

Springfield School District thinks it's found best choice for new administrative offices

SPRINGFIELD — After months of searching, Springfield School District officials seem to have finally found a new home for their administrative offices — though a move-in date may be pretty far off.

The Springfield School Board this week voted to spend \$2.4 million to purchase the downtown building at 640 A St. The 30,000-square-foot building, which was constructed in 1973, is owned by the Lane Council of Governments and is rented to the State Department of Transportation.

About 60 state employees will eventually relocate, said agency spokesman Rick Little. A similar number of school district workers will transfer from the Mill Street building into the LCOG space.

The school district's search for a new administrative center began in earnest after a report published in June found the current building, at 525 Mill St., to be at high risk of collapse in the event of a strong earthquake.

The report found that the three-story building, built in 1921, has no type of reinforcements in the walls to hold them in place. Furthermore, the exterior concrete walls most likely are not anchored to the floor and roof structure, which means the walls could pull away from the floors and roof if a powerful earthquake struck.

The 40,000-square-foot Mill Street building sits on 3.3 acres north of downtown. About half of that square footage is usable for office space, district officials said. The district has not yet determined if or when it will try to dispose of the property.

Following the report, the district initially announced it would tear down the current building and build a new structure at the same site within two years of demolition. But after further investigation, school officials concluded that rebuilding would be prohibitively costly, prompting the district to look at other options, including renovation of the current building or moving to another location within the district.

The district's chief operations officer, Brett Yancey, said while the purchase of the LCOG building will cost \$2.4 million, the full pricetag will be closer to \$3.5 million, as several structural adjustments will need to be made prior to move-in, including some remodeling.

Comparatively, retrofitting the Mill Street building would cost \$6 million to \$8 million, and a complete rebuild could cost upward to \$8.5 million, according to Yancey.

Yancey said the LCOG building is the best of all options.

"We believe this (Mill Street) building is a sufficient danger to those who work here," Yancey said at this week's school board meeting. "We looked at what we can afford, and what's responsible, and this seems to be the best fit."

Advertisement for a 2015 Mazda3 lease. The ad features a red Mazda3 car and a police officer. Text includes: "DON'T GET CAUGHT WITH HIGH PAYMENTS", "\$239 /MO", "\$0 DOWN", "& NO PAYMENTS UNTIL 2016", "THIS IS NOT A LEASE!", "PAYMENT DELAYMENT", "2015 MAZDA3", "LEARN MORE", and "Click for details".

No funds from the \$71.5 million bond measure approved by voters last year will be used for the purchase, Yancey said. Instead, purchase of the LCOG building will be financed from the district's general fund, which pays for the majority of the district's operations, including employee salaries and benefits, and transportation needs.

No staff reductions are expected in order to accommodate the purchase, Yancey said. The general fund has about \$100 million.

The use of bond money for the building purchase would have been "misleading" to the community, Yancey said.

"When we passed the bond, we asked to borrow money from the community, on the terms that we will be paying it back," Yancey said. "When we do that, we have to be crystal clear about what that bond will be used for, and we never indicated those funds would be used for an administration office."

In addition, Yancey said the district will work with a financial lender to secure a low-interest, 10- to 15-year loan.

"This will have to be financed over a period of time," Yancey told board members. "We want to minimize the impact it will have on our budget."

Yancey said he hopes the district can move into the new building "sooner rather than later," but did not have an immediate timeline.

ODOT's Little said it's too early to tell where the department will be moving, but that they have a year to make plans for a new location. ODOT will look at a variety of options for new space, including construction of a new building or moving into an already-established location, he said.

Little said the need to relocate was not a surprise.

"LCOG has kept us in the loop as they discussed the sale," Little said. "A year gives us plenty of time to assess options, but it's too early to nail down details."

Brenda Wilson, LCOG's executive director, said ODOT technically has two more years left on its lease, but once the sale goes through with the school district, a one-year termination clause will likely be activated, giving ODOT 365 days to find a new home.

ODOT has rented the space for eight years. Previously, the building served as a bank and as law offices.

Wilson said the reason for selling the building revolves around LCOG's decision to get out of the real estate market. The council owned three buildings, but two have now been sold, counting the pending sale to the school district, Wilson said.

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