Redevelopment Opportunities

Georgia Department of Community Affairs

Old Hahira High -- A New Homecoming for Older Residents?

Community support is strong for saving the Old Hahira High School, vacated last year when a new high school was built nearby. The school is located just a few blocks from downtown. In discussing the project with the team, some residents said that “putting the property back on the tax rolls” was an important consideration. Others noted Hahira’s need for more community gathering space and suggested that non-profits and community groups could use more office space. The unique building may be able to accommodate both uses and take advantage of a number of state grant and loan programs as a result, the team agreed.

The lack of retirement facilities in the area, proximity to the local medical services and downtown, a presumed high quality of life, location next to a residential area and history in the community all work together to create a strong argument for redeveloping the site as a retirement facility. It is obvious from discussions with the community that many older residents of Hahira and the surrounding county would feel at home in the Old High School. The challenge will be to acquire the site and reach community consensus on a redevelopment strategy.

The neighborhood around the school is pleasant and very conducive for a residential use. While there might not be enough demand to develop the whole building into elderly housing, this would be an excellent fit for the back half of the building behind the auditorium. Each class room offers high ceilings, plenty of windows and beautiful wood floors. Hallways are wide enough for ADA accessibility even with plenty of seating areas. It would be easy to make private outdoor spaces available for every unit. The site is large enough to add community dining facilities if necessary. The back of the building could be secured from the front wing, and the front wing and auditorium could be retained by the community for various community and elderly support activities. Some space could also be rented to non-profits or social service agencies.

Site ownership issues with the School Board must be resolved in order to proceed with this project. The parcel should be subdivided so that a private partner can develop and operate the elderly housing portion and the city or School Board could retain and manage the public/community functions in the front wing of the building. (See site drawing.) The School Board has identified the need for additional parking for the adjacent new school. The School Board could retain

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control of this part of the property.

Planned properly, the project should qualify for the Low Income Housing Tax Credit program and/or HOME Funding for rental residential use. Some of the community spaces in the front could also be partially funded through state government programs.

Site ownership issues with the School Board must be resolved in order to proceed with this project, although a School Board representative told the team that the Board is willing to donate the cost of demolishing the building, a value of approximately $180,000 to the project. These funds could be used for site work and to remove substandard buildings on the property. The parcel could be subdivided so that a private partner can develop and operate the elderly housing portion and the city could retain and manage the public/community functions in the front wing of the building. (See site drawing.) The School Board has identified the need for additional parking for the adjacent new school. This could be provided as part of the arrangement.

In order for a private developer to get funding for this project, the school board would need to relinquish ownership of a portion of the site. This sketch illustrates property lines that would still give the board room for parking and future expansion.

This is only one of several ways in which the project might be arranged. The actual layout would likely change based on project financing and historic preservation considerations.

Hahira residents took the team on an enthusiastic tour of the Old High School, telling stories of quirky teachers and an encounter with an alligator in the flooded basement.
A financing approach . . .

Because the team looked at nine buildings in two days, it was not possible to develop a cost analysis and financing strategy for this building in the very limited time available. A “back-of-the-envelope” calculation, however, was prepared during the team’s visit. It assumes a rehabilitated building with 17 elderly apartments at 50% of median income. It also assumes that the project would qualify for 5 to 8 vouchers as well as low income housing tax credits.

**Uses of Funds**

- Demolition/asbestos removal: $200,000
- Building rehab (24,000 sq. ft. at $50 per sq. ft.): $1,200,000
- Soft costs (30%): $400,000
- Total: $1,800,000

**Sources of Funds**

- CDBG Redevelopment Funds: $200,000
- HOME Program (6 units): $300,000
- Equity: $1,300,000
- Total: $1,800,000

**Pro forma income and expenses**

- 17 units at $350 per month: $71,400
- Less vacancy contingency at 7%: -$5,000
- Less operating expense at $3,000 per unit: -$51,000
- Less replacement reserve at $300 per unit: -$5,100
- Net operating income: $10,300

_Disclosure: This project scenario is provided only to stimulate discussion and to illustrate a conceptual public-private financing package of the type that might be used for this building. DCA does not warrant that: 1) costs, rents or cash flows are accurate; 2) funding would be available from the programs listed; 3) tax credits or vouchers would be available; or 4) this would be the best or most profitable approach for the city or building owners to take._

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**Unique Characteristics**


*Structure:* Brick. Substantial renovation (1970s) with all windows replaced with aluminum double-hung and openings reduced (stucco finish), room spaces altered, drop ceilings installed, transoms covered, doors replaced.


*ADA Compliance:* Easily addressed.

*Historic Tax Credit Requirements:* Rehab of this building should include retaining corridor plan and door spacing, retaining wainscot, restoring floors and original wood ceilings, and replacing windows with compatible windows based on original design. Demolition of adjacent buildings may be a concern if associated with identified pattern of historic school development.

*Other:* Non-historic buildings from early 1960s and early 1970s also occupy site. Costs involved in the demolition of the newer buildings may be substantial. Asbestos has been identified in the basement heating ductwork. Building has no sprinkler system; however, depending on proposed use it may not need it.

*Zoning:* Property currently not zoned for residential use.
Market Support for Redevelopment

- In 2000, population within the city of Hahira was 1,626.
- Population within the market area increased at a rate exceeding state levels between 1990 and 2001 from 29,508 to 42,165: 3.90% compared to 2.58% statewide. Within the next five years, population growth within the Hahira market area is expected to continue to outpace state levels but will decrease to 2.08%.
- Household growth levels exceeded population growth between 1990 and 2001, increasing by 4.44% annually. Within the next five years market area households are expected to increase at an average annual rate of 2.34%.
- The age distribution of the Hahira market area population closely mirrors the state distribution, with the exception of a slightly higher proportion of young adults age 18 to 34. The estimated median age within the market area is 32.6 years compared to 34.7 statewide.
- Household income levels within the market area are slightly below state levels. In 2001, market area estimated median household income is $43,822 compared to $46,157 among all Georgia households.
- The racial distribution of the market area population is less diverse than the state with 75% white, 21% black, 2% Asian/Pacific Islander and 2% within “other” racial groups. Three percent (3%) of the Hahira market area population is Hispanic compared to 6% statewide.
- Within the 10-mile market area there are 160 businesses, 39% of which are services and 28% retail trade.

Competitive Advantages

Strong Population Growth: Population is increasing at a faster rate than the state and is expected to continue doing so throughout the next five years.

Proximity to Healthcare Services: The Old High School is within walking distance of Smith Hospital, a pharmacy and medical offices and within a short drive of Valdosta where there is a regional medical facility.

Historic Ambiance: While small, downtown Hahira offers a number of historic buildings that could ultimately be redeveloped to build on downtown’s historic ambiance. In other words, the downtown has “something to work with.”

Connections to School: Many of Hahira’s residents attended school at the Old High School – some from 1st through 12th grade – instilling a sense of familiarity and interest in the property among local residents.

Absence of Retirement Communities in Area: According to those interviewed during the site visit, the closest independent or assisted living facilities are in Valdosta.

Project Constraints

Site Control: Site control is a key factor in any redevelopment project. The Board of Education will need to release all or most of its interest in the site to attract developers.

Lack of Consensus: There appears to be no unified vision for the redevelopment of the site among the stakeholders.

Unusual Space: The Old High School is made up of several buildings with small classrooms and a large auditorium connecting the two wings of the school. As such, “practical” options for reuse will require careful design.

Small Town: Hahira is a small city (just over 1,600 residents) surrounded by rural areas, limiting its market potential.

Opportunities

Retirement Community: With no independent or assisted living facilities in the area, many lifetime residents who require this type of living environment are forced to move to Valdosta. Enabling elderly residents to stay in the community in which they’ve spent their lives and where their friends and family live would be an added benefit to the entire community.

Community Center: A portion of the space within the retirement center – including the auditorium – would be well suited for meetings, classes or special events.

Build on Ties to the School: The community’s ties to the school will help support its ultimate reuse. This is especially true with retirement housing where children and their elderly parents will be more inclined to “return” to a place where they spent much of their childhood.

Success Story: A success story such as the redevelopment of the Old High School may motivate area leaders to take on other redevelopment projects – meaningful change will seem within reach.