

Livonia Public Schools

Director of Operations

To: Andrea Oquist, Superintendent

From: Phillip Francis, Director of Operations

Date: April 25, 2018

Re: Purchase Amendments for Perrinville and Nankin/Skill Center

As a follow up to the April 23, 2018 Study Session discussion, I would like to discuss with the Board in further detail the amendment to the offer to purchase Perrinville and the amendment to the offer to purchase Nankin/Skill Center properties in Westland. As you recall, and as was discussed with the Board at the previous Study Session, the Purchaser has renegotiated and the District has agreed to a reduced purchase price for Perrinville. The originally agreed upon amount was \$325,000, which has been reduced to \$200,000. Some of the reasons for the Purchaser's concern and, thus, a reduced price, are the challenges faced with building on this particular parcel of land. It has a high water table, which necessitates a slab foundation versus a poured basement. There are city restrictions on ingress and egress, along with other city imposed building restrictions, which will limit the number of units the Purchaser will be able to build on the site. These same difficulties will be imposed upon any developer, thus, taking this parcel out for bid again will not necessarily bring a higher sale price for the District.

I have included copies of both amendments for your and the Board's review. Please note I have highlighted in yellow several areas. These are the areas where either a change or an important detail will be found, such as the price for a parcel, how the District will be paid, or the detailed requirements for land maintenance by the purchaser. Also please note both amendments for Perrinville and Nankin/Skill Center contain a land contract. I have also highlighted these sections.

I will go into greater detail with the Board at Monday's meeting, so I ask to have this item added to the agenda of the Committee of the Whole for April 30, 2018. Please feel free to contact me with questions. Thank you.

Attachment

PF/ko

c: Board of Education