

Item Title: WCPSS Property Acquisition in West Raleigh/Cary Area for Future SCORE Academy Site (Second Reading)

Specific Action Requested:

That the Board of Commissioners approves the Board of Education’s request to fund the purchase price together with closing costs in an amount not to exceed \$2,434,262.00 pursuant to N.C.G.S 115C-426.

Item Summary:

Purpose: The Board of Commissioners must approve funding for land acquisition by the Wake County Board of Education.

Background: On September 3, 2024, the Board of Education approved the terms and conditions for an offer to purchase a Commercial Office Building Condominium consisting of a total of 8,426 square feet located in west Raleigh from Charles T. Hall and spouse, Cheryl B. Hall (Seller), for a total price of \$2,415,000.00, subject to approval of funding by the Board of Commissioners. This site is located at 1351-101 Sunday Drive and will accommodate the relocation of the Cary SCORE (Second Chance Online Resource for Education) Academy administration and regional program.

Strategic Plan: This action supports Lifelong Learning Goal 4: By 2029, three out of four residents asked will share that Wake County has high-quality education-based facilities, including schools, libraries, and other educational resources.

Fiscal Impact: Funding is available from the Land Acquisition Component of the Board of Education’s Capital Improvement Plan Funds for the purchase price together with closing costs in an amount not to exceed **\$2,434,262.00**.

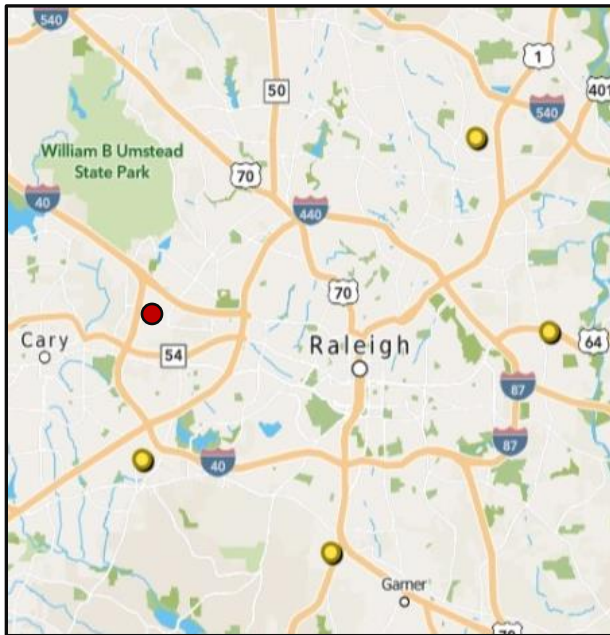
Additional Information:

The Board of Education utilizes ongoing data-driven processes to identify school site and educational support locations needed to address growth and crowding in the Wake County Public School System. The Cary SCORE Academy is co-located with Crossroads FLEX High School at 5651 Dillard Drive in space constructed to business occupancy code requirements. With the evolution of both successful schools, needs have been identified for additional space to meet growth and program needs and educational occupancy code requirements. Acquisition needs have been identified in the West Raleigh/Cary area for relocation of the Cary SCORE Academy administration and regional program within its regional service area. Its relocation will provide suitable space for its program and will also facilitate opportunities for growth and improvements as needed to support Crossroads FLEX High School in its current location. Given the growth and development of these programs, current utilization levels of these schools, and the need for upfit to

educational occupancy code compliance, the need for a SCORE Academy program site in this regional area is well supported and has been confirmed as a priority site.

Land Acquisition Criteria:

The proposed acquisition consists of a one-story commercial office building condominium constructed in 2006 that contains ±8,426 SF of space, together with all improvements, structures, equipment and fixtures located therein, and is located at 1351-101 Sunday Drive. The condominium is situated on a 3.920 acre parcel of land (PIN 0784-05-1280), owned by Arena Place Condominium and Arena Place Development, LLC, and includes access to shared parking areas, equipment and fixtures located thereon. The site is located at the intersection of Sunday Drive and Kingdom Way, south of Trinity Road and west of Edwards Mill Road in Raleigh. The parcel is owned by Charles T. Hall and spouse, Cheryl B. Hall. It has been zoned by the City of Raleigh as IX-3 (Industrial Mixed Use/three story height limit) within which Educational K-12 uses are permitted. The subject property site location is depicted below:



Other Due Diligence and Site Assessment:

Due diligence studies procured included an appraisal, a Building Enclosure and Roof Assessment, a Mechanical, Electrical, Plumbing and Structural Building Assessment, pre-acquisition fit plan/feasibility studies, and probable cost estimates. Additional activities during due diligence included collaboration with Wake County and City of Raleigh staff to review change of use permitting processes, and title examination and condominium association covenants review by Board Counsel. The Subject Property is within Arena Place Condominiums, and as such is subject to monthly Association Dues of \$2,290.18. The Association provides common areas maintenance, including parking lot maintenance, pest control, landscaping, roof maintenance and replacement, general building exterior maintenance, snow removal, pest control, trash collection, irrigation, site lighting and related utilities. Board will be responsible for maintenance of the condominium unit, including interior finishes, HVAC, plumbing, electrical, lighting, doors and windows, janitorial, water and utilities.

Value Information:

An appraisal of the Subject Property was prepared by E. Cody Jetton, MAI, CRE, NC Certified General Appraiser with the Mearstone Group. Mr. Jetton estimated the market value of the subject building to be \$2,450,000.00 which appraised value supports the purchase price.

Utilities and Transportation Infrastructure:

Existing water and sanitary sewer services are provided by the City of Raleigh and should be sufficient to support the intended use of the Subject Property.

The Subject property has site access from Sunday Drive and Kingdom Way. In light of the small size and unique schedule of the SCORE Academy operations to be relocated to the site, the existing site circulation and offsite transportation facilities are expected to be sufficient.

Available due diligence information indicates that the building upfit and improvement costs will be commensurate with typical market upfit costs as projected by WCPSS Facilities Design & Construction's Program Controls staff and as encountered in Wake County.

Wake County Staff Comments:

County staff has been involved in certain aspects of the Subject Property selection process and has reviewed the findings. Based on the information presented, County staff supports acquisition of the Subject Property for a SCORE Academy program facility.

Attachments:

1. Presentation