

Gaston County

Gaston County
Board of Commissioners
www.gastongov.com

County Manager Board Action

File #: 21-380

Commissioner Worley - County Manager - To Authorize Staff to Market the Old Belmont Middle School Located at 110 North Central Avenue, Belmont and Initiate the Sale of Said Property

STAFF CONTACT

Ray Maxwell, PE - County Manager's Office - 704-862-7551

BUDGET IMPACT

No additional County funds.

BUDGET ORDINANCE IMPACT

N/A

BACKGROUND

The Gaston County Board of Education (GCBOE), at their September 20, 2021 meeting, declared the old Belmont Middle School located at 110 North Central Avenue surplus property in accordance with current State laws regarding disposal of property. The sale of this property is outlined in the September, 2017 Cooperation Agreement (attached) between Gaston County and the GCBOE. Per the agreement, the County will market the property via procedures prescribed in General Statute 160A, Article 12, and present a recommendation (offer acceptance) to the GCBOE for final approval.

North Carolina General Statute, 160A, Article 12 outlines several methods available to cities, counties and local boards of education for disposal of surplus properties. Of those listed, the most applicable in this situation includes Competitive Sale via Public Auction, Sealed Bid, or Upset Bid (NCGS 160A - 268, 269, 270), Sale, Lease, Exchange and Joint Use of Governmental Property (NCGS 160A - 274), and sale for Conservation Purposes (NCGS 160A -266 (b)). Due to the previous cooperation agreement between Gaston County and the GCBOE, use of NCGS 160A - 266(b) or 274 would require reconciliation of the existing agreement established in 2017. Therefore, staff recommends the property be marketed and sold via the upset bid process (NCGS 160A - 269).

(Continued on Page 2)

											at .
	. Buff, Clerk t ne Board of C			ty Commi	ssion, do h	PE BELOW TH	fy that the a	bove is a	rue ánd cor	rect copy	of action
NO.	DATE	M1	M2	CBrown	AFraley	BHovis	KJohnson	TKelgher	TPhillipsely	RWorley	Vote
2021-326	12/14/2021	KJ	RW	A	Α	Α	Α	A	АВ	Α	U
DISTRIBU											

File #: 21-380

Commissioner Worley - County Manager - To Authorize Staff to Market the Old Belmont Middle School Located at 110 North Central Avenue, Belmont and Initiate the Sale of Said Property Page 2

Approval of this Board Action authorizes staff to market the property for sale in accordance with the requirements specified in NCGS 160A-269. Further, this Board Action authorizes the County Manager or her designee to sign any necessary agreements or associated sale contracts for marketing purposes, to acknowledge reasonable offers, and to enter into an upset bid process. Pursuant to NCGS 160A-269, the highest and best bid as a result of the bid process will be presented to the Board of Commissioners at the conclusion of bidding for final acceptance or rejection. The net proceeds from the property sale will be used to retire debt incurred as a result of construction of the new Belmont Middle School in accordance with the Cooperation Agreement.

POLICY IMPACT

N/A

ATTACHMENTS

GCBOE Resolution Declaring Old Belmont Middle School Surplus and Cooperation Agreement (2017-302)

GASTON COUNTY SCHOOLS RESOLUTION DELARING SURPLUS PROPERTY

WHEREAS, the Gaston County Board of Education (the "GCBOE") owns property known as "old" Belmont Middle School Property with an address of 110 N Central Avenue, Belmont NC, (Gaston County tax parcel number 125836) that the GCBOE finds is currently surplus and is not needed for school purposes (the "Surplus Property"); and

WHEREAS, North Carolina General Statute § 115C-518 authorizes the GCBOE to dispose of school property according to the procedures prescribed in General Statutes, Chapter 160A, Article 12.; and

WHEREAS, the GCBOE and the Gaston County Board of County Commissioners (the "County") approved a Cooperation Agreement in which they agreed to work together cooperatively to sell the aforementioned Surplus Property; and

WHEREAS, Section 4 of the Cooperation Agreement provides: "The County is hereby appointed to market the [Surplus] Property and to obtain offers for the [Surplus] Property consistent with applicable state statutes. GCBOE agrees to cooperate with County and approve any reasonable offer that County recommends for approval. In accordance with applicable statute, all sale proceeds shall be used to either (i) fund the New Belmont Middle School or other GCBOE capital project or (ii) reduce County indebtedness for school capital.";

THEREFORE, THE GASTON COUNTY BOARD OF EDUCATION RESOLVES THAT:

The GCBOE hereby declares the Surplus Property surplus and authorizes the Superintendent, or designee, with the advice of legal counsel, to coordinate with the County for the sale of the Surplus Property.

Adopted this 20th day of September, 2021.

Gaston County Schools

Superintendent:

Gaston County Board of Education

Chair:

COOPERATION AGREEMENT New Belmont Middle School

This Cooperation Agreement (the "Agreement") is made and entered into, in duplicate originals, to be effective as of June __, 2017, by and between GASTON COUNTY (the "County") and the GASTON COUNTY BOARD OF EDUCATION (the "GCBOE").

Background

GCBOE has had a long-standing need to acquire land in Belmont for a new Belmont Middle School. The desired site for the new Belmont Middle School is a certain approximately 78 acre site on South Point Road in Belmont owned by the Stowe Foundation, Inc., and the Carstarphen Family Foundation (the "South Point Road Site"). The current owners have offered to sell the South Point Road Site to GCBOE in accordance with a proposed Agreement attached hereto as Exhibit A (the "Purchase Agreement"). The City of Belmont has agreed to enter into a joint use agreement with GCBOE for use of the outdoor fields and gym and in exchange contribute \$400,000 toward the purchase price of the South Point Road site (the "Joint Use Agreement"). County is willing to provide the remaining capital funding needed to purchase the South Point Road Site and to build the new middle school. County and GCBOE desire to cooperatively and jointly work together to accomplish this important project.

Agreement

Accordingly, County and GCBOE agree as follows:

- 1. County funding commitment to purchase the South Point Road site. County shall provide the funding necessary to purchase the South Point Road site in accordance with the Purchase Agreement (closing date of July 31, 2017), subject to Belmont contributing \$400,000 in accordance with the Joint Use Agreement. It is understood and agreed that County shall reimburse Belmont the \$400,000 contribution if the Joint Use Agreement is terminated because construction of the new Belmont Middle School has not commenced by June 1, 2019. "Commencement of construction" of the new Belmont Middle School shall mean execution of a contract for the construction of the new Belmont Middle School.
- County commitment to fund design of the new middle school on the South Point Road site. County agrees to fund the design of the new Belmont Middle School site. Such funding for design shall be provided no later than the closing date under the Purchase Agreement.
- 3. County commitment to fund the construction of the new Belmont Middle School site. County agrees to fund the construction of the new Belmont Middle School site in accordance with one or more of the following funding sources: A 2018 school bond package in the amount of at least \$200,000,000 ("New School Bond Package") to be proposed to the voters of Gaston County in March 2018. Alternatively (if County chooses this alternative as its preferred funding source or the voters do not approve a 2018 School Bond Package, County shall issue new debt (likely "limited obligation" bonds as reasonably determined by the County. In any event, County agrees to fund the construction of the new Belmont Middle School no later than September 1, 2018.

- Consistent with N.C.G.S. 115C-426.2¹, GCBOE and County agree to cooperatively plan for the New School Bond Package including a shared five-year capital plan.
- 4. GCBOE commitment to declare certain property surplus; GCBOE and County cooperation to sell and use proceeds to offset costs of new Belmont Middle School project. GCBOE agrees to declare the following properties surplus: (a) Gaston County tax parcels 205259 and 212358 (the "Cramerton Surplus Property"); and (ii) the current Belmont Middle School located at Gaston County tax parcel number 125836 (the "Old Belmont Middle School Property"). The Cramerton Surplus Property shall be declared surplus no later than 30 days after the closing of the land purchase pursuant to the Purchase Agreement. The Old Belmont Middle School Property shall be declared surplus within thirty (30) days of the opening of school in the new Belmont Middle School. The County is hereby appointed to market the property and to obtain offers for the property consistent with applicable state statutes. GCBOE agrees to cooperate with County and approve any reasonable offer that County recommends for approval. In accordance with applicable statute², all sale proceeds shall be used to either (i) fund the New Belmont Middle School or other GCBOE capital project or (ii) reduce County indebtedness for school capital.
- 5. <u>Assignment of Rights</u>. Neither party to this Agreement may assign any part or all of its rights hereunder except by prior, written permission of the other party.
- 6. <u>Miscellaneous</u>. This Agreement contains all of the understandings, terms, conditions, promises, stipulations and obligations of the parties, and there are no other promises or conditions (written or oral) and any such outside agreements are expressly rescinded. This Agreement may not be amended in any respect except by written instrument duly executed by the parties. In the event that any provision of this Agreement shall be unenforceable or invalid under any applicable law or be so held by applicable court

^{1 § 115}C-426.2. Joint planning. In order to promote greater mutual understanding of immediate and longterm budgetary issues and constraints affecting public schools and county governments, local boards of education and boards of county commissioners are strongly encouraged to conduct periodic joint meetings during each fiscal year. In particular, the boards are encouraged to assess the school capital outlay needs, to develop and update a joint five-year plan for meeting those needs, and to consider this plan in the preparation and approval of each year's budget under this Article. (1995 (Reg. Sess., 1996), c. 666, s. 2.) § 115C-518. Disposition of school property; easements and rights-of-way. (a) When in the opinion of any local board of education the use of any building site or other real property or personal property owned or held by the board is unnecessary or undesirable for public school purposes, the local board of education may dispose of such according to the procedures prescribed in General Statutes, Chapter 160A, Article 12, or any successor provisions thereto. Provided, when any real property to which the board holds title is no longer suitable or necessary for public school purposes, the board of county commissioners for the county in which the property is located shall be afforded the first opportunity to obtain the property. The board of education shall offer the property to the board of commissioners at a fair market price or at a price negotiated between the two boards. If the board of commissioners does not choose to obtain the property as offered, the board of education may dispose of such property according to the procedure as herein provided. Provided that no State or federal regulations would prohibit such action. For the purposes of this section references in Chapter 160A, Article 12, to the "city," the "council," or a specific city official are deemed to refer, respectively, to the school administrative unit, the board of education, and the school administrative official who most nearly performs the same duties performed by the specified city official. A local board of education may also sell any property other than real property through the facilities of the North Carolina Department of Administration. The proceeds of any sale of real property or from any lease for a term of over one year shall be applied to reduce the county's bonded indebtedness for the school administrative unit disposing of such real property or for capital outlay purposes

decision, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole, and, in such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable laws or applicable court decisions. The section headings appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or extent of such section or in any way affect such section. The construction, validity and performance of this Agreement shall be governed in all respects by the laws of the State of North Carolina. WITNESS WHEREOF, the parties do hereby execute this Agreement for the purposes above THE GASTON COUNTY **BOARD OF EDUCATION**

Approved as to form:

Charles Mooke County Attorney

Chad Brown, Chairman

Gaston County Board of Commissioners

By:

W. Jeffrey Booker, Superintendent

Approved as to form:

GCBOE Attorney

decision, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole, and, in such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable laws or applicable court decisions. The section headings appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or extent of such section or in any way affect such section. The construction, validity and performance of this Agreement shall be governed in all respects by the laws of the State of North Carolina.

IN WITNESS WHEREOF, the parties do hereby execute this Agreement for the purposes above stated.

GASTON COUNTY	THE GASTON COUNTY BOARD OF EDUCATION				
Ву:	By: W. Jeffrey Booker, Superintendent				
Approved as to form:	Approved as to form:				
	The Month				
County Attorney	GCBOE Attorney				