

MEMO

Attachment E



Date: June 12, 2014
To: Board of Directors
From: Roni Luckenbill, CEO
Subject: Girl Scout Lake Pointe Property Office Building – Decision Required

Background: In April 2011, the Girl Scouts of Western Ohio board authorized the purchase of two office buildings (11,000 sf and 6000 sf) next door to the Administrative/Cincinnati Service Center. The decision was made based on the following criteria:

1. The council was moving toward centralizing its “back office” operations, including the finance, human resources and some business services operations in the Cincinnati office, which required additional space.
2. Limited parking and volunteer and girl meeting space were major challenges for the Cincinnati office, which provides support to forty percent of the council’s membership.
3. The negotiated price was very reasonable and provided confidence that it was a good investment in a very stable business location.

Current Status of Property: The original plan was to renovate the 11,000 sf building and to continue to lease out the 6000 sf building (to cover costs). Initially the renovation was slowed based on the impact of the economic downturn on the council. We have continued to lease some of the 6000 sf building. On the larger building we have made minimal improvements and used the building primarily for storage and for staff projects.

In the three years since the purchase we have experienced a shift in the way that we work that has led us to reconsider the need to expand operations to another building. The impact of digital communication has changed the way that we operate and communicate at all levels. This includes:

- Less emphasis on large meeting spaces; volunteers and staff would often rather dial into an on-line meeting or webinar. (For face-to-face meetings staff are going to the volunteers!)
- Increased efficiency in the external communication process, with electronic proofing and document management, less space is required; the geographic location of the staff member, volunteer or parent sending or receiving the information is often irrelevant.
- Increased flexibility in staff work locations – including working from any office or from the field, using laptops and cell phones.

Recommendation: We believe that this may be a good time to sell the Lake Pointe property. We have been contacted by realtors who have reported a significant increase in commercial sales since the beginning of the year. We have also avoided any major investment in the property since purchasing, but the requirement for capital improvements is increasing. We believe that the money that is needed for repairs and renovation could be better applied to a future growth area such as improving our digital communications infrastructure and capability.

Proposal: We propose that the board authorize Roni Luckenbill, CEO, to sign a 6 month agreement to work with a realtor to market and sell the Lake Pointe Property at a price that is no less than the 2011 purchase price of \$825,000.