliverio further shared that according to the County Auditor, the millage rate is expected to be reduced from 12.69 mills a few years ago to 8.3 mills effective January 1, 2024, as debt is projected to fall off in 2024 and 2025.

Mr. Oliverio explained that Phase II is being funded through the state's Classroom Facilities Assistance Program (CFAP) as such items not related to classroom facilities are not funded. Items that are not funded through CFAP include structures such as PAC, our competitive gym, and athletic fields. He confirmed that the easiest way to pay for the needed facilities would be to seek additional debt. However, by statute the district is limited to a 9% debt ceiling. The district was issued a special waiver to maintain its

current debt load. Consequently, there are unfunded projects on the “wishlist”. While this is critical, the district is not without options. Options include use the \$1.4 million permanent improvement fund (“rainy-day” funds we have been saving up for this purpose), directed use of ESSER funds which are federal dollars, and the generosity of our partners such as Alumni and other partnerships, maybe even the Cincinnati Reds. Another option to be considered is a COPS deal resulting from tax revenue generated from the development of the Whitaker property and monetized over a number of years. He reiterated the importance of considering all available options within legal requirements that could be utilized for the benefit of our children.

The Foundation Partnership

Mr. Scott Haarlammert, Finneytown Schools Education Foundation, shared that the Finneytown Schools Education Foundation exists exclusively to help enrich the students of Finneytown. He explained that approximately 43% of Finneytown’s funding is through property tax dollars - a funding model that has been unconstitutional since 1997. The Foundation supplements funding through scholarships, alumni fundraising, educational grants that fund items that are outside of state funding. He then issued an invitation for attendees to reach out to alumni wherever they may reside to reconnect, re-engage, and re-energize the Alumni Association.

Options - Legal Perspective

Mr. Austin Musser, Bricker Graydon LLP, provided the legally permissible options the district has for disposing of the Whitaker property. The district can either auction the property or partner with a government entity to sell the property. The auction process is straightforward; the property is appraised, an auction is held, and the property is transferred to the new owner. The district can enter into an agreement with a government entity such as a municipality or Port Authority to sell the property to an interested party.

Preferred Developer Agreement

Dr. Banks explained that the Board must determine what they want in a Preferred Developer and in a Development Agreement. The Board’s next step would be to send out a Request for Proposal (RFP) to locate interested developers. The best fit would be engaged in a non-binding agreement. The Preferred Developer will then conduct feasibility studies, traffic studies, and engage with the community to produce a proposal that is amiable to the Township and the community (a 6 – 12 month process).

By statute, the district will need a governmental partner to conduct a sale. It has been in conversations with Springfield Township. Township approval is essential for any option to move forward. In a recent conversation, the Township indicated that they are not interested in a 4-story apartment complex, and that it would be a "heavy lift" option for them.

While current developer discussions remain informal at this stage, the district's information gathering process has yielded simulated options that could possibly come out of an RFP proposal. Dr. Banks shared four mocked up potential developments, which included the use, density and estimated tax revenue generating potential that could be put toward covering the cost of unfunded master plan facility projects, for comparative purposes.

62-23 There being no further business, Mr. Reeb moved, seconded by Mr. Rea, that the meeting be adjourned. The President declared the meeting adjourned at 7:50 pm.

ATTEST:

Tony Gast, President

David Oliverio, Treasurer