



MEETING OF: December 10, 2013

TITLE: Agreement with Mahalo Development for the Purchase of the Former Wrightstown Elementary School with Authorization for the Planning Services Program Manager to Execute the Agreement

ITEM #: 19

Information:

Study:

Action: X

PURPOSE:

This action will approve a Purchase and Sale Agreement (PSA) with Mahalo Development for residential development on the former Wrightstown Elementary School site. This action is conditional on the approval of the Special Master and Courts.

DESCRIPTION AND JUSTIFICATION:

The attached Agreement is for the sale of the former Wrightstown Elementary School, a 9.2-acre site with 25,600 square feet of building, to Mahalo Development, LLC. The buyer plans to develop the site for up to eighty (80) single-family homes, with the final number of homes to be determined through meetings with neighbors and approvals by the City of Tucson. A summary of the agreement is attached; key aspects of the agreement are:

- 1) Sale of the site for \$1.6 million, less \$32,000 in commissions, which is higher than the appraised value.
- 2) The sale is contingent on a successful rezoning to RX2. This zoning and the planned development are comparable to surrounding residential uses.
- 3) The closing is set for nine months from the date of execution of the agreement, but may be extended by up to three, six-month extensions.
- 4) There is a \$20,000 opening escrow deposit which becomes non-refundable after 90 days; there are additional non-refundable escrow deposits of \$20,000 for each extension.
- 5) Buyer and seller split closing costs.

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

HOW THIS RELATES TO SUPERINTENDENT'S GOAL(S): This sale has the potential to support the achievement goal by reducing annual expenditures for utilities, security and grounds maintenance by \$20,000 to \$25,000. These funds may be used for programs that improve achievement. The sale of the property will provide approximately \$1.6 million which may be used for capital improvements or to reduce bonded indebtedness.

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:

_____	District Budget
_____	State/Federal Funds
_____	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, AICP, Planning Services Program Manager 11/27/13		
Name	Title	Date

DOCUMENTS ATTACHED/ ON FILE IN BOARD OFFICE:

ATTACHMENTS:
Click to download
 Wrightstown Sales Agreement Summary
 Wrightstown Sales Agreement

TUCSON UNIFIED SCHOOL DISTRICT	BOARD AGENDA ITEM CONTINUATION SHEET
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