

Valuation of Proposal from Town of Reidville

As part of its request for proposals process for the disposition of the existing Reidville Elementary School (RES) property, the District Five Board of Trustees has been evaluating and, to the extent necessary, seeking clarification of the proposals received. To date, the Board has had discussions regarding these proposals but has taken no action on either proposal. With respect to the proposal received from the Town of Reidville, the Board has determined that:

1. The School District has a valid claim to title to the Academy Park property, but acknowledges that there may be a cloud on that title. Therefore, there is value in obtaining a conveyance from the Town of its interest in the Academy Park property which the Board believes has a value of \$136,500. (If the Town were able to establish and convey to the School District good, marketable and insurable title to the Academy Park property, then the value of such conveyance would be the full appraised value of \$273,000.)
2. In addition, the avoidance of the cost, uncertainty and delay of litigation over title issues associated with the Academy Park property has a very substantial value to the School District (to which the Board has not assigned a specific dollar amount).
3. In addition to the value of the deed from the Town to the Academy Park property of \$136,500, there is substantial additional value to the School District in certain elements of the Town of Reidville's proposal when constituted as follows:
 - i. Public Use of the existing RES property (approximately 10 acres @ \$50,000/acre) is valued at \$500,000, including the Town's written Memorandum of Understanding with a private developer who will improve the existing RES property for public use and will require only 1.24 acres of the existing RES property for developer's commercial use, subject to the further restrictions set forth below;
 - ii. Reimbursement to the School District for any existing RES property conveyed by the Town to the developer or any other private concern at the price of \$75,000/acre prior to 2023, at the price of \$125,000/acre from 1-1-23 through 1-1-26, and after 1-1-26 at the appraised value of such property. Such receipts are estimated to have a value of \$150,000 - \$200,000.
 - iii. The Town of Reidville's consent to all road closures, road construction and road transfers as required by District Five with regard to the new Reidville Elementary School, including but not limited to:
 1. Closure of all unopened roads shown on old Town plat/plan;
 2. Construction of roads and connections (including access roads) to the new Reidville Elementary School from Reidville Road, provided the School District constructs such roads in accordance with SCDOT specifications and includes curbs, gutters and street lights and compacts

and levels the edges of such roadway so that the Town can install a sidewalk; and

3. Transfer back to individual property owners of roads located on their property, as negotiated by District Five to secure such individual property owners' agreement to sell their property (specifically including, but not limited to, the property of the Reid and Pitts families).
 - iv. Restriction on the Town of Reidville's sale of the existing RES property to a maximum of 5 acres in the next 50 years.
 - v. Receipt by the School District or its successor of proceeds from any lease or other private development on the existing RES property for the next 50 years, excluding incidental rental or other income received in connection with the use of the existing RES property by the public for events such as Town-sponsored concerts and festivals (including vendors at such concerts and festivals) and weddings.
 - vi. Restriction on the future transfer of the existing RES property to private entities during the next 50 years without compensation to District Five at appraised value or reconveyance of such property to District Five or its successor for \$1.
 - vii. Unequivocal support and cooperation from the Town of Reidville and its officials in good faith for the timely completion and occupancy of the new Reidville Elementary School, roads and other items needed for timely completion and occupancy of the new school, especially in the event the Board enters into a written agreement to transfer the existing RES property to the Town of Reidville and that decision/agreement becomes the subject of litigation by a third party.
4. As constituted above, the total value of the Town of Reidville's proposal (without assigning any particular value to avoiding the cost, uncertainty and delay of litigation) is \$726,500.