

## Oconee Street School Feasibility Study Executive Summary

A Feasibility Study on the Oconee Street School has been commissioned by the Athens-Clarke Heritage Foundation to provide the current owner, the Mayor and Commission, potential buyers and the community-at-large with a documented assessment of the historic and architectural significance of the Oconee Street School and its potential for reuse. The study also highlights the historic and architectural significance of the building that serve as the basis for determining the property's eligibility for the National Register.



*Front elevation of the Oconee Street School*

As part of this study, information was submitted to the Historic Preservation Division, Georgia's State Historic Preservation Office (SHPO), to determine whether a National Register Listing should be pursued. The SHPO has issued a letter stating the property appears to be eligible for the Historic Register. A copy of the letter can be found on page 7 of the Feasibility Study. The significance of the SHPO's determination is that it allows a future owner to benefit from numerous financial incentives providing they retain and rehabilitate the buildings in a manner appropriate to their historic character. There are a number of financial incentives available for historic rehabilitation projects that meet the SHPO's requirements. They range from various types of tax reductions, grants and easements which are outlined in the Financial Information section. The study contains a section on financial incentives that includes brief summaries of these options, including the Federal Tax Credit program. The Federal Tax Credit program is one of the most prevalent incentive programs used for historic preservation and rehabilitation projects. Once the owner's project qualifies for the Federal Tax Credit (FTC), their property can easily qualify for other tax credits at the state and local levels as well.

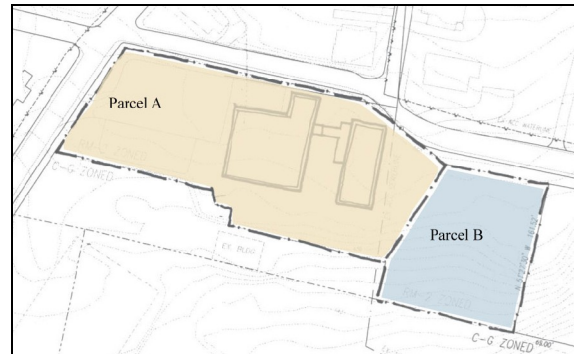
The Conditions Assessment section of the study, pages 12-27, includes an assessment of the building conditions with existing floor plans and photographs. This section outlines various repairs and modifications the building may require to restore function and achieve code compliance. The building is in fairly good condition with a level of repairs that would be typical for a building of its age.

Development options for the property that retain and rehabilitate the historic structures are presented in the Potential Uses for Site section on pages 28-42. The Oconee Street School has excellent potential to be developed as a successful rehabilitation project. The Case Study section on pages 58-64 of this report features several schools of a similar era which have been successfully rehabilitated. In addition to highlighting the inherent charm of an older building, developers saw the unique features of the schools as assets to be celebrated. The Main Building

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of the Oconee Street School features hardwood floors, an elegant entry stair, trimmed doors with transoms and expansive windows. The Cafeteria Building has a more retro modern charm, and the simplicity of the interior lends itself to many applications as far as uses and decor. The Proposed Uses section outlines a variety of uses for which the buildings are suited, including Residential, Commercial, Academic and Cultural.

In considering the many options available for developing the site, an owner could divide it into two parcels. The options presented in the Potential Uses for Site section are labeled Parcel A and Parcel B. Parcel A contains the two historic structures and ideally would be developed as a certified rehabilitation, meaning it complies with the SHPO's requirements.



Parcel B could be considered separately and developed in a use complementary to Parcel A. Since the site is zoned for Mixed Use, the most advantageous use for Parcel A might dictate the use of the more flexible Parcel B. Additionally, if the buyer sought to achieve a Mixed Use within Parcel A, Parcel B could be sold off to mitigate the rehabilitation costs.

Determining the financial feasibility of any property development is dependent upon many factors, including but not limited to project costs, market value and the financial goals of the investor. A preliminary cost estimate of one of the Proposed Use scenarios is included in the Cost Estimates section to provide perspective on the estimated project costs and to illustrate the potential value of incentive programs such as the Federal Incentive Tax Credit Program. Any investor considering this property should perform their own financial analysis.

To fully articulate the financial feasibility of this project, it is recommended that financial and market analyses be implemented. The financial and market analyses would address many complexities that are beyond the scope of this study and unique to each potential use, such as determining the rental market rates of the area as well as factoring in the financial impact of the various tax credits and incentives.