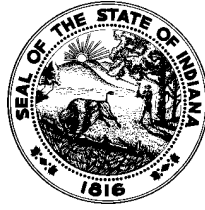


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# STATE OF INDIANA

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**DISTRESSED UNIT APPEAL BOARD**



**ONE NORTH CAPITOL AVENUE, SUITE 900  
INDIANAPOLIS, IN 46204  
PHONE (317) 234-2273**

**TO: Distressed Unit Appeal Board Members**

**FROM: Courtney L. Schaafsma, Executive Director**

**DATE: August 17, 2018**

**RE: Gary Schools Recovery, LLC Facilities Master Plan Performance Incentive**

On May 31, 2018, Gary Schools Recovery, LLC (“GSR”) submitted a Facilities Master Plan (“Plan”) to the Distressed Unit Appeal Board (“DUAB”). The Plan was submitted to the contract with GSR for emergency management services for Gary Community School Corporation (“GCSC”). The contract language requires the following for the Plan:

The Emergency Manager shall develop a master plan for the operation of the School Corporation’s facilities, including maintenance, repairs, renovations and construction if needed. The master plan should provide for improved facility utilization and education stability. The master plan should identify all real property assets of the School Corporation and determine the best approach for managing or dispensing of these assets when considering the financial impact to the School Corporation and the impact these assets have on the surrounding neighborhood and the City of Gary overall. The master plan should also include an analysis of the School Corporation’s long-term capital plant needs, including consideration for potential increases or decrease in student enrollment and modifications to the services provided by the School Corporation. The Emergency Manager shall seek community input in the development of the master plan. This master plan shall be provided to DUAB by May 31, 2018.

In addition to the above language, the contract outlines the following performance incentive in association with the submission of the Plan.

Not later than the first quarter of the 2018-2019 school year, the Emergency Manager will complete the development of a master plan for facilities, seeking community input, providing for improved facility utilization and education suitability. The Emergency Manager shall submit the master plan to DUAB for review and approval. Upon DUAB approval, the Emergency Manager shall receive a \$100,000 performance incentive.

In preparing the Plan, GSR conducted a number of meetings throughout the 2017-2018 school year relating to facility needs. GSR also held a public meeting specific to the Plan on May 17, 2018. In addition to these various meetings, GSR conducted a variety of assessments on all currently-operational buildings, including analysis of building condition, educational suitability, technology readiness and site condition. The detailed results of these assessments are contained within the Plan.

Key takeaways from the Plan are as follows:

- GCSC has more buildings than are needed for the number of students it serves. This considers both the current number of students and projected future enrollment increases.
- GCSC scored well in relation to technology readiness, with some improvements needed at the high school level.
- Site condition at the majority of buildings was below expectations. The Plan indicates that addressing site condition deficiencies needs to be a priority to improve curb appeal and encourage community pride in GCSC.
- Building condition at most schools was low, with the majority of schools needing considerable investment.
- Educational suitability scores were mixed across the facilities.
- In combining these various scores, GSR identified certain facilities with significant deficiencies that need to be addressed. These facilities included Bethune Early Childhood, Beveridge Elementary, Bailly Elementary, and West Side High School.
- The Plan presents a four phase plan for addressing the issues identified during the assessments.
  - Phase One is “realignment”. The majority of this phase was completed during the 2017-2018 school year, with the implementation of the decisions being completed during Summer 2018. These decisions include the closure of Wirt-Emerson and the Administration Building and the realignment of grades among the elementary and middle schools.
  - Phase Two is “curb appeal”. Efforts will be made to address site condition deficiencies at the schools. In addition, further review of Bethune Early Childhood will be completed to determine whether to maintain early education in a separate building or move these programs into elementary buildings.
  - Phase Three is “make the star shine”. The emphasis in this phase will be on the Gary Career Center and West Side High School, including renovating and modernizing these facilities.
  - Phase Four is “finish the job”. This phase will focus on Bailly Elementary and Beveridge Elementary, improving their building condition and educational suitability deficiencies through renovations.
- In addition to the above, the Plan provides a listing of previously closed facilities, many of which GCSC still owns. At present time, GSR and GCSC are marketing these vacant properties with the hope of removing these properties from GCSC ownership. Sale of these properties will include consideration of the impact the sale may have on the surrounding neighborhood and the City of Gary overall.