

**Item Title:** Land Acquisition of an Assemblage Containing a Total of 5.762 Acres Located Adjacent to the Apex Friendship Schools Campus on Humie Olive Road in Western Wake County (Apex) (Second Reading)

**Specific Action Requested:**

**That the Board of Commissioners approves funding of the purchase price together with closing costs in an amount not to exceed \$649,685.00 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 April 28, 2020, the Board of Education approved the terms and conditions for an offer to purchase all or a portion of three tracts of land containing a total of 5.762 acres located in the Western Wake County/Apex (adjacent to the E-41/ Apex Friendship Elementary School site ("AFES")) from (1) 1071 Classic Road LLC, a North Carolina Limited Liability Company; (2) 3 Boys Capital LLC, a North Carolina Limited Liability Company, and (3) the Heirs of Maude Harris Stewart and the heirs of Floya Harris Richardson (hereinafter "Harris Heirs"), for a total price of \$624,420.00, subject to approval of funding by the Board of Commissioners. This land acquisition provides additional acreage necessary to support design and construction of a standard elementary school planned on this property, resulting in increased capacity beyond that of the smaller school originally planned due to site constraints.

**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 \$649,685.00.

**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 western 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 to expand the land banked elementary school site in the area is well supported. In response to then current and projected school needs, the Board

of Education acquired a 108.456 acre site for a future middle and high school on May 13, 2011, which acquisition was approved by the Board of Commissioners on April 18, 2011. Thereafter, to enlarge the site to facilitate addition of an elementary school site, the Board of Education acquired an adjacent 3.919 acre site, which acquisition was approved by the Board of Commissioners on February 20, 2012. Apex Friendship High School and Middle School have been constructed on the three school site. E-41/AFES entered its design phase in the summer of 2019, and due to site constraints was planned as a small 528 student capacity school. The subject parcels are adjacent to the Board of Education's E-41/AFES on its western side. Their acquisition will be beneficial to design flexibility and will facilitate enlargement of the school program to a standard school size with a 736 student capacity to help meet growth needs. The ongoing AFES project, including the additional costs associated with enlargement of the program for the building and requisite site elements, is funded in the ongoing Capital Improvement Program.

### **Land Acquisition Criteria:**

The proposed acquisition consists of all or a portion of three parcels located on the eastern side of Richardson Road south of its intersection with Humie Olive Road in Apex, Buckhorn Township, Wake County, NC. They include: (1) a 0.914 acre portion located on the eastern side of a parcel of land owned by 1701 Classic Road, LLC having PIN 0720-49-6990; (2) a 1.824 acre portion of a parcel of land owned by 3 Boys Capital, LLC having PIN 0720-49-3535; and (3) a 3.024 acre parcel of land owned by the Harris Heirs having PIN 0720-59-0123. The parcels are located immediately adjacent to the E-41/AFES site, and lies along the western boundary of the school site. The parcels are located within the Town of Apex and are currently zoned Planned Unit Development - Conditional Zoning (PUD-CZ), and are identified as being within the Friendship Station PUD. The subject property assemblage location is depicted below:



**Other Due Diligence and Site Assessment:**

Due diligence studies procured included a Geotechnical subsurface exploration study, streams and wetlands delineation, survey and appraisal. WCPSS staff has also had collaborative discussions with Town of Apex staff to review and discuss the acquisition of the subject property. Upon acquisition, the subject property will be recombined by survey with the E-41/AFES site.

**Appraised Value Information:**

An appraisal for the subject property was prepared by Neil Gustafson, MAI of Worthy & Wachtel Appraisers. Mr. Gustafson concludes that the market value of the land is \$634,000 ( $\pm$  5.75 acres x \$110,000 per acre). The appraised value supports the total purchase price of \$624,420.00. For comparison, school site purchase data for sites in the southern Wake County area is summarized below:

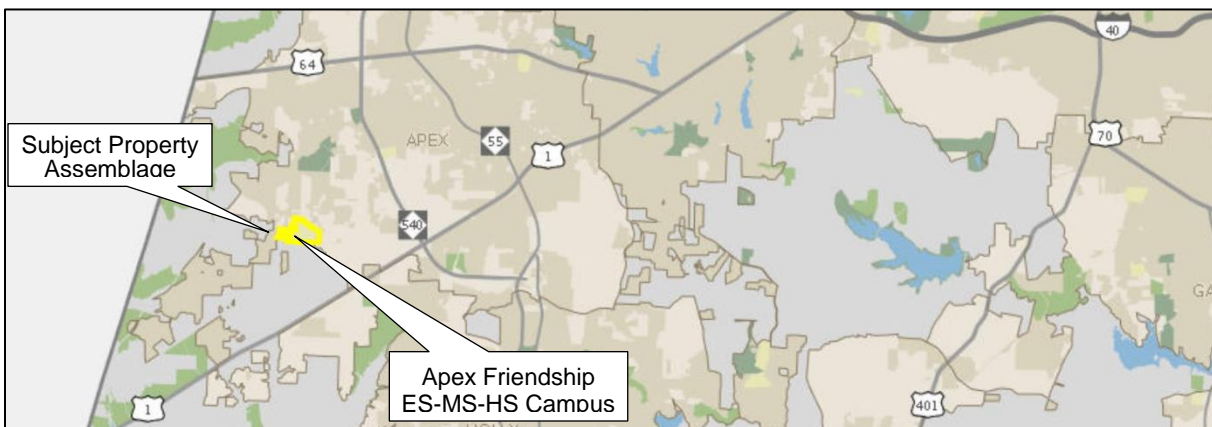
Subject Property	Est. Date of Acquisition	Total Acreage	Blended Sales Price	Appraised Value (Per Acre)	Blended Sales Price (Per Acre)	Sales Price Over/(Under) Appraised Value Per Acre
AFES Expansion Assemblage	7/2020	$\pm$ 5.762	\$624,420	\$110,000	\$108,369	(\$1,631)

Recent 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)
Parkside ES	8/2018	32.00	\$4,064,000	\$129,000	\$127,000	(\$2,000)
Horton's Creek	4/2015	18.00	\$2,900,000	\$161,111	\$161,111	\$0
White Oak ES	6/2014	22.38	\$2,461,800	\$100,000	\$110,000	\$10,000

**Utilities and Transportation Infrastructure:**

This 5.762 acre assemblage will be recombined with adjacent school property. 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 Apex Friendship Schools site to facilitate enlargement of the E-41/AFES site.

**Attachments:**

1. Presentation