



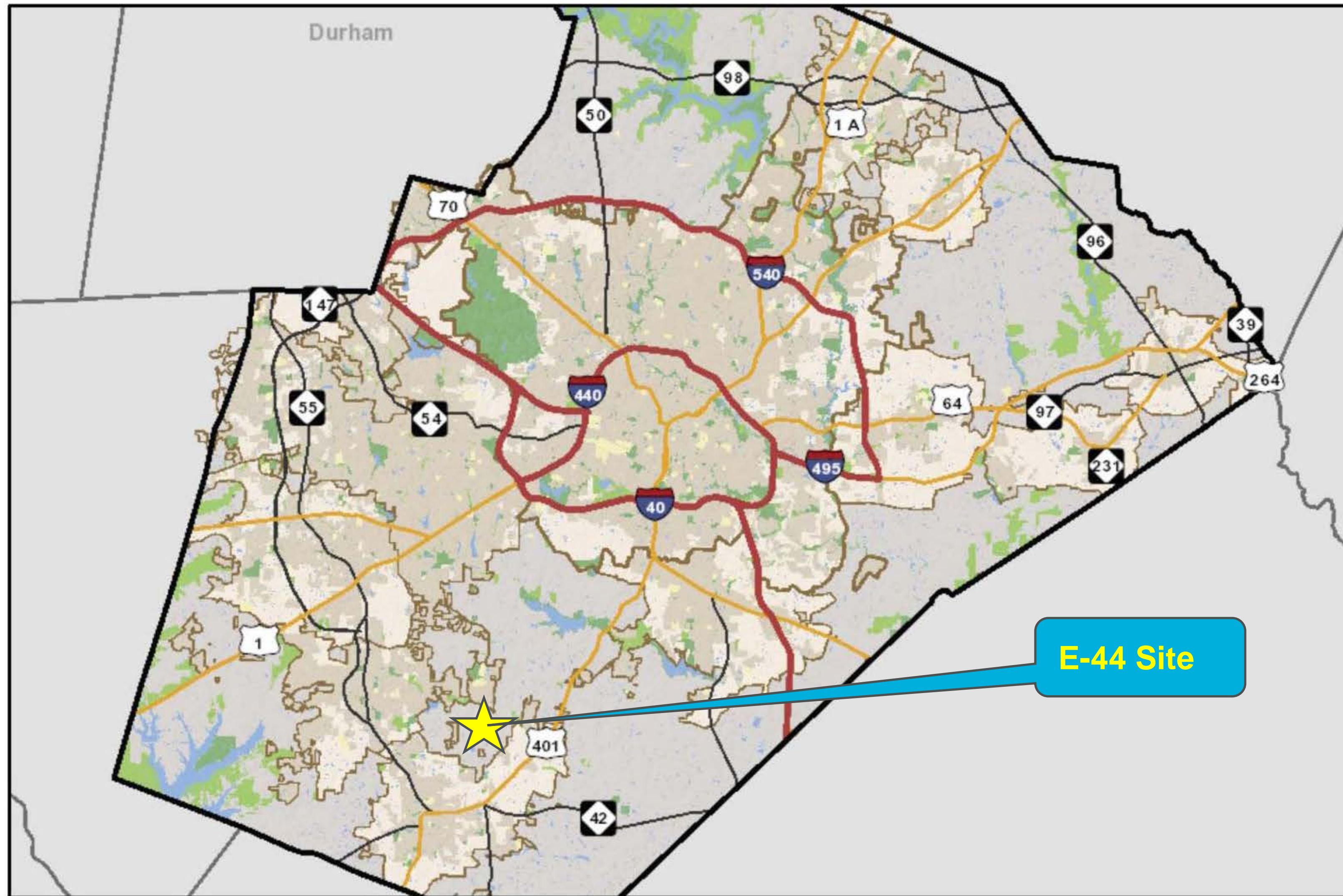
Presentation to:

Wake County Board of Commissioners

**REQUEST FOR APPROVAL AND FUNDING OF BOARD OF EDUCATION
ACQUISITION OF E-44 SCHOOL SITE (SECOND READING)**

Betty Parker, Senior Director of Real Estate Services
Wake County Public School System
December 4, 2017

Location of E-44 Hilltop Needmore Road Site



E-44 Hilltop Needmore Road Site – Assemblage Outline



E-44 Hilltop-Needmore Road Site - Feasibility Study



Contract Terms and Information

- **Purpose:** To accommodate a future elementary school
- **Seller:** Crooked Creek Golf Land LLC & CC Partners Inc.. The subject property has been owned by the principals or related entities for more than 20 years
- **Land Purchased:** 21.0 acres on the southern side of Hilltop Needmore Road east of its intersection with Johnson Pond Road and located within Town of Fuquay Varina ETJ.
- **Negotiated Purchase Price:** \$1,365,000 (\pm 21.0 acres @ \$65,000/acre.)
- **Utilities:** Water service from Town of Fuquay-Varina, sewer service via existing Aqua pump station that serves the neighborhood
- **Cost Sharing:** Seller to share costs of water & sewer extensions to the site and road improvements along eastern frontage, & complete installations
- **Appraised Value** (January 2016): \$1,315,000
- **Due Diligence Period:** 150 days from contract execution.
- **Closing:** 45 days after completion of all due diligence, including obtaining BOC approval of funding

Non-Standard Conditions: Water & Sewer Service

- **Water & Sewer Service Extensions:** Seller is responsible for the work required for water and sewer extensions at least 18 months prior to projected school occupancy. Seller to provide a performance bond to secure timely performance.
- **Water Service Infrastructure Costs:** Board is responsible for a 50%-50% cost share with Seller to extend a 12' water line from the intersection of Hilltop Needmore Road and Lake Wheeler Road westward along Hilltop Needmore Road to the eastern boundary of the school site.
- **Sewer Service Infrastructure Costs:** Board is responsible for a 50%-50% cost share with Seller to extend a sewer line from the current terminus of the sewer line leading to the Aqua pump station southward to the southern side of Hilltop Needmore Road then extending to the northern boundary of the school site

Non-Standard Conditions: Road Improvements

- **Subdivision Road Infrastructure:** Seller is responsible for the work required for installing the new public road along the eastern boundary of the school site from Hilltop Needmore Road to the southeastern corner of the school site at least 18 months prior to projected school occupancy. Seller to provide a performance bond to secure timely performance.
- **Road Design:** Road is to be designed and installed to NCDOT recommended standards to adequately support bus traffic.
- **Temporary Access:** Until the new public road is installed, Seller will grant temporary easements for ingress and egress from existing public roads to the site to accommodate site development traffic.
- **Road Infrastructure Costs:** Board is responsible for a 50%-50% cost share with Seller of installing the new Subdivision Road along the eastern boundary of the school site.
- **Easements and Rights of Way:** Seller to grant as needed for road or utilities work.

Non-Standard Conditions: Cloud on Title & Due Diligence

- **Resolution of Pending Lawsuit:** Friends of Crooked Creek, LLC et al. lawsuit against the Seller has now been fully adjudicated in favor of the Seller.
- **Identified Burn Pits:** Seller to remove three bury pits identified during the due diligence period and restore to a reasonable engineering standard.
- **Existing Restrictive Covenants:**

Section 12. Common Area and Golf Course Exempt. The Common Area and all portions of the Property owned by or otherwise dedicated or conveyed to any governmental entity shall be exempt from the assessments and liens for same created herein. In addition, if required by the governmental entity to whom such Common Area or portion of the Property is being dedicated or conveyed, such Common Area or portion of the Property may be dedicated or conveyed free and clear of all of the terms, conditions, covenants and restrictions contained in this Declaration.

The Golf Course property also shall be exempt from the assessments and liens for same created herein. Provided, however, if at any time in the future any part or all of the Golf Course property shall be subdivided into Lots intended for single-family residential use or used for multi-family residential purposes, then the exemption from assessments and liens for such part or all of the Golf Course property shall terminate and the same shall become subject to assessments and liens as provided herein for Lots and multi-family residential property.

Wake County Conditions on Park Acquisition: Applicability

	Condition	BOE
1	Pending lawsuit resolution	Complete
2	Termination of Restrictive Covenants on Subject Site	Amendment/Condemnation
3	Conservation Easement Transfer & USACE pre-clearance	N/A
4	Removal of Encroachments on Subject Site & adjacent properties	N/A
5	Termination of Leaseholds	N/A
6	Preliminary approval of utility connections/extensions	Complete
7	Satisfactory Environmental Assessment	Complete
8	Buried burn pits locations identified and remediated	Seller Terms/Post-Closing
9	High hazard dam emergency action plan	N/A
10	Grant of necessary easements	Seller Terms/Post-Closing
11	Rezoning from Town of Fuquay-Varina if necessary	Post Closing
12	Approval of Funding from BOC &/or NCLGC	Under way
13	Connections to Triangle Greenways Properties	N/A

Land Acquisition Comparison

Subject Property	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
E-44 Site (CCGL LLC)	\$1,260,000	\$1,316,900	\$56,900	\$62,200	\$65,000	\$2,800
E-44 Site (CCP Inc.)	\$55,000	\$48,100	(\$6,900)	\$75,000	\$65,000	(\$10,000)
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 per acre
H-12 Site	Sept – 16	67.999	\$4,307,136	\$65,000	\$64,000	(\$1,000)
E-45 Site	Mar - 16	22.5	\$1,333,904	\$60,000	\$60,500	\$500

End of Second Reading Presentation

Board approval is requested