

Item Title: Land Acquisition of a Parcel of Land Containing 4.04 Acres located adjacent to Swift Creek Elementary School in the South Central Wake County/Cary/Southern Raleigh 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 \$1,220,573.21 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: Due to high usage and limited space, WCPSS has prioritized the expansion of Swift Creek Elementary School. This expansion will require acquiring additional land.

On August 7, 2018, the Board of Education accepted the terms and conditions for the purchase of a 4.04-acre parcel together with a house and other improvements thereon located in the South Central Wake County/Cary/Southern Raleigh area for a total price of \$1,100,000.00 (4.04 acres x \$273,377 per acre), subject to approval of funding by the Board of Commissioners. The subject parcel is located immediately adjacent to Swift Creek Elementary School ("SCES"). The existing 12.47-acre SCES site includes two single trailers, had a school utilization of 85.1% for the 2017-18 school year, and is one of the schools prioritized for a major renovation in the seven-year CIP.

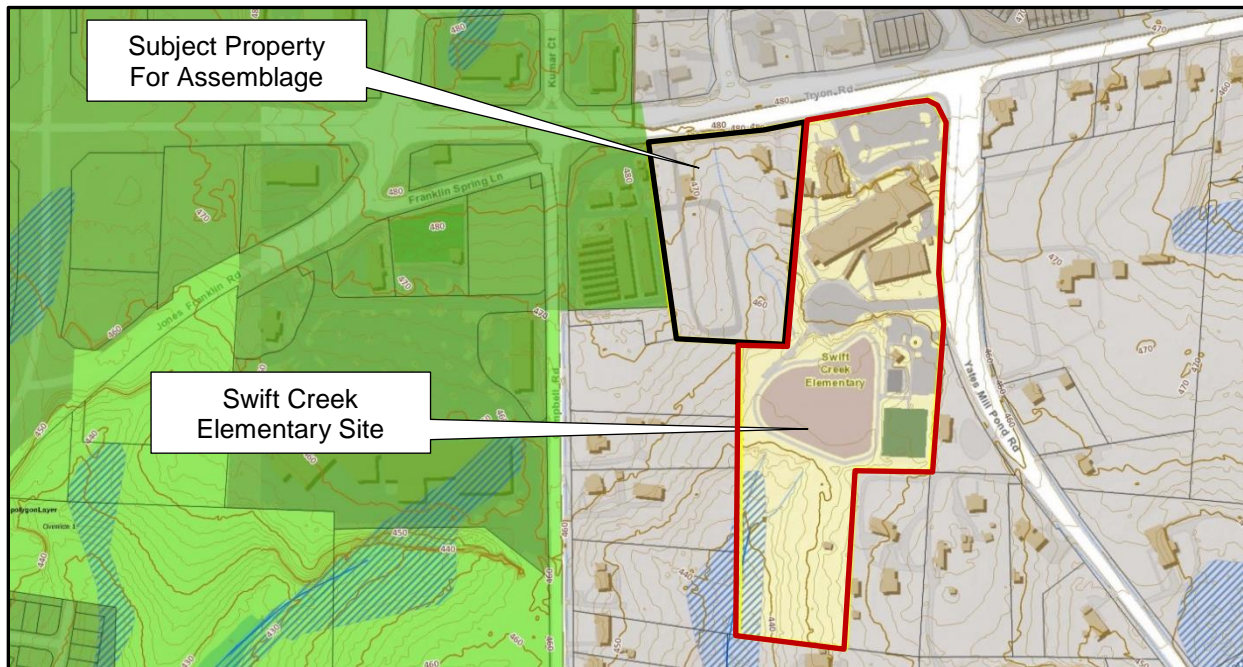
Board Goal: Meets the Board of Commissioners Education goals by collaborating with education stakeholders.

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 \$1,220,573.21.

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, and major renovation needs of existing school sites. A renovation need has been identified in the South Central Wake County/Cary/Southern Raleigh area for Swift Creek

Elementary School. The proposed acquisition consists of a residential house, outbuildings and lot located on the southern side of Tryon Road east of its intersection with Campbell Road. It is bounded on the eastern side and a portion of the southern side by SCES, on the northern side by Tryon Road and on the western side by a parcel that has frontage upon Campbell Road. The parcel is owned by The Inez Haley Mann Revocable Trust, dated January 23, 2004, and is more particularly identified as 5701 Tryon Road, having Wake County REID 0043856 and PIN 0772866148. The subject property site location is depicted below:



The site is located in Wake County's jurisdictional limits and is currently zoned R-40W. The subject property lies in the Swift Creek Watershed area within and is subject to the Swift Creek Land Management Plan Interlocal Agreement (ILA) approved by Town of Cary, City of Raleigh, Town of Apex, Town of Garner, and by Wake County as approved the Board of Commissioners on November 20, 2017.

Due Diligence:

The site information obtained in due diligence includes a Boundary Survey, a Phase I Environmental Site Assessment which included Lead Base Paint and Asbestos investigations, and a Preliminary Subsurface Geotechnical Report. This acquisition aids design flexibility for the SCES major renovation, provides opportunities to be proactive in consideration of a cost-effective site expansion opportunity that did not exist at the time the school was first built and addresses evolving needs related to site constraints and related issues.

Site Valuation:

An appraisal for the subject property was prepared by Neil C. Gustafson, MAI, of Worthy and Wachtel, Inc. Mr. Gustafson concludes that the market value of the land is around \$7.00 per square foot (equivalent to \$304,511/ac), which amounts to a total value of

\$1,215,000.00, rounded ($\pm 173,804.40$ sf x $\pm \$7.00$ per sf). When the appraised value is adjusted to account for the actual surveyed site acreage of 4.04 acres ($\pm 175,982.40$ sf), when calculated at the appraised value per square foot, the fair market value of the subject property is \$1,231,876.00. The appraised value supports and exceeds the purchase price.

Land Acquisition Valuation 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
Cary/Southern Raleigh area Parcel @ SCES	\$1,231,876	\$1,100,000	(\$121,876)	\$304,511	\$273,377	(\$31,134)
Comparable Sales in the Area	Date of Acquisition	Distance from Subject Property	Acreage	Sales Price	Sales Price (Per Acre)	Subject Sales Price Over/Under Comparable Sales Price (Per acre)
Tryon Rd	Imminent	Adjacent	2.116	\$1,200,000	\$567,108	(\$293,731)
Carpenter Fire St. Rd.	July 2016	9.3 mi NW	2.808	\$1,250,000	\$445,157	(\$171,780)
Morrisville Pkwy	Jan. 2017	9.0 mi NW	4.0	\$1,450,000	\$362,500	(\$89,123)
Piney Plains Rd	March 2016	1.0 mi NW	1.94	\$735,205	\$378,972	(141,595)
Chapel Hill Rd	March 2016	3.1 mi N	8.0	\$2,188,456	\$273,557	(\$180)

Anticipated Site Improvements:

The single-family structure on the subject property is habitable. It is expected to be demolished to promote site safety and sustainability until the parcel is further developed for school use. The parcel will be recombined with the existing SCES tract to increase the limited site size and will be beneficial to land bank for design flexibility in meeting identified future school site needs. The additional land will support more effective provision of a new building location as well as a combination of parking, vehicular stacking, and pedestrian access. More separation can be provided between these activities, which will support enhanced landscaping and may soften the appearance of the significant amount of hardscape near the front of the school.

WCPSS has worked with the Town of Cary, City of Raleigh, Wake County and NCDOT staffs to obtain information upon which WPCSS consultants have based preliminary

concept plans to depict inclusion of the parcel in a future SCES major renovation. Preliminary concept plans indicate that on-site circulation driveways may be necessary due to the location and configuration of the site. Road improvements near the site frontages on Tryon Road and Campbell 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 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).

Although the site does not lie within the Town of Cary's corporate limits, the SCES site is currently provided with water and sewer service by the Town of Cary pursuant to a longstanding agreement. Per discussions with Town of Cary staff, with the addition of the subject parcel to the SCES parcel, when the SCES renovation project is undertaken there will be an opportunity and expectation to realign the existing sanitary sewer connection from the pump station on the SCES campus via a lengthy existing off-site force main line that connects to the Town of Cary's Jones-Franklin pump station to a much closer gravity sewer line within Campbell Road. It is anticipated that annexation of the SCES assemblage will be necessary in advance of the renovation project per Town requirements to support the continued provision of utilities services to the site.

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 area, the Tryon Road 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 to support the future major renovation of SCES.

Attachments:

1. Presentation
2. South Central Wake County Land Bank Site Precis and Contract
3. Appraisal
4. Survey