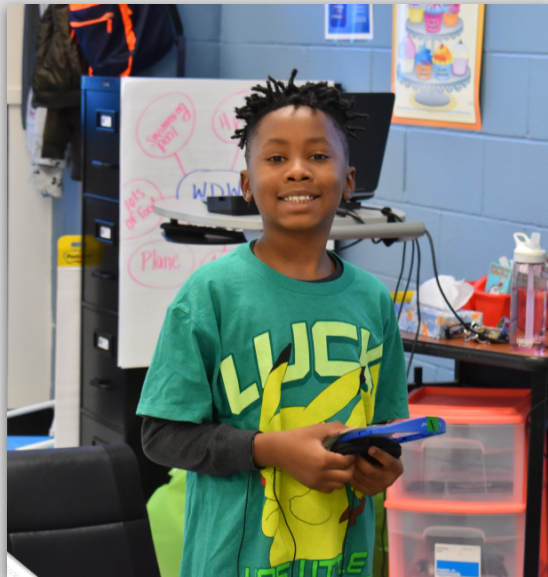


# OCM BOCES Crown Road Campus

## Responsible Planning for the Future



# Why are we here?



OCM BOCES strives to provide a high-quality education for all students while being fiscally responsible to the people who live and work in our 23 component districts.

# Why are we here?

- OCM BOCES has been leasing the Crown Road Campus for 32 years, since 1987.
- The owner, ATRAP, received a purchase offer for \$12.85 million. OCM BOCES had first right of refusal.
- OCM BOCES met with school superintendents and business officials Aug. 1 to discuss all options for Crown Road.
- Today we will review those options and discuss the final recommendation.

# Agenda

- Overview of OCM BOCES Facilities
- Facility Overview - Crown Road Campus
- Options
- Proposed Solution: Financial Analysis
- Next Steps



# Current Facilities

## Owned



Cortlandville Campus – McEvoy Building (acquired 1969)

# Current Facilities

## Owned



Thompson Road Campus – Henry Building (acquired 1975)

# Current Facilities

## Owned



Main Campus – (acquired 2014)

# Current Facilities

## Major Leases

- Crown Road Campus
- Rodax 1-3, 7/8 (CNYRIC & Innovation Tech)
- 800 Fourth Street, Liverpool
- Cortland Alternative School
- Seven Valleys New Tech Academy



# Crown Road Campus

## Facility Overview

- 83,600 square feet
- 15.6 acres
- 3 acres available for development

# Regular Classrooms



# Regular Classrooms





# Rooms for Related Services





# Three Activity Rooms



# Playground





# Crown Road Campus

## Facility Overview

- Building condition
  - Very good
    - New HVAC 2017
    - Main hallways are block
    - Flooring in good repair
  - Standard classrooms and rooms for related services
  - Specially designed sensory rooms
  - Three activity rooms
  - Cafeteria
  - Playground



# Crown Road Campus

## Current Programs

- Special Education (K-12)
  - 20 8:1:1 classrooms for students with emotional disabilities
  - 4 12:1:4 classrooms for students on Autism spectrum with behavioral issues

# Crown Road Campus

## Current Programs

- Innovative Education - Reach (Grades 7/8)
- Mental Health Clinic staffed by Liberty Resources

# Options

**Option #1:** Remain a tenant at Crown Road Campus for the duration of the lease and potentially beyond

**Option #2:** Relocate after end of lease term and enter into a new lease at a different location

**Option #3:** Build a new building

**Option #4:** Purchase Crown Road Campus

# Option #1 Lease

- 2018-19 school year was the first year of a 10-year lease
- Initial lease term expires after the 2027-28 school year.
- Lease includes two, 5-year options after initial lease term.



# Crown Road Campus Lease

- For the remainder of the lease, namely 2019-20 through 2027-28, OCM BOCES will pay ATRAP Corporation approximately **\$10,428,000** in lease payments and taxes.
- During the first 5-year option after expiration of the current lease, OCM BOCES will pay ATRAP Corporation an estimated \$6,505,000 for a 14-year total of approximately **\$16,933,000**.
- During the second 5-year option, OCM BOCES will pay ATRAP Corporation an estimated \$6,982,000 for a 19-year total of approximately **\$23,915,000**.

# Option #2 Relocate

- Enter into a new agreement
- Renovate the space
- \$215-\$260 per square foot for renovations
- Renovations on our behalf would be reflected in our lease terms

# Option #3 Build New

- \$435-\$520 per square foot for new construction (Source: Fiscal Advisors)
- $\$435 \times 83,600 \text{ sq feet} = \$36,366,000$

# Option #4: Purchase *(Recommended)*

Make purchase offer for \$12,850,000  
(cost savings to districts)

## **Assumptions**

- 20-year bond repayment schedule
- 4-5% interest rate
- Finance through the Dormitory Authority of New York (DASNY)

# Estimated Savings

1	2	3	4	5	6	7	8	9
Fiscal Year Ending June 30th	Balance Outstanding	Principal Paid	Estimated Interest	Total Debt Service	Less: Interest Earnings	Estimated Net Debt Service	Less: Current Payment for Lease & Taxes (1)	Estimated SAVINGS of New Building Project
2021	12,850,000	390,000	642,500	1,032,500	-	1,032,500	1,109,671	(77,171)
2022	12,460,000	410,000	623,000	1,033,000	-	1,033,000	1,125,517	(92,517)
2023	12,050,000	430,000	602,500	1,032,500	-	1,032,500	1,141,599	(109,099)
2024	11,620,000	450,000	581,000	1,031,000	-	1,031,000	1,157,922	(126,922)
2025	11,170,000	470,000	558,500	1,028,500	-	1,028,500	1,174,492	(145,992)
2026	10,700,000	495,000	535,000	1,030,000	-	1,030,000	1,191,309	(161,309)
2027	10,205,000	520,000	510,250	1,030,250	-	1,030,250	1,208,382	(178,132)
2028	9,685,000	545,000	484,250	1,029,250	-	1,029,250	1,225,708	(196,458)
2029	9,140,000	575,000	457,000	1,032,000	-	1,032,000	1,288,406	(256,406)
2030	8,565,000	605,000	428,250	1,033,250	-	1,033,250	1,294,574	(261,324)
2031	7,960,000	635,000	398,000	1,033,000	-	1,033,000	1,300,865	(267,865)
2032	7,325,000	665,000	366,250	1,031,250	-	1,031,250	1,307,282	(276,032)
2033	6,660,000	695,000	333,000	1,028,000	-	1,028,000	1,313,828	(285,828)
2034	5,965,000	735,000	298,250	1,033,250	-	1,033,250	1,382,505	(349,255)
2035	5,230,000	770,000	261,500	1,031,500	-	1,031,500	1,389,315	(357,815)
2036	4,460,000	805,000	223,000	1,028,000	-	1,028,000	1,396,261	(368,261)
2037	3,655,000	850,000	182,750	1,032,750	-	1,032,750	1,403,346	(370,596)
2038	2,805,000	890,000	140,250	1,030,250	-	1,030,250	1,410,573	(380,323)
2039	1,915,000	935,000	95,750	1,030,750	-	1,030,750	-	1,030,750
2040	980,000	980,000	49,000	1,029,000	-	1,029,000	-	1,029,000
TOTALS		\$ 12,850,000	\$ 7,770,000	\$ 20,620,000	\$ -	\$ 20,620,000	\$ 22,821,555	(2,201,555)

Source: Fiscal Advisors, Project Estimates



# Impact by Component

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>	<u>I</u>
	Component District	2019-20 (1) RWADA	2019-20 (1) RWADA Aid Ratio	Estimated Bond Percent	BOCES Aid for Project	District's Share BOCES Project \$ 12,850,000	"Projected" Average Local Effort for Project	"18 Year Average" Local Effort for Rent/Taxes (2)	Increase/ (Decrease) Local Effort
1	Baldwinsville CSD	6,005	75.60%	100.00%	75.60%	\$ 1,329,226	\$ 26,022	\$ 32,001	\$ (5,978)
2	Cazenovia CSD	1,553	57.60%	100.00%	57.60%	\$ 343,762	\$ 11,694	\$ 14,381	\$ (2,687)
3	Chittenango CSD	2,111	75.90%	100.00%	75.90%	\$ 467,277	\$ 9,035	\$ 11,111	\$ (2,076)
4	Cincinnatus CSD	584	76.00%	100.00%	76.00%	\$ 129,270	\$ 2,489	\$ 3,061	\$ (572)
5	Cortland City SD	2,551	76.10%	100.00%	76.10%	\$ 564,672	\$ 10,828	\$ 13,316	\$ (2,488)
6	DeRuyter CSD	378	66.60%	100.00%	66.60%	\$ 83,672	\$ 2,242	\$ 2,757	\$ (515)
7	East Syracuse-Minoa CSD	3,318	64.20%	100.00%	64.20%	\$ 734,450	\$ 21,096	\$ 25,943	\$ (4,847)
8	Fabius-Pompey CSD	690	70.50%	100.00%	70.50%	\$ 152,734	\$ 3,615	\$ 4,446	\$ (831)
9	Fayetteville-Manlius CSD	4,653	68.40%	100.00%	68.40%	\$ 1,029,957	\$ 26,113	\$ 32,113	\$ (5,999)
10	Homer CSD	2,034	74.40%	100.00%	74.40%	\$ 450,233	\$ 9,248	\$ 11,372	\$ (2,125)
11	Jamesville-Dewitt CSD	3,055	65.00%	100.00%	65.00%	\$ 676,234	\$ 18,990	\$ 23,353	\$ (4,363)
12	LaFayette CSD	892	77.00%	100.00%	77.00%	\$ 197,447	\$ 3,644	\$ 4,481	\$ (837)
13	Liverpool CSD	7,471	73.90%	100.00%	73.90%	\$ 1,653,730	\$ 34,631	\$ 42,587	\$ (7,956)
14	Lyncourt UFSD	530	79.10%	100.00%	79.10%	\$ 117,317	\$ 1,967	\$ 2,419	\$ (452)
15	Marathon CSD	740	76.40%	100.00%	76.40%	\$ 163,801	\$ 3,102	\$ 3,814	\$ (713)
16	Marcellus CSD	1,695	70.40%	100.00%	70.40%	\$ 375,194	\$ 8,911	\$ 10,958	\$ (2,047)
17	McGraw CSD	579	81.40%	100.00%	81.40%	\$ 128,164	\$ 1,913	\$ 2,352	\$ (439)
18	North Syracuse CSD	9,279	75.00%	100.00%	75.00%	\$ 2,053,937	\$ 41,199	\$ 50,664	\$ (9,465)
19	Onondaga CSD	904	74.70%	100.00%	74.70%	\$ 200,103	\$ 4,062	\$ 4,995	\$ (933)
20	Solvay UFSD	1,353	75.30%	100.00%	75.30%	\$ 299,491	\$ 5,935	\$ 7,299	\$ (1,364)
21	Tully CSD	855	65.40%	100.00%	65.40%	\$ 189,257	\$ 5,254	\$ 6,461	\$ (1,207)
22	West Genesee CSD	4,887	73.10%	100.00%	73.10%	\$ 1,081,753	\$ 23,347	\$ 28,711	\$ (5,364)
23	Westhill CSD	1,935	75.20%	100.00%	75.20%	\$ 428,319	\$ 8,523	\$ 10,481	\$ (1,958)
	TOTALS	58,052	72.49%	100.00%	72.49%	\$ 12,850,000	\$ 283,859	\$ 349,074	\$ (65,214)

# The Benefits



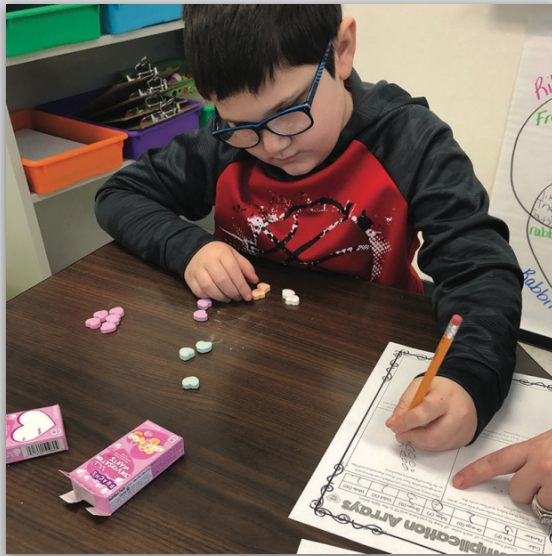
Purchasing the facility would create a better return on investment for OCM BOCES and our 23 component districts.

# The Benefits



Purchasing the site offers a sound investment opportunity, just as buying a home offers a source of financial equity and potential appreciation.

# The Benefits



The building is in good physical condition, with updated HVAC and well-maintained floors and rooms that meet the needs of all students.

# The Benefits



The campus is centrally located for most of our component districts, with easy access from major highways.



# The Benefits



This building was specifically designed for students at OCM BOCES and continues to meet our needs.

# #1 Benefit:

The purchase of Crown Road Campus would result in **no additional cost** to our 23 component districts.

# Summary of Benefits



- Maintain a quality facility for our students
- Discontinue lease payments — better return on investment for districts
- Net cost of purchase to component districts = \$0

# Next Step

Purchasing the Crown Road Campus requires a referendum of the qualified voters of the OCM BOCES district.



# Voting Eligibility

To be eligible to vote, residents must be:

- A citizen of the U.S.
- 18 years old or older
- A resident within an OCM BOCES component district for 30 days prior to the referendum

# Voting Eligibility

Voters do not need to be an officially “registered” voter, but they will be asked to show proof of residency.

# Voting Locations

- **OCM BOCES Main Campus**  
110 Elwood Davis Road, Liverpool
- **Crown Road Campus**  
4500 Crown Road, Liverpool
- **Cortlandville Campus - McEvoy**  
1710 NYS Route 13, Cortland
- **Thompson Road Campus - Henry**  
6820 Thompson Road, East Syracuse

# Voting Date & Time

**Tuesday, November 19, 2019**  
**10 a.m. to 8 p.m.**

# Learn More

[ocmboces.org/crownroadcampus](https://ocmboces.org/crownroadcampus)



# Questions?