

Merrrett Stierheim, Superintendent of Schools

**SUBJECT: REQUEST APPROVAL TO PURSUE THE CONVEYANCE TO THE SCHOOL BOARD OF A 20-ACRE TRACT OF LAND FOR THE CONSTRUCTION OF A SENIOR HIGH SCHOOL IN THE DORAL AREA AT A REDUCED PRICE, SUBJECT TO COMPLETION OF DUE DILIGENCE AND EXECUTION OF A CONVEYANCE AGREEMENT**

Background

On November 14, 2002, a press conference was held at the Miami-Dade County Office of Emergency Management headquarters in Doral, to announce the intent to convey a 20-acre site (Site) located at N.W. 107<sup>th</sup> Avenue and south of theoretical N.W. 89<sup>th</sup> Street, to the School Board (Board) by: 1) Century Builders Group, Inc., Century/Ferro Investment Group, LLC, and Ferro Investment Group, LLL (collectively referred to hereinafter as Century); and 2) the West Dade Federation of Homeowners Associations, Inc. (Federation). As noted in the press release, which followed the press conference, the proposed conveyance is a tribute to positive collaborative efforts among all the affected parties, including School Board member Frank Bolaños, Mr. Jesse Jones on behalf of the Federation, Mr. Sergio Pino on behalf of Century and the Doral Community Council, past and present. The Site was previously the subject of an agreement between the Federation and Century, which provided for its conveyance to the Federation for development as a charter high school, at a price of \$75,000/acre.

Under the present proposal, as noted above and subject to Board approval, the Site would be conveyed at the same substantially reduced purchase price by or before December 31, 2002, for construction by the School District of a 2,000-student capacity senior high school. Following is a description of relevant elements of the proposed conveyance agreement and information on due diligence performed on the Site to date.

Summary of Proposed Conveyance Agreement

1. Century would convey to the Board by warranty deed good and marketable title to the Site at a purchase price of \$75,000/acre for a total purchase price of \$1,500,000;
2. Conveyance of the Site would take place by the later of either (30) days after final approval by Miami-Dade County (County) of Phase II of the Isles at Doral application, or completion of all due diligence by School District staff, but in no event later than December 31, 2002. Final County approval is defined as the conclusion of any appeal period, which is December 9, 2002. A later date would apply if an appeal to the Community Council's decision were to be filed by that date;
3. The Board would agree to pay for actual attorneys' fees incurred by Century to date in connection with the Site's conveyance, first to the Federation and now to

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- to the Board, in an amount not to exceed \$60,000, subject to submittal by Century of invoices substantiating any such fees;
4. Century would continue working with School District staff to identify additional land owned by Century in the same section (Section 7) in which the Site is located, for storm water retention (retention area), at \$125,000/acre or appraised value, whichever is less. Based on the County's requirements for the particular basin in which the Site is located, if accommodated off-site, the retention area could require up to 5.7 acres (+/-). Based on a preliminary analysis, this acreage could decrease with a combination of both on-site and off-site water retention;
  5. The high school facility would be maintained as such in perpetuity, and its student population would be limited to a maximum of 2,000;
  6. The high school would be named Doral Senior High School;
  7. A plaque would be maintained in perpetuity in the high school's main entrance area, acknowledging the efforts of the Federation and Century to convey the Site. The wording for such plaque would be submitted to the School District for review and approval, said approval not to be unreasonably withheld;
  8. Closing costs such as documentary stamps, title search and title insurance policy, associated with the Site's conveyance would be paid by the Board.

#### Summary of Due Diligence Results

1. The County's Department of Planning and Zoning has determined that the site is consistent with its Comprehensive Development Master Plan. Since the Site is one mile east of the Urban Development Boundary, the County recommends that the principal school buildings be located on the eastern portion of the property;
2. The County's Aviation Department has determined that the Site is located outside the "No School Zone" and is therefore compatible with airport operations;
3. The County's Office of Historic Preservation has determined that there are no noted historical or archeological designations on the Site;
4. The County's Department of Environmental Resources Management (DERM) and the South Florida Water Management District (SFWMD) have determined that the Site contains wetlands, which will require mitigation. An option for mitigation is the "Hole in the Donut" mitigation bank, where the cost per acre is \$19,802.67. Mitigation ratio(s) would need to be determined by DERM and the SFWMD upon filing of an environmental permit application, although DERM's review indicates that due to the heavy presence of exotic vegetation on the Site, such as *Melaleuca*, it is likely that the mitigation ratios will be lower due to lower quality wetlands;
5. DERM's Water Control Division has determined that the Site's location in Basin B would generally require a set aside of approximately 28.6% for storm water retention (3-day, 100-year storm). As noted in the prior section of this report, preliminary site analysis and investigation of development scenarios indicate that off-site storm water retention might be attained with approximately 2 to 3 acres, or entirely on the Site through a 2-acre (+/-) lake and a perimeter drainage swale. These preliminary indications notwithstanding, absent more detailed work, District staff would like to retain the ability of purchasing up to an additional six acres off-site, as may be needed;

6. A Phase I environmental assessment indicates that the Site has no recognized environmental conditions that would warrant further environmental assessments. However, board rule requires a Phase II assessment, complete with soil borings and trenching, and those tasks will be needed to complete due diligence. A meeting has been requested on Site with an environmental consultant to determine protocol for the soil borings and trenching activities;
7. Other than wetland mitigation fees, the Site's development costs will consist primarily of demucking and backfilling, water and sewer improvements/connections, and right-of-way development. Based on general conditions and development patterns in the area, an outside consultant retained by the School District has estimated the average demucking and backfill costs at approximately \$207,943/acre, which would translate to an average cost of approximately \$4,138,869 for 20 acres relative to the right-of-way development, it should be noted that the eastern side of N.W. 107<sup>th</sup> Avenue is to be developed by Flagler Development, between N.W. 90<sup>th</sup> Street and N.W. 74<sup>th</sup> Street, and by Century and/or other developers on the western side generally between N.W. 90<sup>th</sup> Street and N.W. 74<sup>th</sup> Street. Additionally, the County's Water and Sewer Department is scheduled to install a 24" diameter water main along the right-of-way of N.W. 107<sup>th</sup> Avenue, which should facilitate the provision of water to the Site;
8. A site size waiver would need to be approved by the Board to allow a 2,000-student capacity high school at the Site;
9. Two appraisals on the Site indicate a market value of \$200,000/acre and \$212,500/acre, in an "as is condition" (prior to mitigation). A review of the appraisals concluded the range of the two values represents an appropriate market value estimate range for the Site.

#### Additional Information

It should be noted that prior to the time this conveyance became a possibility, District staff had already begun its site search for a new high school in the Doral area, in accordance with the adopted 5-year work plan. Based on boundaries supplied by the Region III Superintendent, five (5) sites were initially identified as potentially suitable. After preliminary due diligence was conducted, two (2) sites emerged as most suitable. One of the sites was a 60-parcel, to which the Site is adjacent and the other is a 60-acre parcel, out of a 175-acre parent tract, located at the southwest corner of N.W. 107<sup>th</sup> Avenue and N.W. 41<sup>st</sup> Street. Much of the same mitigation and development costs associated with the Site also apply to these two sites; contacts with the property owners at the time did not indicate a willingness to sell.

Should the Board approve pursuing the proposed conveyance, subject to the completion of the remaining due diligence with favorable results, the Office of the School Board Attorney will review the agreement for the conveyance prior to execution. Additionally, details on the Site as well as a complete record of other sites initially identified by District staff for the proposed high school, including due diligence results, will be presented to the School Site Planning and Construction Committee (Committee) at its meeting of December 4, 2002. The Committee's recommendations and final results of due

diligence including efforts to secure additional land nearby for storm water retention, will be presented to the Board for final action at its meeting of December 11, 2002.

**RECOMMENDED:**

That The School Board of Miami-Dade County, Florida authorize the Superintendent to:

- 1) pursue the conveyance to the Board of a 20-acre Site located on the west side of N.W. 107<sup>th</sup> Avenue and south of N.W. 89<sup>th</sup> Street, for construction of a 2,000-student capacity senior high school, pursuant to the 5-year work plan (State School "FFF"), subject to completion of due diligence on the Site and favorable results, and review by the School Site Planning and Construction Committee;
- 2) pursue the purchase of up to an additional six (6) acres within Section 7, Township 53 South, Range 40 East, from Century at \$125,000/acre or appraised value, whichever is less, for off-site storm water retention; and
- 3) report back to the Board at the December 11, 2002 meeting with the results of 1) and 2) above, for final action on the proposed Site conveyance and related agreement.

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