

**Overview**

The District’s Master Plan of 2002 was created to address the overall conditions of the District’s portfolio of school buildings. This plan has been updated periodically to address declines in enrollment and funding limitations. The latest revision to the Master Plan resulted in the creation of the **District’s Long-term School Plan**, approved by the Board of Education on November 19, 2019. This plan now aligns academic and facility decision-making along four key metrics:

1. School quality
2. Enrollment and choice patterns
3. Financial stability
4. Building utilization, condition and costs

The main local sources of funding for the District’s construction projects are the result of voter approved Issue 14 and Issue 4. Issue 14 was a \$335M bond issue and a tax levy of 0.5 mills passed in 2001. In 2014 Issue 4 was passed resulting in a \$220M bond issue and 0.5 mills permanent improvement tax levy.

The other significant source of funding comes from the State’s Classroom Facilities Assistance Program (CFAP) with the Ohio Facilities Construction Commission (OFCC). Eligibility for the CFAP program is based on the assessed property valuation per student. That property wealth factor determines the State and local share of the facilities project. The State’s share is determined by the District’s equity rank among all school districts in Ohio. When the District’s original plan was finalized in 2002, the State’s share was determined to be 68% the total project cost.

The revenue and expenditures for the District’s facilities projects are allocated into several different funds based on how they are used. Fund 003 is for permanent improvement and operational upkeep. The District is responsible for 100% of these costs. These locally funded investment (LFI) dollars are used for projects not co-funded by the OFCC. Fund 010 is the classroom facilities fund. All projects co-funded with the OFCC are included in Fund 010. Fund 003 dollars can be moved to Fund 010 as necessary for approved co-funded projects.

**District’s School Buildings & Properties Update**

Table 1 details the District’s current portfolio of school buildings and properties and illustrates the scope of work completed since the facilities plan was created in 2002.

**Table 1. District School Building Portfolio**

| June 2021  |
|--|
| 83 active school buildings, serving students <ul style="list-style-type: none"> <li>• 37 new K-8</li> <li>• 6 new high schools</li> <li>• 11 renovated buildings</li> <li>• 29 operational upkeep only</li> </ul>  |
| 50 abandoned buildings, no longer serving students <ul style="list-style-type: none"> <li>• 18 closed, District maintains</li> <li>• 18 demolished, District maintains property (1 has permanent easement with NEORSD)</li> <li>• 9 sold</li> <li>• 3 swapped with the City for other properties</li> <li>• 1 repurposed (East Professional Center)</li> <li>• 1 leased</li> </ul> |

Over the last several years the District has made a number of strategic real estate transactions regarding the abandoned properties still in its portfolio. On December 11, 2018, the Board of Education approved a land swap with the City of Cleveland<sup>1</sup>. According to the District's operations team, the former Henry Longfellow school building was slated for abatement and demolition with a OFCC budget of \$380,000. Instead, the District worked with the City and the Cleveland Restoration Society to obtain funding from the OFCC for abatement of selected hazardous material costing \$162,000. The District, City and Restoration Society engaged in an RFP process for proposals to redevelop the building. A proposal was received, and the District completed a land swap with the City for property adjoining Wade Park School needed to alleviate traffic congestion.

On October 27, 2020, the Board of Education approved a sale/leaseback agreement with the Manufacturing Advocacy & Growth Network Inc. (MAGNET) for the former Margaret A. Ireland school building. MAGNET will purchase the building and renovate it into a high-tech manufacturing prototyping laboratory which will include robotics, virtual and three-dimensional simulations and other spaces to support regional manufacturing<sup>2</sup>. The District will lease back a portion of the building to develop Career Tech programming or enhance existing Career Tech programs utilizing MAGNET's experience and the renovated facilities. MAGNET is purchasing the property for \$790,000. The District operations team estimates that up to \$590,000 can be credited against improvements from which CMSD students will benefit. MAGNET estimates that it will invest \$7 million into the building.

A swap of the former Harry E. Davis and Watterson-Lake school buildings for the City owned property adjacent to Marion Seltzer school<sup>3</sup> was approved by the Board on November 17, 2020. The City's property is useful to the District because it will serve as the site for the new Marion Seltzer school to be built as part of Segment 8. The District will abate and demolish Watterson Lake with co-funding from the OFCC. The cost of this demolition is estimated to be \$600,000 of which the District will pay \$192,000 (32% of the total cost). The City will abate and demolish Harry E. Davis at an estimated cost of \$1 million and redevelop the site.

Options to creatively re-purpose Collinwood High School, rather than close the building are being considered by The District. On February 23, 2021, the Board approved a resolution authorizing the District to work with Workroom Program Alliance (WPA) on a sale/leaseback agreement to extend the life of the school and the District's presence therein<sup>4</sup>. WPA provides career training for companies and individuals interested in manufacturing. WPA is seeking to repurpose portions of the building for career training, medical services and higher education purposes. If WPA can secure funding to make the required improvements, the District will consider a sale/leaseback agreement for approval by the Board.

Furthermore, pursuant to Ohio Revised Code, the District is required to offer school buildings that have not been used for over twelve months to community schools at fair market value. The District appraised its eligible buildings and the Board approved eleven such buildings on October 27, 2020, three buildings

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<sup>1</sup> CMSD Board of Education Resolution Authorizing the CEO to Take All Actions Necessary to Conclude A Land Swap Agreement Related to the Former Longfellow, approved December 11, 2018

<sup>2</sup> CMSD Board of Education Resolution Authorizing the CEO, the CFO and Board Chair to Enter into a Property Sale/Leaseback Agreement with MAGNET Relating to the Former Margaret Ireland School, approved October 27, 2020

<sup>3</sup> CMSD Board of Education Resolution Authorizing the CEO, the CFO and Board Chair to Enter into a Property Exchange Agreement with the City of Cleveland, approved November 17, 2020

<sup>4</sup> CMSD Board of Education Resolution Authorizing the CEO to Work with Workroom Program Alliance on a Sale/Leaseback Agreement That Would Extend the Life of Collinwood High School and the District's Presence Therein, approved February 23, 2021

on November 4, 2020, and seven additional buildings on January 26, 2021. A complete list of these buildings and accompanying appraisal values is provided in Appendix A. Willow and McKinley were sold to charter schools as a result of these offerings for the fair market value of \$290,000 and \$395,000, respectively. The sale of Willow is complete, and McKinley is expected to close by mid-July 2021.

On February 23, 2021, the Board authorized the District to enter into a development agreement with the City<sup>5</sup>. The District is working with the City to redevelop vacant sites and buildings no longer needed by the District and not purchased by charter schools. These properties may have economic redevelopment value and the City is willing to purchase these properties, pursuant to Ohio Revised Code, should it find an appropriate developer through a publicly issued request for proposals (RFP) process. The District and City issued the RFP this past March for 19 properties and had a positive response. Thirteen of these properties received proposals from developers at or above fair market value and are expected to close within the next year. The sale of one property, Martin Luther King Jr. High School, will be presented to the Board for approval because the offer was below fair market value. The remaining five properties that did not receive viable responses will likely be re-offered in the fall of 2021. These real estate transactions are important for several reasons. The District will no longer have to care for and maintain these unused properties, significant demolition costs will be avoided leaving more local dollars for other projects and the District will receive approximately \$3 million from the sales of these properties that can be put towards other projects as well. A list of each property, its proposed redevelopment purpose and purchase offer is included in Appendix B.

The District has also entered into a sale/leaseback agreement of the former South High School to the City. The Board approved the agreement on June 22, 2021<sup>6</sup>. The City will purchase the property to be used as a training center for first responders and other community purposes. It will lease back a portion to the District for joint preparatory programs related to first responders and public safety careers. The City will purchase South for \$435,000 and pay for the costs of improvements, renovations and other measures necessary to improve the functionality and reduce the operating costs of the building. The City will receive a credit on the purchase price equal to the cost of the improvements allocable to the District's areas used by its students or systems servicing the building.

### **Classroom Facilities Assistance Program (CFAP) Analysis**

The agreed upon Master Facilities Plan was so large that it was broken down into segments for completion. The facilities plan was originally separated into nine segments<sup>7</sup>. A project agreement is executed between the District and the OFCC for each segment detailing the scope of work to be completed. Prior to the start of each segment, updates are made including enrollment projections, construction costs, facilities assessments, and resource constraints to determine the specifics of that segment. Segment budgets are based on the current cost formulas at the time of that segment's project agreement provided in the OFCC Design Manual. Furthermore, amendments to the project agreements are made as needed.

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<sup>5</sup> CMSD Board of Education Resolution Authorizing the CEO, the CFO and Board Chair to Enter into a Development Agreement with the City of Cleveland, approved February 23, 2021

<sup>6</sup> CMSD Board of Education Resolution Authorizing the CEO, the CFO and Board Chair to Enter into a Property Sale/Leaseback Agreement with the City of Cleveland for the Former South High School, approved June 22, 2021

<sup>7</sup> Ohio School Facilities Commission (now OFCC) Project Agreement for Segment No.1, dated February 7, 2003

Project agreements for seven segments have been executed. Segments 1-4 have been closed out. The documents for Segments 5 and 6 are to be submitted for final approval by the District’s CFO and then submitted to the OFCC for final authorization in the next several weeks. According to the District, Segment 7 is projected to close out by December 2021. The project agreement for Segment 8 has been approved by the Board and is expected to be approved by the OFCC this coming July. Table 2 breaks out the scope of work and actuals costs by segment. A complete listing of each school building and the work completed by segment is provided Appendix C.

**Table 2. Scope of Work by Segment**

|                  | <b>New</b> | <b>Renovation</b> | <b>Demo</b> | <b>Actual Cost as of<br/>05/31/2021</b> |
|------------------|------------|-------------------|-------------|---|
| <b>Segment 1</b> | 5          | 3                 | 2           | \$227,409,372                           |
| <b>Segment 2</b> | 3          | 4                 | 3           | \$104,039,434                           |
| <b>Segment 3</b> | 9          | -                 | 8           | \$146,595,442                           |
| <b>Segment 4</b> | 9          | -                 | 11          | \$146,028,546                           |
| <b>Segment 5</b> | 7          | 1                 | 8           | \$218,052,894                           |
| <b>Segment 6</b> | 1          | -                 | 12          | \$36,066,220                            |
| <b>Segment 7</b> | 9          | -                 | 9           | \$240,648,973                           |
| <b>Total</b>     | <b>43</b>  | <b>8</b>          | <b>53</b>   | <b>\$1,118,840,883</b>                  |

Data is compiled from OFCC/CMSD Project Agreements & Amendments, District Board of Education resolutions, the District’s Project Status-AE Listing Segments 1 thru 7 and Facilities Construction Report as of 05.31.21.

It is important to note that significant additional work went into almost every single school building as part of the “Warm, Safe & Dry” (WSD) criteria in Segment 1. The WSD program was a co-funded portion of Segment 1 that allowed for initial repairs to be made quickly to the existing schools so they could be warm, safe and dry until they could be renovated or abandoned as part of the master facilities plan. The repairs under the WSD program account for \$53,649,797 of the \$227,409,372 total cost of Segment 1.

For critical analysis, the actual cost of the CFAP program must be unpacked. Table 3 details the cost of each segment by funding source, as well as the District’s portion and OFCC’s portion. As a reminder, Fund 003 are dollars completely from the District. These funds are referred to as “locally funded initiatives” or LFI dollars. Fund 010 is designated for co-funded projects with the OFCC. The OFCC pays 68% of the projected project cost, leaving the District’s share of the project costs at 32%. Over \$1.1B have been spent to complete segments 1-7 of the CFAP. Of that total, the District has spent \$422,953,626 on the CFAP (Fund 010 expenses & Fund 003 expenses).

**Table 3. Total CFAP Project Costs by Funding Source**

|              | Fund 010              |                      |                         | Fund 003             | Total                   |
|--------------|-----------------------|----------------------|-------------------------|----------------------|-------------------------|
|              | CMSD Match            | State Match          | Co-funded Total         | LFI                  |                         |
| Segment 1    | \$ 69,962,914         | \$ 148,671,188       | \$ 218,634,102          | \$ 8,775,270         | \$ 227,409,372          |
| Segment 2    | \$ 31,999,643         | \$ 67,999,243        | \$ 99,998,886           | \$ 4,040,549         | \$ 104,039,434          |
| Segment 3    | \$ 42,307,043         | \$ 89,902,468        | \$ 132,209,511          | \$ 14,385,931        | \$ 146,595,442          |
| Segment 4    | \$ 43,495,862         | \$ 92,428,708        | \$ 135,924,569          | \$ 10,103,977        | \$ 146,028,546          |
| Segment 5    | \$ 62,167,610         | \$ 132,106,169       | \$ 194,273,779          | \$ 23,779,115        | \$ 218,052,894          |
| Segment 6    | \$ 10,541,621         | \$ 22,400,944        | \$ 32,942,565           | \$ 3,123,655         | \$ 36,066,220           |
| Segment 7    | \$ 65,609,641         | \$ 142,378,537       | \$ 207,988,178          | \$ 32,660,796        | \$ 240,648,973          |
| <b>Total</b> | <b>\$ 326,084,333</b> | <b>\$695,887,256</b> | <b>\$ 1,021,971,590</b> | <b>\$ 96,869,293</b> | <b>\$ 1,118,840,883</b> |
|              | 31.9%                 | 68.1%                |                         |                      |                         |

Data is compiled from the District's *Facilities Construction Report as of 05.31.2021*.

Comparing the actual costs to the co-funded segment budgets is complex for several reasons. One, the program agreements were regularly amended to reflect significant changes from the original budget as needed. Two, the rate used by the state to develop the co-funded project budgets has consistently been too low, under-representing the true construction costs for the city of Cleveland. Because of these complexities, the better analysis of segment budget to actual cost must include the LFI expenses of that segment. That comparison is depicted in Table 4.

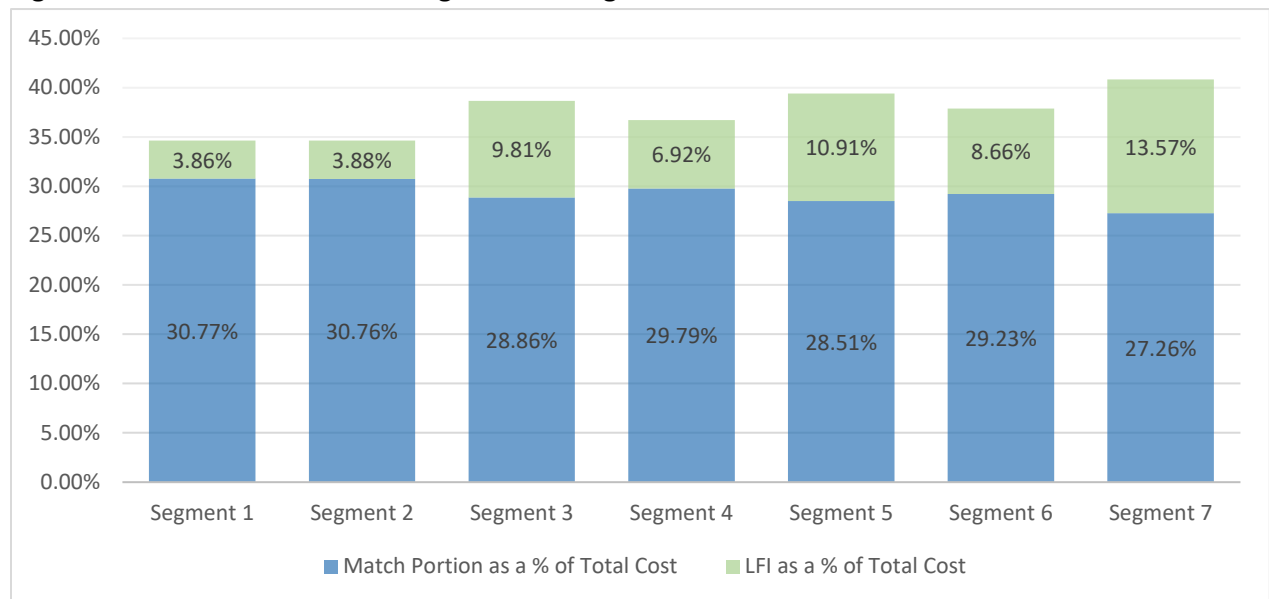
**Table 4. CFAP Budget vs. Actual Costs**

|              | Co-funded Budget<br>(per Project Agreements/<br>Amendments) | Actual Costs<br>(Fund 010 + Fund 003)<br>as of 5/31/2021 | Variance<br><i>Co-funded Budget<br/>vs. Actual Costs</i> | Percentage<br>Over/(Under)<br>Budget |
|--------------|---|--|--|--------------------------------------|
| Segment 1    | \$ 223,975,810  | \$ 227,409,372   | \$ (3,433,562)   | 1.53%                                |
| Segment 2    | \$ 100,425,710  | \$ 104,039,434   | \$ (3,613,724)   | 3.60%                                |
| Segment 3    | \$ 133,280,849  | \$ 146,595,442   | \$ (13,314,593)  | 9.99%                                |
| Segment 4    | \$ 136,749,655  | \$ 146,028,546   | \$ (9,278,891)   | 6.79%                                |
| Segment 5    | \$ 192,682,710  | \$ 218,052,894   | \$ (25,370,184)  | 13.17%                               |
| Segment 6    | \$ 32,401,145   | \$ 36,066,220  | \$ (3,665,075)   | 11.31%                               |
| Segment 7    | \$ 204,772,040  | \$ 240,648,973   | \$ (35,876,933)  | 17.52%                               |
| <b>Total</b> | <b>\$ 1,024,287,919</b>                                     | <b>\$ 1,118,840,883</b>                                  | <b>\$ (94,552,964)</b>                                   | <b>9.23%</b>                         |

Data is compiled from the District's *Facilities Construction Report as of 05.31.2021*.

The actual costs have been greater than the project agreements/amendments in all seven segments and the percentage over budget has increased significantly since Segment 2. The biggest reason for these results is the rise in LFI dollars the District has invested to complete the segments. These increases are caused by two factors: (1) deliberate additions to the scope of segment projects; and (2) cost overruns beyond the adjusted OFCC budgets. As a result of these two factors, the District's costs as a percentage of total segment cost continue to grow. The District has covered 37% or more of the total segment cost since Segment 3 (see Figure 1). That portion increased to over 40% in Segment 7.

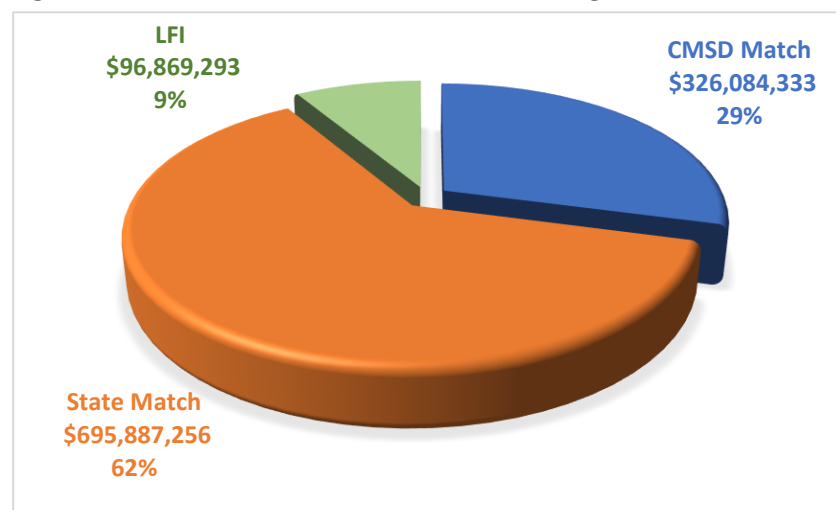
**Figure 1. District Cost as a Percentage of Total Segment Cost**



An analysis of the cost distribution of the entire co-funded CFAP project indicates that the State has covered 62% of the total project costs and the District has used its local funds for the remaining 38% of costs (see Figure 2). This percentage difference in cost share may seem insignificant, but just one percentage point of the total cost is equivalent to nearly \$11.2M. For every \$1 the District has spent, the State has provided just \$1.65 versus \$2.13 as anticipated with the original plan in 2002.

School districts may choose to add to the scope of any project and separately fund a scope of work, referred to as “local initiative”<sup>8</sup>. Examples of such scope additions include an auditorium, joint use community spaces, additional classroom square footage, and athletic facilities. The District has made these deliberate additions to school projects in every segment. These LFI dollars and the impact on the overall cost distribution for the total project is to be expected.

**Figure 2. Cost Distribution Across Total of All Segments**



For example, for Segment 7 the District planned additional, LFI-funded scope work at about \$20 per square foot above and beyond the co-funded budgeted rate.

<sup>8</sup> OFCC Project Financing Memorandum Policy, Policy Number: OP-FI-01, Originally Issued: February 2002 Revised: December 2017

The increase in LFI expenses as a result of cost overruns beyond the OFCC adjusted budgets is more difficult to navigate. It is important to look at the history of the master facilities project to best understand these cost overruns. Project costs have been higher than the anticipated budgets throughout all seven segments. This is due in large part to the cost of construction rate used by the OFCC to develop the co-funded budgets. The rate has been consistently low, under-representing the true construction costs in the city of Cleveland. This construction cost is determined by the OFCC using a formula used and average construction costs for regions within the state of Ohio. In the District’s case, the rate is based upon average construction costs, not just for Cuyahoga County, but for the Northeast Ohio region which also includes Ashtabula, Geauga, Lake, Portage, Summit and Trumbull counties<sup>9</sup>. Cleveland is one of the most expensive areas in the state to build, so using average costs based on these other counties greatly underestimates the true cost of construction for these school projects in Cleveland.

Much of this discrepancy and cost overage has been addressed by way of a market rate adjustment completed for each segment with the District and OFCC paying their approved share. However, since Segment 5, the adjustment factor has been more highly scrutinized by the OFCC and less than previous segments. The District pays for any remaining cost overruns beyond the adjusted budget via local dollars. According to the District, it is paying for almost \$1M of costs for each school in Segment 7 that the OFCC would otherwise fund for other school districts<sup>10</sup>.

**Other Local Funding**

The capital project work and LFI most often reported on and referenced applies only to the buildings specifically identified in a segment as part of the Classroom Facilities Assistance Program with the OFCC. The District’s use of taxpayer dollars to improve school buildings requires review and analysis of all LFI dollars, not just those additions to the co-funded project segments. Table 5 details the actual costs of the District’s Long-term School Plan by funding source, including all LFI expenditures.

**Table 5. Total of All Project Costs by Funding Source**

|              | Fund 010              |                      |                         | Fund 003<br>LFI       | Total                   |
|--------------|-----------------------|----------------------|-------------------------|-----------------------|-------------------------|
|              | CMSD Match            | State Match          | Co-funded Total         |                       |                         |
| Segment 1    | \$ 69,962,914         | \$ 148,671,188       | \$ 218,634,102          | \$ 8,775,270          | \$ 227,409,372          |
| Segment 2    | \$ 31,999,643         | \$ 67,999,243        | \$ 99,998,886           | \$ 4,040,549          | \$ 104,039,434          |
| Segment 3    | \$ 42,307,043         | \$ 89,902,468        | \$ 132,209,511          | \$ 14,385,931         | \$ 146,595,442          |
| Segment 4    | \$ 43,495,862         | \$ 92,428,708        | \$ 135,924,569          | \$ 10,103,977         | \$ 146,028,546          |
| Segment 5    | \$ 62,167,610         | \$ 132,106,169       | \$ 194,273,779          | \$ 23,779,115         | \$ 218,052,894          |
| Segment 6    | \$ 10,541,621         | \$ 22,400,944        | \$ 32,942,565           | \$ 3,123,655          | \$ 36,066,220           |
| Segment 7    | \$ 65,609,641         | \$ 142,378,537       | \$ 207,988,178          | \$ 32,660,796         | \$ 240,648,973          |
| Other        | N/A                   | N/A                  | N/A                     | \$ 137,299,381        | \$ 137,299,381          |
| <b>Total</b> | <b>\$ 326,084,333</b> | <b>\$695,887,256</b> | <b>\$ 1,021,971,590</b> | <b>\$ 234,168,674</b> | <b>\$ 1,256,140,264</b> |
|              | 31.91%                | 68.09%               |                         |                       |                         |

Data is compiled from the District’s *Facilities Construction Report as of 05.31.2021*.

<sup>9</sup> OFCC Ohio School Design Manual (OSDM) Volume Two, updated 2019

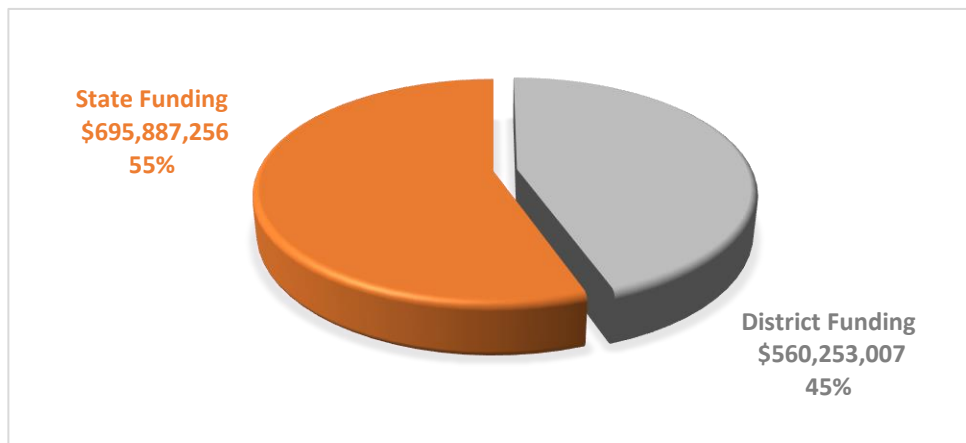
<sup>10</sup> CMSD Letter to the Director of the Office of Budget and Management, dated October 20, 2017

The “other” category includes all expenses for the District’s plan that are not co-funded with the State and not part of a project segment. The District has spent \$137,299,381 in this “other” category. These LFI dollars have been used for over 150 different school facility needs including buildings, school programming spaces, relief space, food preparation facilities and outdoor spaces such as athletic fields and gardens<sup>11</sup>. It is important to note that these LFI costs also include the District’s personnel, legal and administrative costs associated with completing the long-term plan.

Each year the District presents a slate of maintenance, repair and renovation projects for facilities not co-funded by the OFCC to the Board of Education for approval. Funds for a select number of these projects, historically referred to as “summer projects”, are taken from the permanent improvement account (Fund 003) and are included in this “other” category. The BAC regularly reviews and reports on these annual projects. The annual resolution for projects to be completed between April 2020 - June 2021 was approved for an amount not to exceed \$4 million. As of June 2021, these annual projects totaled \$3,826,745 of which \$1,090,471 of permanent improvement funds were used.

When all LFI costs are included, the total cost of the District’s Long-term School Plan is over \$1.25B to date. Of this total, the District has spent over \$560M of local funds, making up 45% of the total program costs (see Figure 3).

**Figure 3. Total Plan Cost by Source**



### Future Plans & Remaining District Funds

When the Long-term School Plan was revised in November of 2019, the plans for Segment 8 were decreased to address the changing enrollment needs of the Cleveland neighborhoods and the remaining funds available to the District. A new resolution for Segment 8 was approved by the Board on June 23, 2020. Table 6 details the project scope for Segment 8.

<sup>11</sup> District’s Facilities Construction Report as of 09.30.2020



**Table 6. Segment 8 Project Plan**

| <b>New Schools</b>               | <b>Demolitions</b>       |
|----------------------------------|--------------------------|
| Lincoln-West High School         | Lincoln West High School |
| Clark PreK-8                     | Clark                    |
| Marion Seltzer PreK-8            | Marion Seltzer           |
| Joseph M. Gallagher (renovation) | Watterson-Lake           |
|                                  | Robert Fulton            |
|                                  | Fullerton                |
|                                  | Former John F. Kennedy   |

The OFCC made cost adjustments this past year that are expected to be favorable to the District for Segment 8. On May 25, 2021, the Board approved the budget for Segment 8. The OFCC is expected to approve the project agreement in July, followed by the Ohio Controlling Board’s approval of funding in August. The total budget for Segment 8 is \$117,197,890<sup>12</sup>. The State’s share will be \$79,694,565 and the District’s share will be \$37,503,325. The District is responsible for additional LFI dollars as part of the project agreement in the amount of \$11,635,675.

In the fall the OFCC will post the RFQ for architect(s) and construction-manager-at-risk (CMR). The District and the OFCC plan to retain the architect(s) and CMR no later than December 2021. The engagement plan is scheduled to launch in early 2022. By summer of 2022 abatement/demolition will begin. Renovation of Joseph M. Gallagher is projected for the fall of 2022 and groundbreakings of Clark and Marion Seltzer are planned for the spring of 2023 followed by the groundbreaking of the new Lincoln West High School in the summer of 2023.

As of the end of May 2021, the District has \$68,923,442 remaining to be used for its Long-term School Plan.

**Table 7. CMSD Facilities Project Local Funding Summary**

| <b>As of May 31, 2021</b>                               |                    |
|---|--------------------|
| <b>Receipts</b>   |                    |
| Bond Proceeds   | 535,000,000        |
| Bond Premium  | 1,006,501          |
| Other Non-bond Proceeds                                 | 15,532,617         |
| QZAB (Quality Zone Academy Bonds)                       | 5,127,642          |
| E-Rate  | 3,710,518          |
| Sale of Administration Building                         | 4,664,176          |
| Sale of School Buildings & Equipment                    | 2,929,658          |
| Property Tax Receipts (.50 mill PI Levy)                | 14,556,563         |
| Total Local Interest                                    | 46,648,775         |
| <b>Total Local Funds (prior to expenditures)</b>        | <b>629,176,449</b> |
| <b>Project Expenditures</b>                             |                    |
| Fund 010 Expenditures & Encumbrances (District portion) | 326,084,333        |
| Fund 003 LFI Expenditures & Encumbrances                | 234,168,674        |
| <b>Total Project Expenditures &amp; Encumbrances</b>    | <b>560,253,007</b> |
| <b>Current balance of local funds available</b>         | <b>68,923,442</b>  |

<sup>12</sup> OFCC Project Agreement for Segment 8 dated 05/07/21; presented to Board for approval on May 25, 2021.

The District's share of the co-funded amount plus the LFI dollars included in the Segment 8 project agreement is \$49,139,000. It must be noted that this project budget does not include any necessary additions to the project scope that may arise and require the use of additional LFI dollars. This project budget also does not account for changes in cost that may occur as a result of the pandemic and timing such as inflation due to a run on the market and supply chain disruption. Assuming Segment 8 actual costs are those amounts in the project agreement, the District will have \$19,784,422 remaining after the completion of Segment 8.

However, this remaining balance does not include any additional expenditures from Fund 003 - designated to the "other" category - that are not part of the co-funded agreement. Such expenses include maintenance, repairs and renovation work for school buildings and properties not co-funded by the OFCC as well as personnel, legal and administrative costs. The District's "other" category has averaged costs of \$2.4 million for each of the last three years. Assuming this cost trend continues, it is estimated that the District will have \$7,784,422 of local funds remaining at the end of fiscal year 2026, when Segment 8 is projected to be completed. It is important to emphasize that this projected balance does not include the revenue or cost savings that will result from the real estate transactions detailed in this report. As those transactions are finalized, there could be an additional \$3-6 million of local funds available.

**District Properties to be Offered to Community Schools**

Approved by the Board of Education on October 27, 2020:

| School Building     | Property Address                           | Appraisal Date | Improved Property   |
|---------------------|--|----------------|---------------------|
| Audubon             | 3055 Martin Luther King, Jr. Drive         | 9/4/2020       | \$78,000 land value |
| Cranwood            | 13604 Christine Avenue<br>Garfield Heights | 9/4/2020       | \$415,000           |
| Empire              | 9113 Parmelee Avenue                       | 9/4/2020       | \$65,000 land value |
| Fullerton           | 5810 Fullerton Avenue                      | 8/17/2020      | \$310,000           |
| Iowa Maple          | 12510 Maple Avenue                         | 8/17/2020      | \$350,000           |
| McKinley            | 3349 W. 125th Street                       | 8/17/2020      | \$395,000           |
| Mount Auburn        | 10110 Mount Auburn Avenue                  | 9/4/2020       | \$25,000 land value |
| Nathaniel Hawthorne | 3575 W. 130th Street                       | 9/9/2020       | \$45,000            |
| Paul Revere         | 10706 Sandusky Avenue                      | 9/4/2020       | \$85,000            |
| Central School      | 2199 E. 40th Street                        | 9/4/2020       | \$150,000           |
| Willow              | 5004 Glazier Avenue                        | 9/4/2020       | \$290,000           |

Approved by the Board of Education on November 17, 2020:

| School Building           | Property Address       | Appraisal Date | Improved Property    |
|---------------------------|------------------------|----------------|----------------------|
| Case                      | 4050 Superior Avenue   | 8/17/2020      | \$700,000            |
| Martin Luther King Jr. HS | Lexington Ave & E 71st | 8/1/2020       | \$880,000            |
| Willson                   | 1625 E 55th Street     | 8/17/2020      | \$175,000 land value |

Approved by the Board of Education on January 26, 2021:

| School Building     | Property Address                | Appraisal Date | Improved Property |
|---------------------|---------------------------------|----------------|-------------------|
| Charles Lake        | 9201 Hillock Ave.               | 11/11/2020     | \$185,000         |
| Giddings            | 2250 E. 71 <sup>st</sup>        | 1/6/2021       | \$49,000          |
| John D. Rockefeller | 5815 Whittier Ave.              | 11/11/2020     | \$160,000         |
| John Raper          | 1601 E. 85 <sup>th</sup> Street | 1/6/2021       | \$155,000         |
| Mound               | 5405 Mound Ave.                 | 1/6/2021       | \$38,000          |
| Mt. Pleasant        | 11617 Union Ave.                | 1/6/2021       | \$150,000         |
| Stephen Howe        | 1000 Lakeview Road              | 1/6/2021       | \$120,000         |

**District/City of Cleveland Development Agreement  
Proposed Recommendations**

| Site                          | Type of Proposal                  | Fair Market Value   | Purchase Offer      |
|-------------------------------|-----------------------------------|---------------------|---------------------|
| Audubon                       | Mixed use/Housing                 | \$ 78,000           | \$ 78,000           |
| Case                          | <i>Re-submit</i>                  |                     |                     |
| Central                       | Mixed use/Senior housing          | \$ 150,000          | \$ 150,000          |
| Charles Lake                  | Mixed use/Housing                 | \$ 185,000          | \$ 185,000          |
| Empire                        | Mixed use/Housing                 | \$ 65,000           | \$ 65,000           |
| Fullerton                     | <i>Resubmit</i>                   |                     |                     |
| Giddings                      | <i>Resubmit</i>                   |                     |                     |
| Iowa-Maple                    | School                            | \$ 350,000          | \$ 350,000          |
| John Raper                    | Park                              | \$ 155,000          | \$ 155,000          |
| <b>Martin Luther King Jr.</b> | <b>Mixed use/Housing</b>          | <b>\$ 880,000</b>   | <b>\$ 850,000</b>   |
| Mound                         | Expand business; Land assembly    | \$ 38,000           | \$ 38,000           |
| Mt. Auburn                    | Mixed use/Housing                 | \$ 25,000           | \$ 25,000           |
| Mt. Pleasant                  | Mixed use/Housing                 | \$ 150,000          | \$ 150,000          |
| Nathaniel Hawthorne           | Mixed use/Market-rate housing     | \$ 45,000           | \$ 45,000           |
| Paul Revere                   | <i>Resubmit</i>                   |                     |                     |
| Robert Fulton                 | Mixed use/New housing development | \$ 79,000           | \$ 150,000          |
| Rockefeller                   | New housing development           | \$ 160,000          | \$ 160,000          |
| Stephen Howe                  | Mixed use/Housing                 | \$ 120,000          | \$ 120,000          |
| Willson                       | <i>Resubmit</i>                   |                     |                     |
| <b>Totals</b>                 |                                   | <b>\$ 2,480,000</b> | <b>\$ 2,521,000</b> |

Source: CMSD Capital Planning 2021, Presentation to the Board of Education; June 12, 2021

**CAFP Scope of Work Detail by Segment**

| Segment 1  |                    |  |
|--|--------------------|--|
| <u>New</u>   | <u>Grade Level</u> | <u>Address</u>                                     |
| Andrew J. Rickoff  | K-8                | 3500 E 147th St, Cleveland, OH 44120               |
| John Adams   | High School        | 3817 Martin Luther King Jr Dr, Cleveland, OH 44105 |
| Memorial   | K-8                | 410 E 152nd St., Cleveland, OH 44110               |
| Miles Park   | K-8                | 4090 E 93rd St, Cleveland, OH 44105                |
| Riverside  | K-8                | 14601 Montrose Ave, Cleveland, OH 44111            |
| <b>Renovated</b>   |                    |  |
| East (now CMSD East Professional Center)                                 | High School        | 1349 E. 79th St., Cleveland, OH 44103              |
| Cleveland Early College HS (previously John Hay)                         | High School        | 2075 Stokes Blvd, Cleveland, OH 44106              |
| Davis Aerospace & Maritime High School (previously Success Tech Academy) | High School        | 1440 Lakeside Ave, Cleveland, OH 44114             |
| <b>Demolished</b>  |                    |  |
| Warner Girls' Leadership Academy   |                    |  |
| Woodhill-Quincy  |                    |  |
| Segment 2  |                    |  |
| <u>New</u>   | <u>Grade Level</u> | <u>Address</u>                                     |
| Daniel E. Morgan   | K-8                | 8912 Morris Ct., Cleveland, OH 44106               |
| Hannah Gibbons   | K-8                | 1401 Larchmont Rd, Cleveland, OH 44110             |
| Warner Girls' Leadership Academy   | K-8                | 8315 Jeffries Ave, Cleveland, OH 44105             |
| <b>Renovated</b>   |                    |  |
| Franklin D. Roosevelt  | K-8                | 800 Linn Dr., Cleveland, OH 44108                  |
| James F. Rhodes  | High School        | 5100 Biddulph Ave., Cleveland OH 44144             |
| Mary B. Martin   | K-8                | 8200 Brookline Ave, Cleveland, OH 44103            |
| Mary M. Bethune  | K-8                | 11815 Moulton Ave, Cleveland, OH 44106             |
| <b>Demolished</b>  |                    |  |
| Former Daniel E. Morgan  |                    |  |
| Former Hannah Gibbons  |                    |  |
| Former Miles Park  |                    |  |
| Segment 3  |                    |  |
| <u>New</u>   | <u>Grade Level</u> | <u>Address</u>                                     |
| Artemus Ward   | K-8                | 4315 W 140th St, Cleveland, OH 44135               |
| Buhrer Dual Language   | K-8                | 1600 Buhrer Ave., Cleveland, OH 44109              |
| East Clark   | K-8                | 885 E 146th St, Cleveland, OH 44110                |
| Garfield   | K-8                | 3800 W140th St., Cleveland, OH 44111               |
| Harvey Rice  | K-8                | 2730 E 116th St, Cleveland, OH 44104               |
| Patrick Henry  | K-8                | 11901 Durant Ave., Cleveland, OH 44108             |
| Robinson G. Jones  | K-8                | 4550 W 150th St, Cleveland, OH 44135               |
| Wade Park  | K-8                | 7600 Wade Park Ave, Cleveland, OH 44103            |
| Willson  | K-8                | 1126 Ansel Rd., Cleveland, OH 44103                |
| <b>Renovated</b>   |                    |  |
| None   |                    |  |
| <b>Demolished</b>  |                    |  |
| Former Artemus Ward  |                    |  |
| Former Buhrer  |                    |  |
| Former East Clark  |                    |  |
| Former Garfield  |                    |  |
| Former Harvey Rice   |                    |  |
| Former Patrick Henry   |                    |  |
| Former Robinson G. Jones   |                    |  |
| Former Wade Park   |                    |  |

| Segment 4   |                    |  |
|---|--------------------|--|
| <u>New</u>  | <u>Grade Level</u> | <u>Address</u>                                     |
| Adlai Stevenson                                       | K-8                | 18300 Woda Ave, Cleveland, OH 44122                |
| Anton Grdina  | K-8                | 2955 E 71st St, Cleveland, OH, 44104               |
| Charles Dickens                                       | K-8                | 13013 Corlett Ave, Cleveland, OH 44105             |
| Euclid Park   | K-8                | 17914 Euclid Ave., Cleveland, OH 44112             |
| George Washington Carver                              | K-8                | 2200 E 55th St, Cleveland, OH 44103                |
| Mound   | K-8                | 5935 Ackley Rd, Cleveland, OH 44105                |
| Nathan Hale   | K-8                | 3588 Martin Luther King Jr Dr, Cleveland, OH 44105 |
| Robert H Jamison                                      | K-8                | 4092 E 146th St, Cleveland, OH 44128               |
| International Newcomers Academy (at Thomas Jefferson) | K-12               | 3145 West 46th Street, Cleveland, OH 44102         |
|   |                    |  |
| <u>Renovated</u>                                      | <u>Grade Level</u> | <u>Address</u>                                     |
| None  |                    |  |
|   |                    |  |
| <u>Demolished</u>                                     |                    |  |
| Former Adlai Stevenson                                |                    |  |
| Former Anton Grdina                                   |                    |  |
| Former Charles Dickens                                |                    |  |
| Charles H. Lake                                       |                    |  |
| Corlett   |                    |  |
| Former Euclid Park                                    |                    |  |
| Former George Washington Carver                       |                    |  |
| Moses Cleveland                                       |                    |  |
| Former Mound  |                    |  |
| Former Nathan Hale                                    |                    |  |
| Former Thomas Jefferson                               |                    |  |
|   |                    |  |
| Segment 5   |                    |  |
| <u>New</u>  | <u>Grade Level</u> | <u>Address</u>                                     |
| Almira  | K-8                | 3375 W 99th St, Cleveland, OH 44102                |
| Cleveland School of the Arts                          | High School        | 2064 Stearns Rd., Cleveland, OH 44106              |
| John Marshall   | High School        | 3952 W 140th St, Cleveland, OH 44111               |
| Max Hayes Career Tech                                 | High School        | 2211 W 65th St., Cleveland, OH 44102               |
| Miles   | K-8                | 11918 Miles Ave, Cleveland, OH 44105               |
| Orchard   | K-8                | 4200 Bailey Ave., Cleveland, OH 44113              |
| Paul L. Dunbar  | K-8                | 2159 W 29th St, Cleveland, OH 44113                |
|   |                    |  |
| <u>Renovated</u>                                      | <u>Grade Level</u> | <u>Address</u>                                     |
| Louisa May Alcott                                     | K-8                | 10308 Baltic Rd, Cleveland, OH 44102               |
|   |                    |  |
| <u>Demolished</u>                                     |                    |  |
| Alexander Graham Bell                                 |                    |  |
| Forest Hills Parkway                                  |                    |  |
| Former Almira   |                    |  |
| Former Cleveland School of the Arts                   |                    |  |
| Former John Marshall                                  |                    |  |
| Former Miles  |                    |  |
| Former Orchard  |                    |  |
| Former Paul L. Dunbar                                 |                    |  |

| Segment 6  |                    |  |
|--|--------------------|--|
| <u>New</u>                                       | <u>Grade Level</u> | <u>Address</u>                               |
| Campus International                             | K-8                | 2160 Payne Ave., Cleveland, OH 44114         |
|  |                    |  |
| <u>Renovated</u>                                 | <u>Grade Level</u> | <u>Address</u>                               |
| None   |                    |  |
|  |                    |  |
| <u>Demolished</u>                                |                    |  |
| Former Albert B. Hart                            |                    |  |
| Alexander Hamilton                               |                    |  |
| Emile B. deSauze                                 |                    |  |
| Giddings   |                    |  |
| Gracemount                                       |                    |  |
| John D. Rockefeller                              |                    |  |
| John W. Raper                                    |                    |  |
| Louis Pasteur                                    |                    |  |
| Former Robert H Jamison                          |                    |  |
| Stephen Howe                                     |                    |  |
| Union  |                    |  |
| Former William Rainey Harper                     |                    |  |
|  |                    |  |
| Segment 7  |                    |  |
| <u>New</u>                                       | <u>Grade Level</u> | <u>Address</u>                               |
| Albert B. Hart (formerly listed as Fullerton)    | K-8                | 3900 E 75th St, Cleveland, OH 44105          |
| Halle (previously named H. Barbara Booker)       | K-8                | 7901 Halle Ave, Cleveland, OH 44102          |
| John F. Kennedy                                  | High School        | 15111 Miles Ave., Cleveland, OH 44128        |
| Garrett Morgan (formerly listed as West Side HS) | High School        | 4600 Detroit Ave., Cleveland, OH 44102       |
| Oliver H. Perry                                  | K-8                | 18400 Schenely Ave., Cleveland, OH 44119     |
| Sunbeam  | K-8                | 11731 Mt. Overlook Ave., Cleveland, OH 44120 |
| Waverly  | K-8                | 1805 W 57th St, Cleveland, OH 44102          |
| Whitney Young (formerly listed as Charles Eliot) | K-8                | 17900 Harvard Ave, Cleveland, OH 44128       |
| William Rainey Harper                            | K-8                | 5515 Ira Ave., Cleveland, OH 44144           |
|  |                    |  |
| <u>Renovated</u>                                 | <u>Grade Level</u> | <u>Address</u>                               |
| None   |                    |  |
|  |                    |  |
| <u>Demolished</u>                                |                    |  |
| Former Andrew J. Rickoff (Mt. Pleasant)          |                    |  |
| Buckeye-Woodland                                 |                    |  |
| CLC Halle  |                    |  |
| Jesse Owens Academy                              |                    |  |
| Former Max Hayes Career Tech                     |                    |  |
| Former Oliver H. Perry                           |                    |  |
| Former Sunbeam                                   |                    |  |
| Former Waverly                                   |                    |  |
| Former Whitney Young                             |                    |  |