

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

Meeting Date: November 6, 2006

Action Agenda Item No. 9a  
(Central Admin. use only)

**SUBJECT:** School Land Acquisition

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**DEPARTMENT:** Finance

**PUBLIC HEARING:** No

**ATTACHMENT(S):**  
Correspondence from UCPS  
Superintendent dated:

September 26, 2006  
October 23, 2006

Capital Project Ordinance Amendment  
Number 62

**INFORMATION CONTACT:**

Dr. Davis  
Kai Nelson

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**TELEPHONE NUMBERS:**

704.3283.3647  
704.292.2522

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**DEPARTMENT'S RECOMMENDED ACTION:** Adopt CPO #62 which provides:

- 1.) \$17,000,000 for the acquisition, including all closing costs, of approximately 210 acres of real property at \$80,000 per acre located on Cuthbertson Road; said property to be the location of at least four schools
- 2.) \$220,000 for the condemnation settlement in connection with the 19+ acre site constituting a portion of the Marvin Ridge Middle/High School site (initial deposit was \$1.382 million with a proposed settlement of \$1.6 million)
- 3.) \$460,000 for the acquisition, including closing costs, of approximately 7.5 acres of real property adjacent to Parkwood High School
- 4.) \$100,000 for a real estate acquisition option on Cox road; said property to be the location of a future elementary school site (land banking)

**BACKGROUND:** The BOCC at their July 24 meeting approved funding for the acquisition/condemnation of the Cuthbertson site at \$70,000 per acre. Both parties, UCPS and the property owner, have continued negotiations. Based on updated appraisals, the UCPS and the owner, have agreed to purchase contract for \$80,000 per acre. The UCPS intends to place middle/high school "C" at this location. The CIP contains funds for this acquisition of real property for 5 additional elementary schools (beyond those currently under construction). Funding is available in the CIP based on 2 of the 5 elementary schools in the 2007-2011 locating at this site.

The other budget actions provide the funding for the BOE to settle the condemnation associated with a portion of the real property constituting Marvin Ridge Middle/High School, the purchase of property at Parkwood to facilitate improved traffic parking, circulation and future additions and

option funds for land banking.

**FINANCIAL IMPACT:** The requested actions are in conformance with the approved Capital Improvement Plan 2007-2011.

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

\_\_\_\_\_

**Manager Recommendation:** \_\_\_\_\_

\_\_\_\_\_



## UNION COUNTY PUBLIC SCHOOLS

500 North Main Street, Suite 700 • Monroe, North Carolina 28112 - 4786  
704/283-3733 Or 704/283-3654 Fax: 704/289-1536

Dr. Ed Davis  
Superintendent

Phil Martin, Chairman  
L. Dean Arp, Vice Chairman

John Collins John H. Crowder  
Monica Frank Dr. Sharon Gallagher  
Linda Isner Carolyn J. Lowder Kim Rogers

TO: Mike Shalati  
FROM: Ed Davis *LED*  
RE: Land Issues  
Date: October 23, 2006

As we spoke on October 17<sup>th</sup>, Union County Public Schools is making the following request:

- Cox Road Property: Union County Public Schools is requesting funds for an option based on the appraised value and negotiated amount by the Union County Public Schools Board of Education. Kai Nelson has approved providing the appropriate funds to the Facilities, Planning, and Construction Department for an appraisal for this property.
- Parkwood: Union County Public Schools is requesting \$450,000 plus closing costs to purchase 7.5 acres adjacent to Parkwood High School. An appraisal by T. B Harris is forthcoming. Attached are letters justifying asking price prepared by Rob Morrison for Mr. Stephen Melton. Purchasing the additional acreage allows for better traffic flow for Parkwood Middle and High School, for additional parking for Parkwood High School, and for possible additions at Parkwood High School
- Cuthbertson: Union County Public Schools is requesting \$16,980,000 (which includes the \$200,000 fee for our Land Broker) plus closing costs to allow the school system to pay the agreed amount of \$80,000 per acre. The commissioners previously approved \$14,770,000 for the purchase of this property through condemnation based on an appraised value of \$70,000 per acre. As promised to commissioners, Union County Public Schools has continued to negotiate with Mr. Bill Lewis, the owner of this property. He is now willing to sell for \$80,000 per acre. Attached is a letter from T. B. Harris explaining the calculation of appreciation in land value since June 2006. The determination for the acceptability of Mr. Lewis' asking price is on page 18-19 of the June appraisal provided by T.B. Harris. Union County Public Schools Attorney, Koy Dawkins, recommended to the staff and to the Union County Public School Board of Education that we accept the \$80,000 per acre for 209 ¾ acre parcel owned by Mr. Lewis and that we not provide a counteroffer. His recommendation was based on the fact that any counteroffer would void the initial offer by Mr. Lewis. The Board of Education approved the purchase price of \$80,000 for this property.
- Lusky Property (Marvin Ridge Middle/High School): As you requested, attached is a memo from Koy Dawkins verifying that Union County Public Schools would not owe Weddington Properties, LLC (77.604 acres) any additional money as part of any negotiated amount for the Mel Graham property. These two properties combine to make-up the current Marvin Ridge Middle/High School.

Thank you for your consideration in these matters.



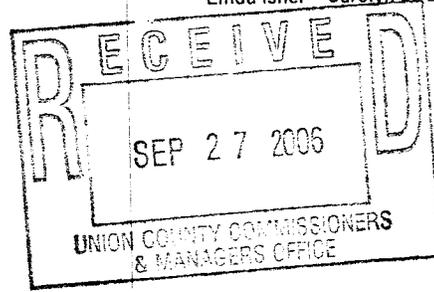
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## MEMORANDUM

TO: Mike Shalati

FROM: Ed Davis *ZED*

SUBJECT: Union County Board of Education vs. North States Associates (Mel Graham)

DATE: September 26, 2006

As we have discussed, Judge Bill Helms is mediating the condemnation lawsuit involving the 19+ acres associated with Marvin Ridge Middle School/High School. The Board of Education made a deposit of \$1.382 million in the condemnation case. This was based on purchase price of the adjoining Lusky property which was \$70,500 per acre. Mr. Graham's initial offer was \$2.6 million.

I shared two appraisals with you on September 25<sup>th</sup>. One was from November 2004 and the other from June 2005. The 2004 appraisal valued the property at \$1,059,000 and the 2005 appraisal valued the property at \$1,961,000. Judge Helms has stated his belief that Mr. Graham will accept \$1.6 million as payment to resolve this matter.

I am requesting that you provide feedback regarding this matter so I may advise Mr. Dawkins on how to proceed. Thank you for your attention to this matter. I look forward to hearing from you in the near future.

kdr

*1,600,000 settlement*  
*(1,382,000) initial deposit*  

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*218,000 KDH*

**CAPITAL PROJECT ORDINANCE AMENDMENT**

BUDGET School Bond Fund - 55  
 FISCAL YEAR FY 2006-2007

REQUESTED BY Kai Nelson  
 DATE November 6, 2006

**PROJECT SOURCES**

Source Description and Code	Project To Date	Requested Amendment	Revised Project
G.O. Bond Proceeds	354,939,497	3,010,000	357,949,497
All Other Revenue	1,363,308	-	1,363,308
	<u>356,302,805</u>	<u>3,010,000</u>	<u>359,312,805</u>

**PROJECT USES**

Project Description and Code	Project To Date	Requested Amendment	Revised Project
New Middle School C (115C-429b project allocation)	14,770,000	2,230,000	17,000,000
Land Banking (115C-429b project allocation)	6,500	560,000	566,500
Marvin Ridge "MIDDLE SCHOOL B" (115C-429b project allocation)	29,863,390	88,000	29,951,390
Marvin Ridge "HIGH SCHOOL B" (115C-429b project allocation)	39,108,594	132,000	39,240,594
All Other School Projects	272,554,321	-	272,554,321
	<u>356,302,805</u>	<u>3,010,000</u>	<u>359,312,805</u>

EXPLANATION: Additional funding for land costs associated with projects listed above pursuant to 115C-429b.

DATE: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

Bd of Comm/County Manager  
 Lynn West/Clerk to the Board

**FOR FINANCE POSTING PURPOSES ONLY**

**PROJECT SOURCES**

Source Description and Code	Project To Date	Requested Amendment	Revised Project
G.O. Bond Proceeds 55491100-4710-530	354,939,497	3,010,000	357,949,497
	<u>354,939,497</u>	<u>3,010,000</u>	<u>357,949,497</u>

**PROJECT USES**

Project Description and Code	Project To Date	Requested Amendment	Revised Project
New Middle School C (115C-429b project allocation) 55559200-5570-557	14,770,000	2,230,000	17,000,000
Land Banking (115C-429b project allocation) 55559200-5570-549	6,500	560,000	566,500
Marvin Ridge "MIDDLE SCHOOL B" (115C-429b project allocation) 55559200-5586-528	29,863,390	88,000	29,951,390
Marvin Ridge "HIGH SCHOOL B" (115C-429b project allocation) 55559200-5586-529	39,108,594	132,000	39,240,594
	<u>83,748,484</u>	<u>3,010,000</u>	<u>86,758,484</u>

Prepared By dhc  
 Posted By \_\_\_\_\_  
 Date \_\_\_\_\_

Number CPO - 62



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## MEMORANDUM

TO: Mike Shalati  
FROM: Ed Davis *ZED*  
SUBJECT: Presentation to Board of County Commissioners  
DATE: November 1, 2006

AGENDA ITEM

# 96

MEETING DATE 11-6-06

Per our conversation on October 31, 2006, I am requesting an opportunity to address the Board of County Commissioners on the topic of High Priority Schools and the Achievement Gap. I will limit my presentation to 10 minutes. This presentation will be in addition to my appearance on the agenda relative to land acquisition matters.

kdr