

Item Title: Land Acquisition for a Land Bank School site in Western Wake County (Cary/ Morrisville/Research Triangle Park Area) (First Reading)

Specific Action Requested:

That the Board of Commissioners receives this information from the Board of Education, so that upon answering of any outstanding questions this item will be placed on a future Agenda for consideration of approval of funding of the purchase price together with closing costs in an amount not to exceed \$7,747,013.00 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 June 19, 2018, the Board of Education accepted the terms and conditions for the purchase of a 44.141 acre land bank school site in the Western Wake County area site from Research Triangle Foundation for a total price of \$7,724,675.00 (44.141 acres x \$175,000.00 per usable acre), subject to approval of funding by the Board of Commissioners.

Board Goal: Meets the Board of Commissioners Education goals by collaborating with education stakeholders

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 \$7,747,013.00.

Additional Information:

The Board of Education utilizes ongoing data-driven processes to identify school site locations needed to address growth and crowding in the Wake County Public School System. Acquisition needs have been identified in the Western Wake County/ Morrisville/RTP area for both middle and high school capacity. Given the steady growth and development in the area, current utilization levels in area schools, the distance to the existing and planned middle and high schools, and the potential for development efficiencies, the need for acquisition of a land bank school site in the targeted area is well supported. The proposed land bank acquisition consists of a portion of a parcel of land (PIN 0736-84-7685) located on the southern side of Little Drive, west of its intersection with Davis Drive owned by Research Triangle Foundation of North Carolina, a NC non-profit corporation ("RTF"). The subject parcel is located immediately adjacent to Parkside Elementary School which is scheduled to open in 2019.

Parkside Elementary and the land bank school site are located within the jurisdiction of RTP. The Town of Morrisville’s jurisdiction abuts the land bank site on its southern side, and abuts the Parkside Elementary site on its southern and western sides. For development of land within RTP, Wake County is responsible for administration of planning reviews, approvals, permits and inspections in accordance with RTP covenants, conditions and restrictions.

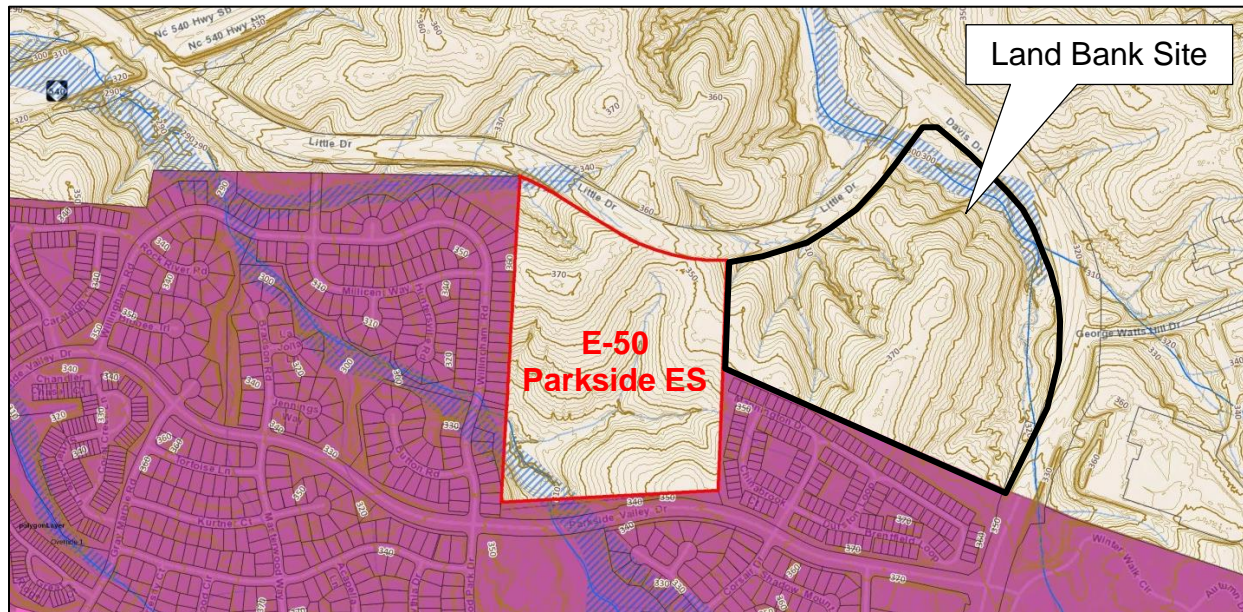
Site availability is extremely limited in the target area due to the extent of existing development, proximity to the Raleigh Durham International Airport and corresponding airport overlay zoning restrictions, and the presence of the Research Triangle Park (“RTP”) within which public school development is restricted by existing Covenants, Conditions and Restrictions. RTF leadership, Town of Morrisville staff and WCPSS staff worked together to identify the subject land bank site. As a condition of the contract, RTF has successfully submitted and supported a request to the RTP Owner’ and Tenants Association to approve an amendment to the existing covenants to accommodate the much-needed school site within RTP.

The site information obtained in due diligence includes an Exempt Subdivision and Boundary Survey, a Phase I Environmental Site Assessment, a Preliminary Subsurface Geotechnical Report, a Preliminary Jurisdictional Wetland and Stream Assessment, and preliminary feasibility study. An appraisal was also procured, which was prepared by J. Thomas Hester, MAI, of Hester & Company. Mr. Hester concluded that the fair market value of the land is \$175,000.00 per acre, which valuation supports the negotiated purchase price. For comparison, recent school site purchase data for sites in the western Wake County area is summarized below:

Land Acquisition Comparison						
	Appraised Value	Sales Price	Sales Price Over/(Under) Appraised Value	Appraised Value (Per Acre)	Sales Price (Per Acre)	Sales Price Over/(Under) Appraised Value Per Acre
Land Bank Site: RTP Site S-32	\$7,724,675	\$7,724,675	\$0	\$175,000	\$175,000	\$0
Recently Acquired Sites in the Area	Date of Acquisition	Acreage	Total Sales Price	Appraised Value (Per Acre)	Sales Price (Per Acre)	Sales Price Over/(Under) Appraised Value
E-33 Horton Creek ES	Apr-15	18.00	\$2,900,000	\$161,111	\$161,111	\$0
E-38 Pleasant Grove ES	Jun-14	23.86	\$2,964,125	\$113,251	\$125,000	\$11,749
E-50 Parkside ES	Feb-16	33.94	\$4,310,761	\$129,000	\$127,000	(\$2,000)

Sewer service is located along the eastern portion of the subject property. Water service is located within the existing rights of way of Little Drive and Parkside Valley Drive Road adjacent to the subject site. WCPSS staff anticipates that public infrastructure costs will be within typical ranges due to the proximity of public water and sewer services to the site. Preliminary concept plans indicate that typical on-site circulation driveways will be necessary due to the location and configuration of the site. Typical road improvements near the site frontages on Little Drive and Davis Drive to accommodate turn lanes and safe vehicular and pedestrian access to the site from adjacent State/Town-maintained roads will likely be considered for requirement by the Town of Morrisville and the North Carolina Department of Transportation at such time as a school construction project is undertaken and a site plan developed. The costs of such required off-site road improvements are expected to be reimbursable pursuant to N.C.G.S. 160A-307.1 and 136-18(29a).

The specific future school configuration for the land bank site use to address identified middle school and/or high school needs has not yet been determined. A preliminary feasibility study utilizing generic building sizes, parking and circulation indicate that site development costs will likely range from typical to above typical. The site has elements including topographic variation, streams and wetlands impacts, and the presence of existing utility easements as shown on the site survey which will complicate school site design. The land bank site location and topography is depicted below:



Wake County Staff Comments:

County staff has been involved in certain aspects of the site selection process and has reviewed the findings. Utilizing the site criteria in the search ring area, the land bank site meets those criteria at the lowest price available compared to other sites considered. Based on the information presented, County staff supports acquisition of this parcel for a land bank site for a future school.

Attachments:

1. Presentation
2. Western Wake County Land Bank Site Contract
3. Appraisal
4. Survey