

## **Sale of School District Property Deal Structure**

- City Council will approve a transfer ordinance to move \$50 million in General Fund receipts to an appropriate City Department for the express purpose of entering into an agreement with the Philadelphia Authority for Industrial Development (PAID) to use said funds for the purchase of School District of Philadelphia (SDP) surplus property.
- SDP will agree to transfer title or assign the rights to sell all surplus property to PAID in exchange for \$50 million.
- PAID will proceed to market and dispose of properties at fair market value. After each closing, PAID will disburse the proceeds to the City. PAID will continue this process until the total sales are equal to or greater than \$50 million. Should the disposition of any property yield an amount, when combined with all previous dispositions, in excess of \$50 million, then any amount above \$50 million shall be disbursed to the SDP.
- At such time that the total proceeds of the disposition of surplus SDP property shall have reached \$50 million or more, the SDP shall have the right to either: 1) authorize PAID to continue to dispose of the properties and disburse the proceeds to the SDP or 2) return title to all unsold properties back to the SDP.