

Business Operations
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: APPROVAL OF A PURCHASE AND SALE AGREEMENT WITH
 S&S PROPERTIES GROUP, LLC, TO ACQUIRE
 APPROXIMATELY .84 ACRES OF VACANT LAND LOCATED AT
 THEORETICAL SW 243 STREET AND US 1, MIAMI, FLORIDA,
 TO PROVIDE ACCESS TO A BOARD-OWNED SITE BEING
 PLANNED TO ACCOMMODATE A FUTURE ELEMENTARY
 SCHOOL**

COMMITTEE: FACILITIES MANAGEMENT

Introduction

In accordance with School Board Rule 6Gx13- 2C-1.083, the School Site Planning and Construction Committee (SSPCC) at its November 3, 2004 meeting, recommended that staff present to the Board, an agenda item requesting approval of a purchase and sale agreement (Agreement) with S&S Properties Group, LLC, to acquire approximately .84 acres of vacant land located at theoretical SW 243 Street and US 1 Miami, Florida, (Subject Site), to provide access to a contiguous Board-owned site (see attached location map). The Board-owned site, approximately 6.5 acres in size, is planned to accommodate a future elementary school. Acquisition funding for the Subject Site was allocated in the 2003-2004 fiscal year as part of the District's Five-Year Work Program. Inclusion of construction funding for a future elementary school in the District's Five-Year Work Program is planned in outer years. Construction of a new elementary school on the Board-owned site will enable the District to meet the anticipated need for additional student stations in the general area. As an illustration of the future need for schools in this area, Naranja Elementary School, Pine Villa Elementary School and Redland Elementary School (all located within 5 miles of the Subject Site) are projected to be operating at permanent utilization percentages of 177%, 261% and 135% respectively in the 2005-2006 school year.

Background

Since July 1999, the Board-owned site has been leased to the Greater Miami Service Corps (GMSC) to operate a horticultural educational program. The District can cancel this lease agreement at will by providing GMSC with 90 days prior written notice. The Board-owned site is an irregularly shaped property partially landlocked by a bordering Goodwill store (see attached location map), and ingress/egress thereto has been achieved by crossing over the Goodwill property.

Based on the anticipated growth in population in Southwest Miami-Dade County, staff recently began studying the feasibility of converting the Board-owned site from its current use to an elementary school campus. In January 2004, staff discovered that the Subject Site was available for purchase and subsequently began initial due diligence to determine its suitability for acquisition to provide direct access to the Board-owned site.

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In accordance with School Board Rule 6Gx13- 2C-1.083, an informational packet consisting of initial due diligence results pertaining to this proposed acquisition was subsequently presented the SSPCC at its February 4, 2004, and April 7, 2004, meetings for review and direction. Based on input from Region VI, Department of Transportation and ACCESS CENTERS staff, and in addition to its own discussion of the Subject Site, the SSPCC recommended that staff execute an Agreement to acquire the same, subject to completion of additional due diligence and final Board approval.

Pursuant to the SSPCC's recommendation, staff commenced negotiations with the Seller and an Agreement was subsequently consummated. During the due diligence period, environmental assessments, including soil and water sampling, were conducted on the Subject Site. Some soil samples taken therefrom were determined to contain arsenic above acceptable local and state levels. Groundwater test results were at acceptable levels. This information was subsequently presented to the SSPCC at its September 1, 2004 meeting, at which time it recommended that an environmental assessment be undertaken on the Board-owned site to determine its suitability for development. The assessment of the Board-owned site was completed on September 20, 2004, and it also revealed that some soil samples contained arsenic above local and state levels. Groundwater test results at this site were at acceptable levels. Given that detections of arsenic were found at shallow depths, a cost estimate to excavate, remove, and dispose of the soils, and backfill with clean material for both sites was requested from the District's environmental consultant. The consultant estimates a current cost to complete this work is approximately \$1,103,000.

This information was presented to the SSPCC at its November 3, 2004 meeting, which in turn, recommended that staff present to the Board, an agenda item requesting approval to purchase the Subject Site per the following terms and conditions:

- The purchase price shall be \$210,000 for the \pm .84-acre site. The purchase price is approximately 9.3% above the appraised value established in one (1) District commissioned appraisal completed in November 2003. In addition, the Board will be required to reimburse the Seller \$1,200 per month (not to exceed \$6,000) from August 27, 2004, to the date of closing as consideration for the Seller's willingness to extend the contract date. The additional time was required to complete the environmental assessment of the Board-owned site and ascertain remediation costs for same. Closing is scheduled to occur in early January 2005;
- The Seller shall be responsible for the payment of any and all outstanding taxes, special assessments or liens, if any; and
- The Board will be responsible for the cost of the updated Survey, the cost of the Title Insurance Commitment and the premium for the Title policy obtained by

It is important to note that pursuant to the Board Rule governing Site Acquisitions, the Board must approve by extraordinary vote (defined as a majority vote plus one additional vote of the Members present at the Board Meeting where such action is taken) the acquisition of property when the purchase price exceeds the value established in a full appraisal.

Summary of Due Diligence Results

As referenced above, staff undertook and completed extensive due diligence for the Subject Site as required by the governing Board Rule. Listed below is a summary of these results, a copy of which will be submitted to the Board under separate cover and an additional copy placed with Citizen's Information.

1. Determination of Historic or Cultural Resources: The Miami-Dade County Historic Preservation Division has indicated that the Subject Site does not contain archeological designations.
2. Jurisdictional Statements: Both the South Florida Water Management District and the Department of Environmental Resources Management (DERM) have indicated that the Subject Site does not contain wetlands. The U.S. Army Corps of Engineers has not provided a statement. DERM's Water Control section has indicated that the Subject Site is not subject to water retention requirements.
3. Phase I and Phase II Environmental Assessments: As indicated above, the Subject Site will require mitigation to address existing environmental issues. A copy of the Executive Summary of findings and conclusions of the Assessments will be included in the supplemental information to be submitted to the Board under separate cover and a copy placed with Citizen's Information.
4. Comprehensive Plan/Zoning compliance: The Miami-Dade County Planning and Zoning Department has indicated that the acquisition of the Subject Site for a new elementary school is in conformity with the County's Comprehensive Development Master Plan.
5. Aviation: The Miami-Dade County Aviation Department has indicated that the Subject Site is located outside the No-School Zone of the Homestead General Aviation Airport and, therefore, compatible with airport operations.

Legal Description of the Subject Site

The South 74.11 feet of the North 370.55 feet of the Southeast ¼ of the Northeast ¼ of the Southwest ¼ of Section 23, Township 56 South, Range 39 East, Lying Southeasterly of State Road No. 5 lying in Miami-Dade County, Florida.

Folio Number: 30-6923-000-0510

The owner of the Subject Site is S&S Properties Group, LLC.

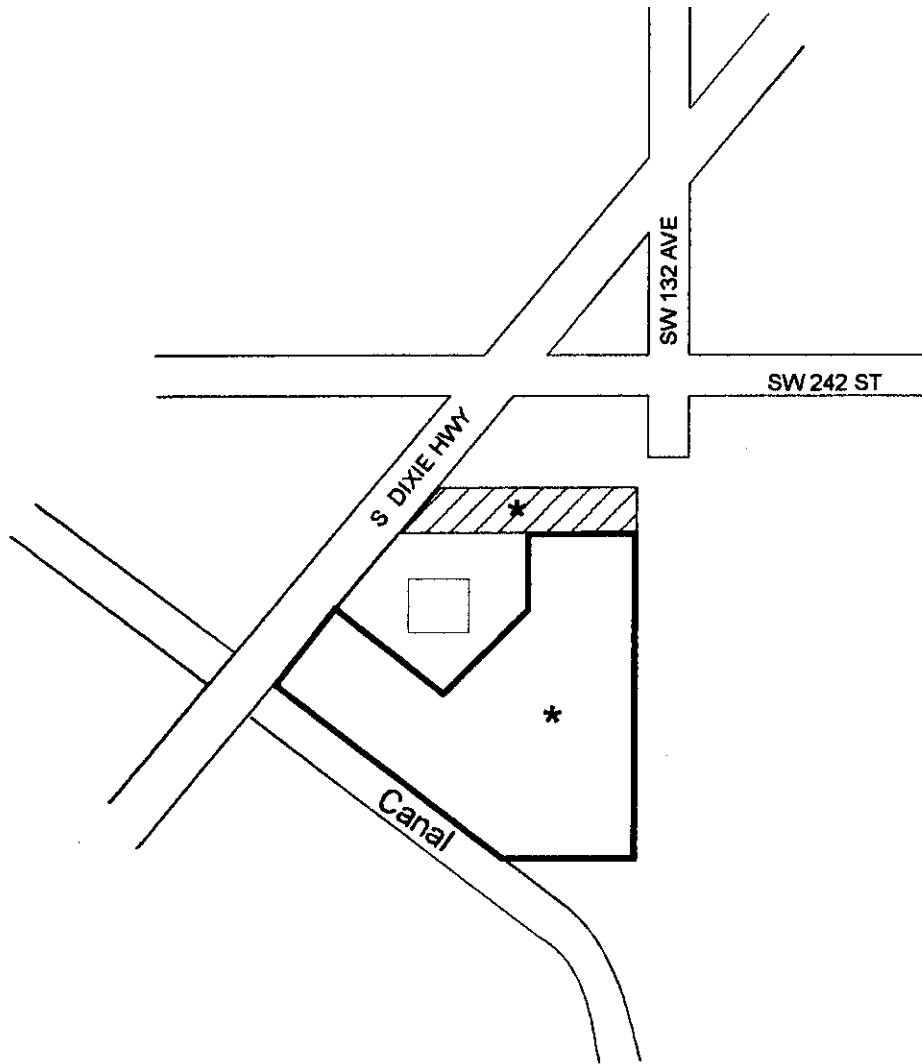
A copy of the full record on this proposed acquisition will be submitted to the Board as supplemental information.

RECOMMENDED:





That The School Board of Miami-Dade County, Florida, by extraordinary vote, authorize the Superintendent or his designee to approve the purchase and sale agreement with S&S Properties Group, LLC, to acquire approximately .84-acres of vacant land located at theoretical SW 243 Street and US 1, Miami, Florida, at a purchase price of \$210,000, and other terms and conditions noted above, to provide access to an adjacent Board-owned property to accommodate a future elementary school.

JB:rr

LOCATION MAP



Legend

	BOARD-OWNED PROPERTY (6.5 ACRES)
	VACANT SUBJECT SITE (.84 ACRES)
	TOTAL COMBINED ACREAGE OF SUBJECT SITE AND BOARD-OWNED PROPERTY IS 7.34 ACRES
	GOODWILL CENTER (1.76 ACRES)

