

Highlights of district negotiations with Everett Museum of History

- 1911 – Longfellow grade school opened
- 1957 – Annex added
- 1971 – both converted to district support facilities
- 2013 – staff at both facilities moved to Community Resource Center
- 2015 – district sought viable buyers for the Longfellow property

This storied building served students and community well for over a century. In that time, educational programs have changed, building safety and compliance codes have become more stringent, and the landscape around Longfellow has evolved into a sports and administrative complex, increasingly needing more parking and safe pedestrian areas.

Longfellow would be costly to renovate and costly to operate – and it is no longer needed for school district programs.

A longer history of the last two and a half years – collaborating with Everett Museum of History

- **2015** – *For Sale* sign appeared at Longfellow. To protect taxpayers from possible buyer default, the district asked potential purchasers to prove they had sufficient financial resources and project experience to buy it and to upgrade it for a safe, modern use compatible with the district's use of Memorial Stadium.
 - This information and requirement for financial viability was called *minimum proposal requirements* to buy Longfellow. At that time, the district's architect estimated it would cost \$7.7 million to modernize Longfellow.

Several prospective buyers showed interest, but could not demonstrate financial viability and/or appropriate project experience.

- **March 2017** – Everett Museum of History (EMOH) expressed interest in Longfellow, and an anonymous donor offered \$3 million to bolster EMOH's reserves and enthusiasm.
- **March 2017 to July 2017** – district, legal counsel and real estate professionals worked collaboratively with EMOH to address *minimum proposal requirements* which were established and publicized to all interested buyers in 2015. Those conversations included how to balance what EMOH hoped for the building and what the district needed the adjacent lands for.
 - o **Meanwhile** –
 - At year's end of 2016, EMOH had a net income of \$5,721 and assets of \$24,565
 - EMOH's committed donations then were \$3 million from an anonymous donor
 - That left a gap of \$4 to \$6 million between what EMOH had available and the *minimum proposal requirements*
 - o **Therefore** – the district began working on possible ways to reduce the scope of the EMOH purchase to better match the available EMOH funds and still best meet the needs of both the museum group and the district.
- **July 2017** – district provided EMOH with a *draft term sheet* that outlined what it believed met the needs and interests of both parties. The district invited the museum group to respond to the *draft term sheet*.

- **On August 21, 2017** – EMOH did not respond to the *draft term sheet*. Instead, EMOH responded by proposing its own purchase and sale agreement.
 - o The new counter proposal did not address all of the district's critical needs detailed in the July 2017 *draft term sheet*, nor did the proposal show how EMOH could afford to buy the property and to restore or modernize it. (a requirement of the original *minimum proposal requirements* the museum group had since 2015)
 - o In the counter proposal, EMOH Sept 15, 2017, as the deadline for a district response, 25 days later.
 - o **An impossible deadline**
 - o The district could not legally sell Longfellow by the deadline because the City of Everett required the district submit a short plat application to create a legal lot for the Longfellow property separate from the rest of the Memorial Stadium/CRC.
 - o The district could not agree to the new EMOH request until the city's application process is complete, accepted and approved by the city – a process that usually takes several months.
- **October 27, 2017, in the interest of continued collaboration**
 - o Following the district's repeated efforts to develop a common understanding with the EMOH on the material terms of a potential transaction, EMOH formally withdrew from negotiations for purchase of the Longfellow Building.
 - o EMOH stated the organization had "decided that we must do what is responsible and in the best interests of the Everett Museum of History."
- **December 2017 – EMOH announces it has found a new home in downtown Everett**
- The school board has not made a final decision about next steps for the Longfellow Building although demolition is among possibilities discussed with directors.