

Facilities Master Planning

Purchase Agreement: 1050 N. Kent

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Director, Facilities Department

Board of Education: August 23, 2016



Agenda

- Intent
 - Create the right spaces and opportunities for **RiverEast, Jie Ming, and Hamline**
- Plan
 - Build upon the FMP and execute BOE guidance to meet strategic needs across programs
- Action
 - Approval of the **Purchase Agreement** for the property at 1050 N. Kent



AREA
F2

Relocate Jie Ming to Homecroft

(Increase Homecroft by 12,000 sf)



IMPACT

142 Existing Jie Ming students (to grow to **500**)
80 RiverEast
300 ECFE families



ACADEMICS

Traditional learning environment, close to pathways



COST

\$4M Initial Capital
\$340k FFE
\$102k Annual Operations

Relocate **RiverEast** from **Homecroft** building to leased or newly purchased site



IMPACT

80 RiverEast



ACADEMICS

Design a space to meet the needs of RiverEast program



COST

\$1.1M Annual Lease -or-
\$24M Initial Capital
\$575k Annual Ops.

Transition **ECFE** out of Homecroft over next few years



IMPACT

300 families



COST

To be determined

From March 8, 2016 COB

RiverEast - Jie Ming - Hamline

- **RiverEast**
 - Creates therapeutic school environment designed to the specific needs of learners with mental health diagnoses
- **Jie Ming**
 - Provides permanent home for growing program, tailored to the the needs of language immersion
 - Gets program close to Mandarin program pathway Highland Middle/Senior (F2)
 - Building capacity aligns with needs, was originally designed as elementary school
- **Hamline**
 - Creates opportunity for identity and growth for community



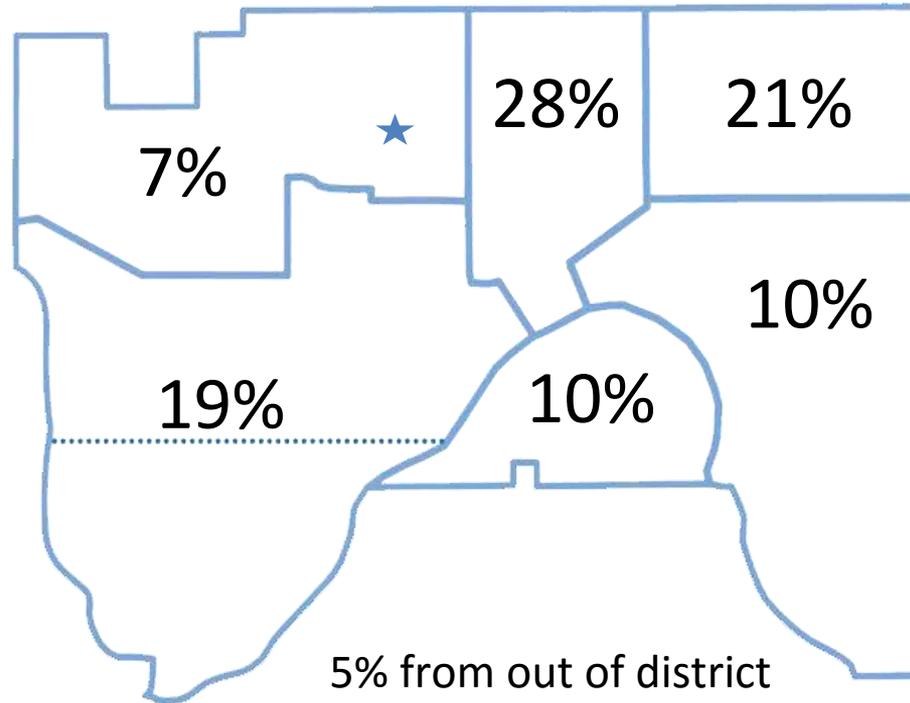
Previous BOE Action (4/26/2016)

That the Board of Education approve

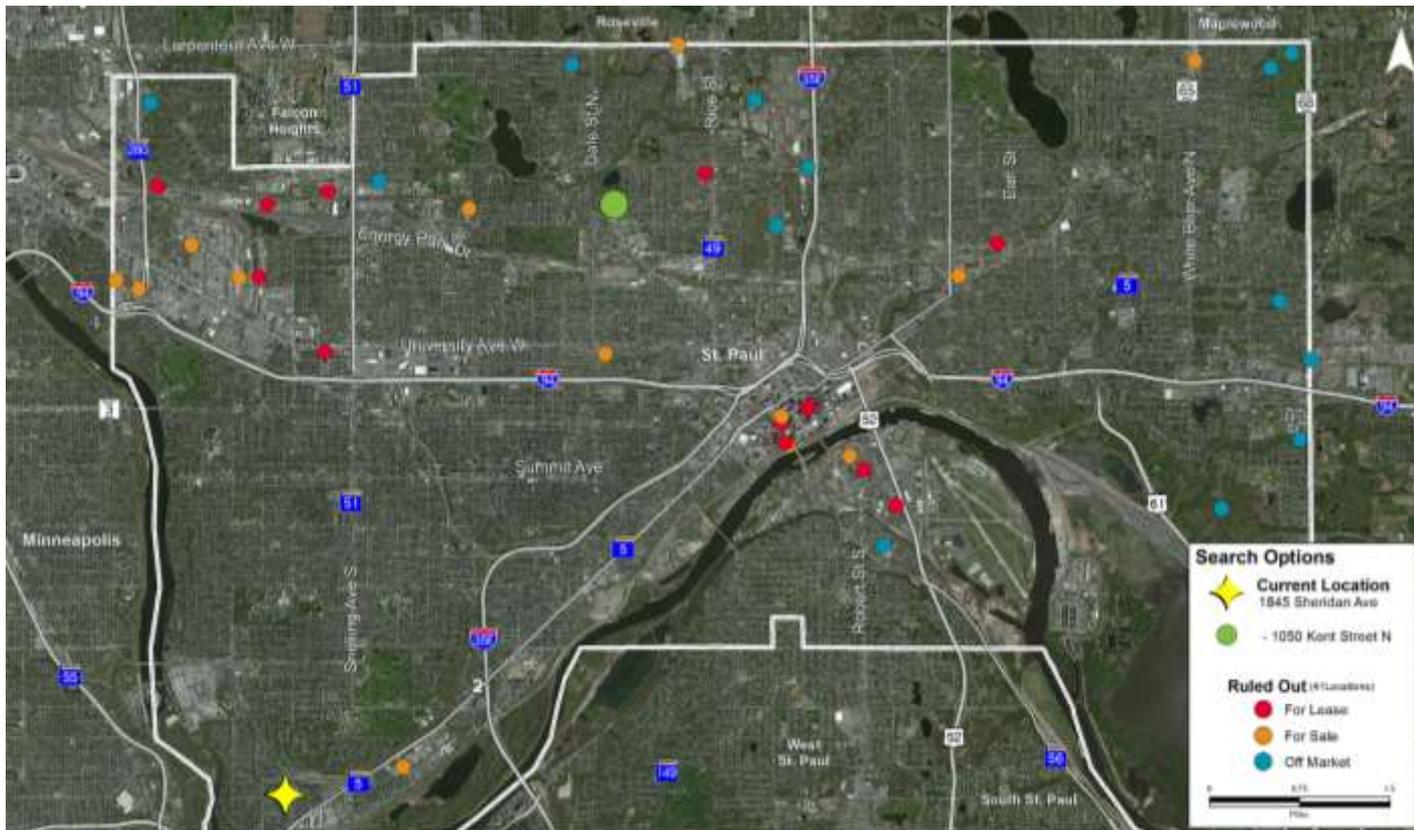
- Saint Paul Public Schools **relocating the RiverEast** Elementary and Secondary program from the Homecroft building, at 1845 Sheridan Ave, **to another suitable site** by the start of the 2017-2018 schoolyear, and
- That Saint Paul Public Schools **relocate Jie Ming Mandarin Immersion Academy** from the Hamline Elementary building, at 1599 Englewood Ave., **to the Homecroft building**, at 1845 Sheridan Ave, beginning with the 2017-2018 school year



Where RiverEast students live



Sites considered for relocation



1050 Kent St. N.



Google



Pros:

- Appropriate neighborhood setting
- Access from two separate streets
- 5.5 acres meets minimum needs
- Central location; 2 blocks from Dale St., family transit accessibility

Cons:

- Environmental remediation
Deed Restriction
- Abatement and removal of almost entire current building for new construction

1050 Kent: Environmental

- History of Industrial Use
 - Smurf-It Stone and Container Printing Companies
 - Underground Storage Tanks and Waste Solvents have been removed
 - Entered the VIC & RCRA programs at the MPCA in 2004-9
 - Site had monitoring wells, soil borings, and building samples collected. Sampling ceased in 2009
- SPPS' Plan for addressing the environmental issues
 - Enroll in the VIC program
 - Collect additional samples under state direction
 - Obtain liability clearances from the state
 - “No Association” and “No Further Action”
- Potential impact on staff and students
 - Little to none. No monitoring wells, gas monitors, or additional sampling.



1050 Kent: Deed Restriction

- Smurfit Stone, in order to limit their long term environmental liability, created a deed restriction, limiting uses of the site to strictly industrial uses
- SPPS would have to work with Smurfit's Successor to lift the restriction, largely by demonstrating elimination of environmental issues
- **RISK:** Assurances during due diligence, elimination of restriction at completion of abatement / construction

1050 Kent: Negotiated Purchase Agreement

- Asking price: \$3M
 - **Accepted Offer:** **\$1.95M**
- Abatement & Demolition: \$0.5M
- Funding Source: Operating Capital Reserves

- Closing Date: October 15, 2016
- Zoning: R4 (Permitted Use)

Valuation Comparisons

Address	Land SF	Price	\$/psf	Zoned	Comments
1050 Kent St. N.	240,886	\$1.95 M	\$8.10	Single to medium density housing	Previous agreements at \$1.95 M and \$2.2 M
878 Russell St.	249,163	\$1.49 M	\$6.00	Industrial	Owned by Port Authority, not willing to take off tax roles
1880 Old Hudson Rd.	108,464	\$520 K	\$4.79	Residential/Multi-Family	Sold 7/2015, still vacant today, right off Hwy 94
1531 Dayton Av	162,043	\$1.29 M	\$8.01	Industrial	Sold 12/2014, Ayd Mill & Dayton, part of larger Whole Foods development, metal shed building
380 Randolph	416,433	\$4.05 M	\$9.72	Apartments	Sold 9/2013 – former power plant at Randolph and Shepard Rd.

BOE Actions

- Approval of the **Purchase Agreement** for the acquisition of 1050 N. Kent.

Future COB Presentation:

- How this new home will enhance the RiverEast academic and service model
- How the district is working with educators, SEAC, NAMI MN, PACER, District 6 Planning Council, and neighbors on creating a welcoming, rigorous, and supportive program.

THANK YOU
Facilities Department



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