

**Item Title:** Land Acquisition of an Assemblage Containing a Total of 28.811 Acres Located on S. Salem Street in Western Wake County (Apex) (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 \$3,927,278.00 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 four tracts of land containing a total of 28.811 acres located in Western Wake County/Apex from (1) Carey B. Hunter; (2) Varya, LLC, a North Carolina Limited Liability Company, and (3) Pamela Utley Howard, for a total price of \$3,795,450, subject to approval of funding by the Board of Commissioners. This site will accommodate an elementary school, together with a regional Pre-K Center.

**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 \$3,927,278.00.

**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, the need for an elementary school site in the area is well supported. A regional Pre-K Center has also been identified as an educational support program need in the Apex area in the Board of Education's Space Needs Analysis & Prioritization program.

### Land Acquisition Criteria:

The proposed acquisition consists of all or a portion of four parcels located on the northern side of S. Salem Street (Old US Hwy 1) east of its intersection with I-540 in Apex, White Oak Township, Wake County, NC. They include: (1) a 22.920 acre portion of a parcel of land owned by Carey B. Hunter, having PIN 0731-645-1147; (2) a 1.346 acre parcel of land owned by Pamela Utley Howard, having PIN 0720-64-6532; and (3) a 4.333 acre portion and a 0.212 acre portion of two parcels of land owned by Varya, LLC, a North Carolina limited liability company, having PIN 0731-55-4102 and PIN 0731-45-9383. The parcels are located within the Town of Apex ETJ, are currently zoned Planned Unit Development - Conditional Zoning (PUD-CZ). They are identified as being within the Depot 499 PUD, which development has made a commitment to supporting affordable housing. The subject property assemblage location is depicted below:



The subject property zoning has been approved by the Town of Apex within the PUD-CZ as Non-Residential School use. It is bisected by a buffered jurisdictional stream feature, with the area north of the stream being planned for the elementary school site location. The area south of the stream along S. Salem Street has limited site access but is sufficient to accommodate a regional Pre-K Center that has been identified as an educational support program need in the area in the Space Needs Analysis & Prioritization program. Should any usable acreage remain in the southern area after location of the identified educational needs, potential surplus property will be evaluated by Board of Education and County staff to explore feasibility for potential affordable housing.

**Other Due Diligence and Site Assessment:**

Due diligence studies procured included a Phase 1 Environmental Site Assessment, a Geotechnical subsurface exploration study, a Streams and Wetlands jurisdictional delineation, a Survey and Appraisals. WCPSS staff together with the Depot 499 developer have had collaborative discussions with Town of Apex staff and elected officials to review and discuss the acquisition of the subject property and related rezoning, land use map amendment, thoroughfare and collector plan map amendment, and comprehensive transportation plan amendment. All rezoning and amendments to above-listed plans necessary to school siting on the subject property have been formally approved by the Apex Town Council.

**Appraised Value Information:**

An appraisal for the subject properties was prepared by B. Carter Kennemur, MAI of Kennemur Inc. d/b/a Kennemur and Associates. Mr. Kennemur concludes that the market value of the land is \$4,155,000.00 ( $\pm$  28.811 acres x \$144,215.75 per acre). The appraised value supports the purchase price. Despite rising prices, the western Wake area still sees high demand for residential development. With more houses and less land available to build, school siting becomes more and more difficult. The subject location provides an opportunity to address area overcrowding and capping, while adding additional capacity. The location within the Depot 499 Planned Unit Development will also provide pedestrian/bike accessibility for residents who will live in  $\pm$ 1,350 townhome and apartment units planned for development (1,500 maximum). For comparison, the latest school site purchase data for sites in this 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
Exx-1 Assemblage	11/2020	28.811	\$3,795,450	\$144,216	\$131,736	(\$12,480)

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

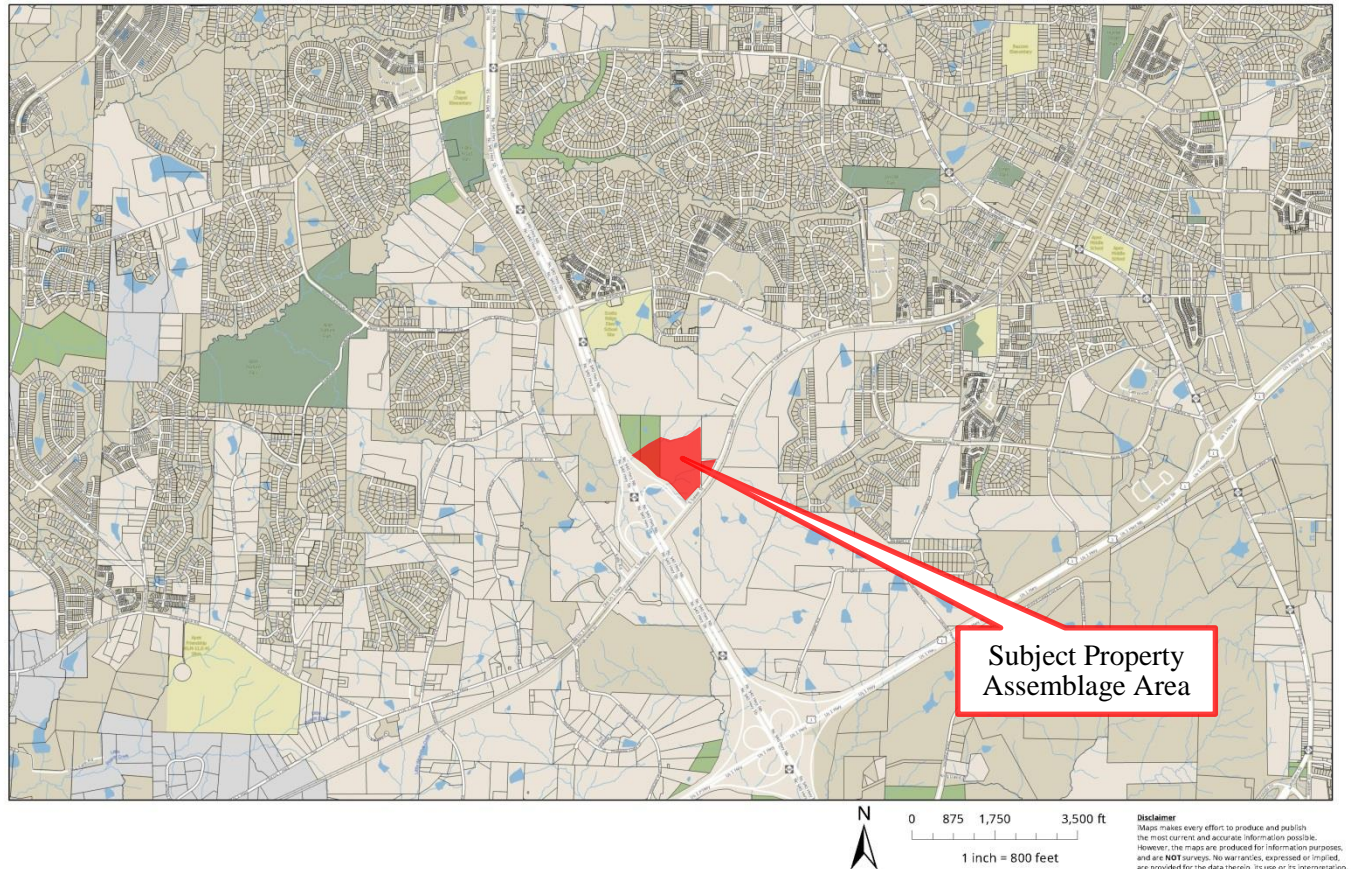
**Utilities and Transportation Infrastructure:**

Water service will be made available at the site by connection to the adjacent Depot 499 PUD development infrastructure, with such extensions therefrom as may be required being included in offsite improvements as part of the future elementary school project. Sewer services will also be made available to the site by connection to future line to be installed by the Depot 499 PUD development project, with such extensions therefrom as



may be required being included in offsite improvements as part of the future elementary school project. WCPSS staff anticipates that public infrastructure costs will be within typical ranges due to the proximity and availability of water and sewer services.

### Site Map:



Preliminary concept plans indicate that typical on-site circulation driveways will be necessary due to the location and configuration of the site, together with construction of such sections of the public road included in the approved PUD that crosses the subject property. Typical road improvements near the site frontage on S. Salem Street to accommodate turn lanes and safe vehicular and pedestrian access to the site from adjacent State maintained roads may be considered for requirement by the Town of Apex, Wake County, and/or 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). A preliminary feasibility study utilizing a generic building size, parking and circulation indicates that site development costs will likely be commensurate with typical site development costs.

**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 assemblage for a future school facility.

**Attachments:**

1. Presentation
2. Purchase Contracts and Precis
3. Appraisals
4. Survey