

Item Title: Land Acquisition of Two Parcels of Land Containing a Total of 1.26 Acres Located on S. Main Street in Southern Wake County (Fuquay-Varina Area) (Second Reading)

Specific Action Requested:

That the Board of Commissioners approve funding of the purchase price together with closing costs in an amount not to exceed \$228,545 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 October 15, 2019, the Board of Education accepted the terms and conditions for the purchase of two parcels of land containing a total of 1.26 acres and improvements thereon located in the Southern Wake County/Fuquay-Varina Area (adjacent to the E-49/M-15 land bank site) from Betts Properties II, LLC, a North Carolina Limited Liability Company, for a total price of \$225,468, subject to approval of funding by the Board of Commissioners. This land acquisition provides additional road frontage, pedestrian access, and design flexibility for the schools on this property.

Board Goal: This Board 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 \$228,545.

Additional Information:

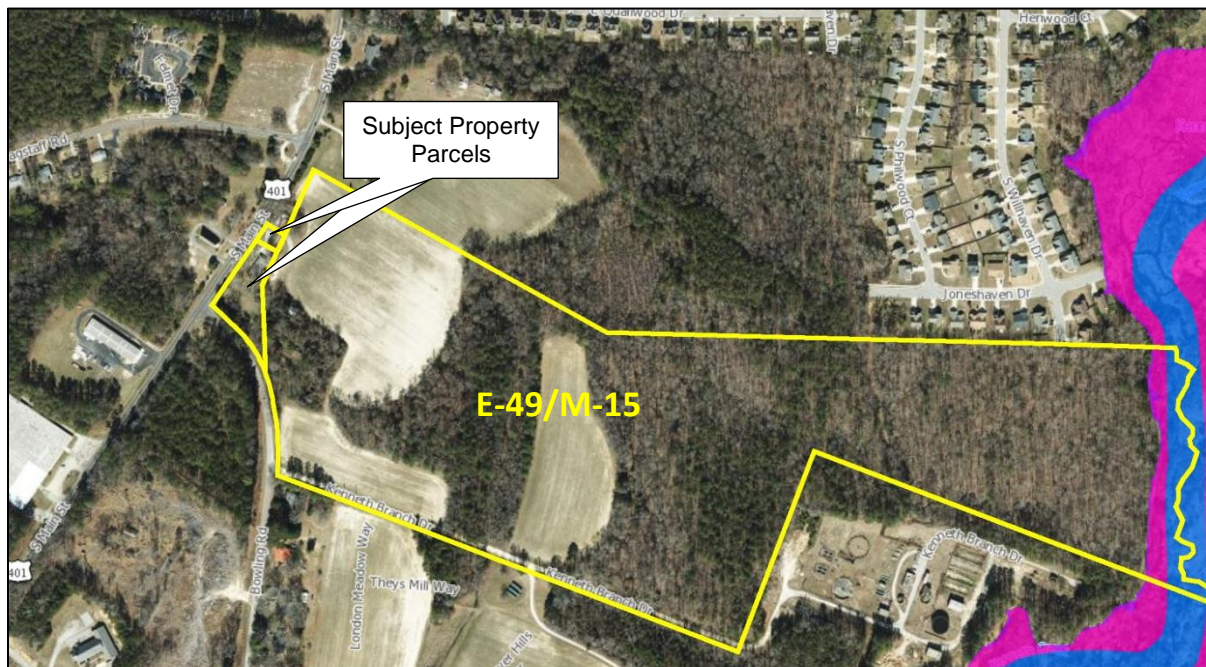
Need for Acquisition:

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 were identified in the southern Wake County area for additional capacity. Given the growth and development in the area, current utilization levels in area schools, the distance to existing and planned schools, and specific regional instructional program, the need for a land bank site in the area is well supported. In response thereto, the Board of Education acquired a 60.999 acre elementary and middle school site (E-49/M-15) in the area on March 9, 2018, which acquisition was approved by the Board of Commissioners on February 19, 2018. The subject parcels are adjacent to the Board of Education's E-49/M-15 land bank site and their acquisition will be beneficial to land bank for design flexibility in meeting identified future school site needs.

Land Acquisition Criteria:

The proposed acquisition consists of two parcels of land containing a total of 1.26 acres and improvements thereon (PIN 0656-91-0547 and PIN 0656-81-9335.) located on the eastern side of S. Main Street, in the northeastern quadrant of its intersection with Bowling Road, Middle Creek Township, Fuquay-Varina, Wake County, North Carolina. The parcels are located immediately adjacent to the E-49/M-15 site, and lie between the western boundary of the school site and S. Main Street. The parcel is owned by Betts Properties, LLC, and is located in the Town of Fuquay-Varina's jurisdictional limits within and is currently zoned RA (Rural Agricultural). The Town's Long-Range Planning Map identify the site for future small lot residential development.

There are existing structures located on the subject property, including a 2,167 SF house used for residential rental, a small outbuilding used for storage, and a 1,500 SF building used for commercial rental. The structures are expected to be demolished to promote site safety and sustainability until the parcel is further developed for school use. The subject property site location is depicted below:

**Other Due Diligence and Site Assessment:**

Due diligence studies procured included a Phase I Environmental Site Assessment including lead paint and asbestos studies. WCPSS staff has also had collaborative discussions with Town of Fuquay-Varina staff to review and discuss the acquisition of the subject property. Upon acquisition, the subject property will be recombined by survey with the E-49/M-15 site. The addition of the Betts Properties LLC parcels will provide additional road frontage and design flexibility, and will support more effective provision of pedestrian access to the multi-school site.

Appraised Value Information:

The Wake County tax value of the subject property totals \$219,228 and served to inform the purchase price. The building component of the valuation is \$165,040, and the land

component of the valuation is based upon \$48,000 per acre. For comparison, school site purchase data for sites in the southern Wake County area is summarized below:

Land Acquisition Valuation Comparison						
	Tax Value	Sales Price	Sales Price Over/(Under) Appraised Value	Tax Value (Per Acre)*	Sales Price (Per Acre)*	Sales Price Over/(Under) Appraised Value Per Acre
Betts Properties LLC Parcels	\$219,228	\$219,228	\$0	\$48,000	\$48,000	\$0
*Note: Excludes improvements valuation as comparable sales are undeveloped sites.						
Acquired School 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-49/M-15 (Land Bank)	3/2018	60.999	\$2,729,290	\$45,000	\$44,743	(\$257)
E-44 (Crooked Creek area)	1/2018	21.0	@1,685,000	\$62,619	\$65,000	\$2,381
E-45 Buckhorn Creek ES	3/2016	22.048	\$1,333,904	\$60,000	\$65,000	\$5,000
E-43 Oakview ES	9/2014	23.55	\$1,517,360	\$52,146	\$64,431	\$12,285

Utilities and Transportation Infrastructure:

This 1.26-acre parcel will be recombined with adjacent school property for future land bank school needs. No additional impact on utility or transportation infrastructure is anticipated.

Site Map:

(see map on page 2)

Wake County Staff Comments:

County staff has been involved in certain aspects of the site selection process and has reviewed the findings. Based on the information presented, County staff supports acquisition of the subject property for recombination with the E-49/M-15 land bank school sites.

Attachments:

1. Presentation