

Item Title: Land Acquisition for an Elementary School Site (E-51) and a Land Bank Middle School site in Western Wake County (Holly Springs/Apex 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 \$2,831,858.96 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 (WCPSS).

Background: Using agreed upon criteria, staff from the County and WCPSS work together to identify land-banking sites for future WCPSS schools. This action would approve funds to acquire land for a future elementary school (E-51) and a Middle School in Western Wake County. On July 10, 2018, the Board of Education accepted the terms and conditions for the purchase of a 73.587-acre land bank school site in the Western Wake County area site from Duke Energy Progress, LLC for a total price of \$2,723,234.11 (73.587 acres x \$37,007.00 per usable acre), subject to approval of funding by the Board of Commissioners.

Board Goal: This action supports routine County operations.

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 \$2,831,858.96.

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. The acquisition needs have been identified in the Western Wake County/Holly Springs/Apex area for both elementary school and middle 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 an elementary school site (E-51) and a land bank middle school site in the targeted area is well supported. The proposed acquisition site consists of a portion of a parcel of land (PIN 0629-64-9092) located on

the southern side of Woods Creek Road east of its intersection with Friendship Road, and is owned by Duke Energy Progress, LLC.

Site availability is limited in the target area due to the extent of existing development, zoning restrictions, streams and watershed areas, proximity to Shearon Harris nuclear power plant and extensive related holdings of Duke Energy Progress LLC (“DEP”).

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. As a condition of the contract, during due diligence DEP has secured requisite regulatory approvals from the North Carolina Utilities Commission and the Public Service Commission of South Carolina as necessary for sale of the property to the Board of Education. It has been conclusively determined that approvals from the United States Environmental Protection Agency are not necessary as first anticipated, due primarily to the undeveloped character of the property.

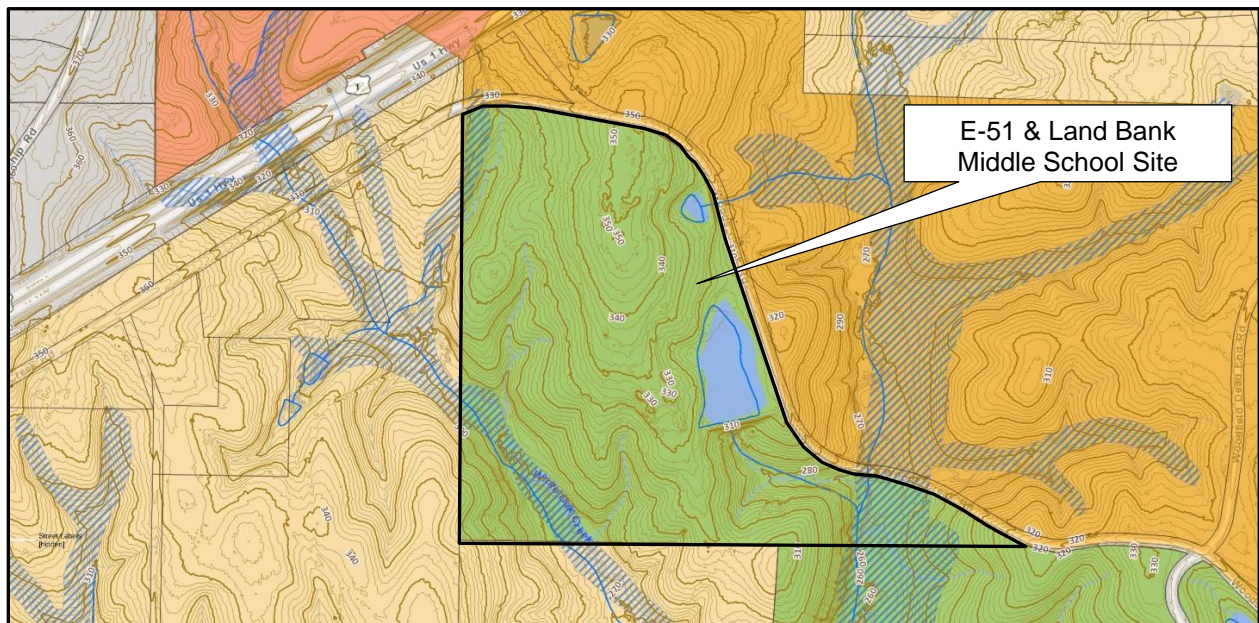
An appraisal was also procured, prepared by Kirk McCoy, II, MAI, of Stewart, Martin, McCoy, LLC. Mr. McCoy concluded that the market value of the land is \$37,007.00 per acre, which amounts to a total value of \$2,723,234.00, (± 73.587 acres x \$37,007.00 per acre). For comparison, recent school site 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
E-51/MS-XX Site:	\$2,723,234	\$2,723,234	\$0	\$37,007	\$37,007	\$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-43 Oakview ES	Sept-14	23.55	\$1,517,360	\$52,146	\$64,431	\$12,285
E-45 Buckhorn Creek	March-16	22.05	\$1,33,904	\$60,000	\$65,000	\$5,000
E-44 (Crooked Creek)	Sept-18	21.00	\$1,100,000	\$62,619	\$52,381	(\$10,328)
E-49 (S. Fuquay-Varina)	March-18	60.99	\$2,729,290	\$45,000	\$44,743	(\$257)

Water, reclaimed water and sewer services will be made available at or near the site with development of large adjacent tract prior to the start of the E-51 project schedule. A sewer pump station will be necessary, with cost-sharing opportunities with adjacent development. WCPSS staff anticipates that public infrastructure costs will be within typical ranges. If adjacent development is substantially delayed, necessary utility costs could be higher than typical for the campus, albeit with cost sharing opportunities.

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 Woods Creek Drive and Friendship Road 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 Holly Springs 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).

WCPSS worked with the Town of Holly Springs, Wake County and NCDOT staffs to obtain information upon which WPCSS consultants have based a feasibility study and a preliminary site grading plan. Due to a rise in construction costs, WCPSS typically allocates \$3.91 million dollars for site development costs for new elementary schools, and \$5.0 million dollars for site development costs for new middle schools. Consultants have estimated the combined site development costs to be approximately \$5.3 million dollars, reflecting development efficiencies with location of two schools on a single tract. The elementary school and land bank middle school 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 Precis and Contract
3. Appraisal
4. Survey