

Item Title: Land Acquisition of a Parcel of Land Containing a Total of 19.59 Acres Located off S. Main Street in Southern Wake County (Fuquay-Varina 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 \$773,752 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 approved the terms and conditions for an offer to purchase of a parcel of land containing a total of 19.59 acres and improvements thereon located in the Southern Wake County/Fuquay-Varina Area (adjacent to the E-49/M-15 land bank site) from Town of Fuquay-Varina, a North Carolina Municipal Corporation, (hereinafter "Town") together with an improved access easement from the site to Bowling Road, for a total price of \$771,921, subject to approval of funding by the Board of Commissioners. Following approval of the contract by the Town on November 4, 2019, the Board of Education ratified and affirmed its approval of the contract terms and conditions on November 19, 2019. This land acquisition provides additional acreage for design flexibility for the schools planned 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 \$773,752.

Additional Information:

Need for Acquisition:

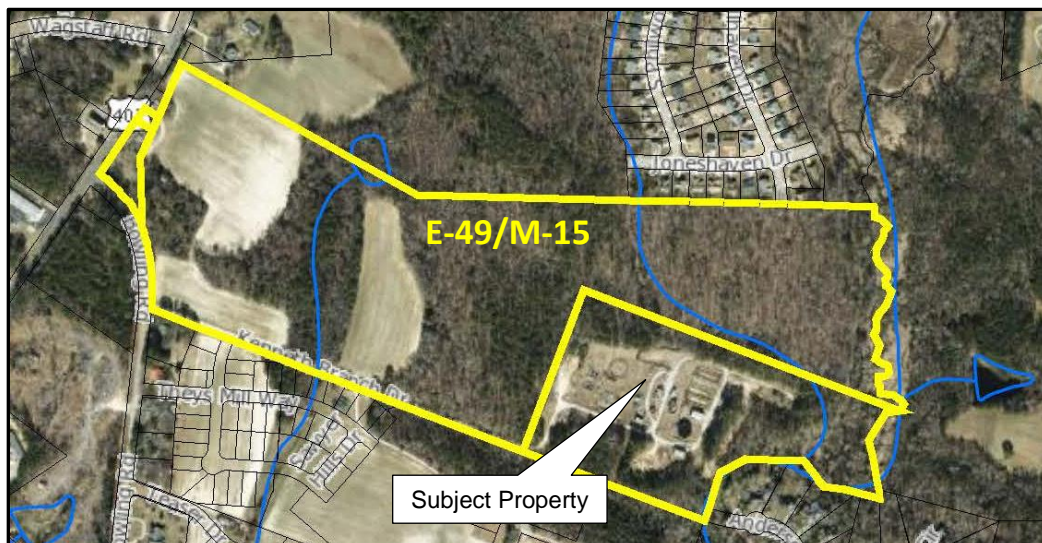
The Board of Education utilizes ongoing data-driven processes to identify school site locations needed to address growth and crowding in the Wake County Public School System. Acquisition needs were identified in the southern Wake County area for additional capacity. Given the growth and development in 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. On December 17, 2019 after due consideration of growth and crowding in the area, renovation and site constraints, and discussions with Town elected officials and senior staff the Board of Education approved the relocation of Fuquay-Varina Middle School to the M-15 site, and subsequent repurposing of the current Fuquay-Varina Middle School site for other appropriate educational and educational support purposes. The Fuquay-Varina Middle School renovation project is funded in the ongoing Capital improvement program.

Land Acquisition Criteria:

The proposed acquisition consists of one parcel of land containing a total of 19.59 acres and improvements thereon (PIN 0666-10-3333) located on the eastern side of S. Main Street at 1291 Bowling Road, Neils Creek Township, Fuquay-Varina, Wake County, North Carolina, together with an improved access easement from the site to Bowling Road whereupon Kenneth Branch Drive is located. The parcel is located immediately adjacent to the E-49/M-15 site and lies along the eastern boundary of the school site. The parcel is owned by the Town, is located within the Town's extra territorial jurisdictional limits and is currently zoned HI (Heavy Industrial). The Town's 2017 Long-Range Planning Map identifies the site for future civic/institutional use. The site is the location of the Town's former Kenneth Branch Wastewater Treatment Plant, which has been decommissioned, and the site declared to be surplus property by the Town.

There are existing structures on the subject property, including buildings and other improvements formerly utilized in support of the operation and administration of the wastewater treatment plant. There is also evidence of some storage of some materials and debris used in vehicle maintenance activities that were initially related to wastewater treatment plant operations and continued after the plant closure. Site demolition and cleanup is expected to occur 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 & II Environmental Site Assessments including lead paint and asbestos studies, geotechnical subsurface exploration study, streams and wetlands delineation, survey and appraisal. 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 Town parcel will provide additional design flexibility and will support more effective location of program elements.

Appraised Value Information:

An appraisal for the subject property was prepared by Timothy S. Allen, MAI, CCIM, of Seagle & Associates, LLC. Mr. Allen concludes that the market value of the land is \$707,000 (\pm 19.59 acres x \$36,090 per acre) and that the value of the existing access easement is \$64,921 (2.0-acre easement x \$32,481 per acre (90% of fee value)), for a total valuation of \$771,921. The appraised value supports the purchase price. For comparison, school site purchase data for sites in the southern Wake County area is summarized below:

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
Town of Fuquay-Varina Tract	\$771,921	\$771,921	\$0	\$36,090	\$36,090	\$0
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
Betts Properties LLC Parcels	2/2020	1.26	\$219,228	\$45,000*	\$45,000*	\$0
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
*Note: Excludes improvements valuation as comparable sales are undeveloped sites.						

Utilities and Transportation Infrastructure:

This 19.59-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:



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
2. Town of Fuquay-Varina Purchase Contract and Precs
3. Appraisal
4. Survey