



MEETING OF: September 8, 2015

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TITLE: Agreement with Pima Medical Institute (PMI), for the Purchase of the Former Townsend Middle School, with Authorization for the Director of Planning Services to Execute the Agreement

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ITEM #: 11

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Information:

Study:

Action: X

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**PURPOSE:**

This action will approve a Purchase and Sale Agreement with Pima Medical Institute for the development of a post-secondary, medical-school campus on the former Townsend Middle School site, with authorization for the Director of Planning Services to execute the Agreement.

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**DESCRIPTION AND JUSTIFICATION:**

Developer plans to build a post-secondary, medical-school campus on the school site as well as other uses as may be approved in the zoning process. The campus will serve the Institutes existing 925 students as well as provide the PMI's executive offices. Key aspects of the agreement are:

1. Sale of the site for \$5.630 million less commissions (\$168,900).
2. The sale is contingent on a successful rezoning.
3. There is an initial \$25,000 escrow deposit upon acceptance of the agreement which becomes non-refundable after 90 days and an additional \$25,000 which becomes non-refundable after approximately 180 days. There is another escrow deposit of \$150,000 on the purchaser's approval of the rezoning prior at the end of the Governmental Approval Period.
4. Closing is scheduled for 60 days after the end of the Governmental Approval Period—approximately 11 months after execution of the agreement .
5. Two 30-day extensions of the governmental approval period (and therefore closing) are allowed with additional escrow deposits of \$10,000 and \$15,000 respectively.

A neighborhood meeting was held on August 24, 2015 to allow the public to obtain information on the proposed sale of Townsend. TUSD, Councilmember Kozachik and the prospective buyer's representative were on hand to hear the neighbors comments and answer questions. The meeting had a total attendance of 25 people. In general the questions revolved around the following subjects:

1. The soccer club agreement and the plans for relocation of the soccer club.
2. Traffic concerns and general circulation.
3. The developers plans for the site building height, uses and extend of building coverage.
4. The schedule for the sale and development of the property.
5. Concern about any apartment development.
6. Notification of future meetings and the need for public input in the rezoning and development process.

After the neighborhood meeting, TUSD and PMI modified the agreement to defer the final closing by up to 12 months to allow TUSD to relocate the soccer fields that are part of a City IGA supporting the Fort Lowell Soccer Club. At the same time, with an easement, PMI could begin construction of the western portion of the site. This deferral would not alter any obligations of either party to close the sale, but would allow TUSD and PMI to work together on the transition and redevelopment of the property.

The sale of Townsend has been approved by the Special Master and Court.

Bryant Nodine will be present at the meeting to respond to questions.

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BOARD POLICY CONSIDERATIONS:

LEGAL CONSIDERATIONS:

For all Intergovernmental Agreements (IGAs), Initiator of Agenda Item provides the name of the agency responsible for recording the Agreement after approval:

For amendments to current IGAs, Initiator provides original IGA recording number:

Legal Advisor Signature (if applicable)

BUDGET CONSIDERATIONS:

<input type="checkbox"/>	District Budget
<input type="checkbox"/>	State/Federal Funds
<input type="checkbox"/>	Other
<u>Budget Cost</u>	<u>Budget Code</u>

Budget Certification (for use by Office of Financial Services only):

Date

I certify that funds for this expenditure in the amount of \$ are available and may be:

Authorized from current year budget


Authorized with School Board approval

Code: Fund:

INITIATOR(S):

Bryant Nodine, Director of Planning Services		7-30-2015
Name	Title	Date

DOCUMENTS ATTACHED/ ON FILE IN BOARD OFFICE:

ATTACHMENTS:
Click to download
 <a href="#">Purchase and Sale Agreement</a>

TUCSON UNIFIED SCHOOL DISTRICT

BOARD AGENDA ITEM  
CONTINUATION SHEET