

Continuation of Summary Explanation and Background

The potential sale of Parcel 235 was initially presented to SBBC at the April 28, 2015, School Board Workshop (SBW) along with several SBBC surplus properties. Based on SBBC directive from the Workshop, a team of District staff (Office of Facilities and Construction (OFC), Portfolio Services, Facility Planning & Real Estate, Demographics and Student Assignment Departments) conducted site visits to Flanagan, Charles W. High School to ascertain if Parcel 235 would be needed for housing students and/or for storage and staging during the construction of permanent classroom at the School. These visits included participation/consultation with the School's principal and pertinent School staff. Ultimately, upon additional diligence by the OFC, conclusions were that Parcel 235 would not be needed during the construction project.

Upon the conclusion of due diligence processes, Parcel 235 was scheduled and recommended for surplus by SBBC at the March 1, 2016, Regular School Board Meeting (RSBM). However, Board members expressed concern that viable SBBC owned facilities where existing programs (such as Community School South (CSS) and ESOL adult education programs) on the Parcel would be relocated to were not identified prior to Board action to declare Parcel 235 as surplus; and as such, SBBC voted to postpone the then Board item. Thereafter, Parcel 235 was discussed at the August 29, 2017 SBW, and at the March 13, 2018 SBW. Directive from these SBW's, was for staff to continue working towards the disposition of the Parcel. Also, at the March 13, 2018 SBW, SBBC upon conclusions on discussions on the Parcel, agreed to the relocation options presented to relocate the CSS and ESOL programs.

It should be noted, that on October 12, 2017, Parcel 235 was presented to the Negotiation Parameters Committee (Committee) to establish a minimum asking price for the property. After reviewing three (3) recently developed appraisal reports on the property and engaging in in-depth discussion, the Committee recommended that the minimum asking price be set at \$17,400,000.00 for the property.

Thereafter, at the April 10, 2018 School Board Operation Meeting (SBOM), SBBC approved Agenda Item No. L-4, which authorized staff to conduct a spot survey to amend the Plant Survey and to enable the disposition of the Parcel along with the 99 portables located thereon. Thereafter, the Florida Department of Education (FDOE) validated/approved the Plant Survey after its review of the submitted spot survey. Subsequently on May 8, 2018, the Parcel was declared surplus by SBBC.

On June 22, 2018, Parcel 235 was advertised for sale via the Invitation to Bid process for a minimum asking price of \$17,400,000.00; and on August 2, 2018, D.R. Horton, Inc. was declared the successful bidder for the Parcel based on its highest bid of \$21,025,000.00 (which was **\$3,625,000.00** above the minimum asking price). Subsequently on September 5, 2018, SBBC formally approved the award of the Parcel to D.R. Horton, Inc., to purchase. Thus, this Agreement of Sale and Purchase, if approved by SBBC, would enable the implementation of due diligence processes towards sale/closing on the Parcel to D.R. Horton, Inc.