



**SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER
DENVER, COLORADO**

FINANCE AND AUDIT COMMITTEE COMMUNICATION FORM

Meeting Date:	15-Aug-16
Subject/Agenda Title:	Sale of 1250 Welton Street
Sponsor/Department:	Facility Management
Prepared by:	Andrew Robinson
Approved by:	Michael J Hickman, DPS Deputy General Counsel
Presented by:	David Suppes, COO
Legal Review:	Michael J Hickman, DPS Deputy General Counsel
Requested Action:	Request Approval of the Purchase & Sale Agreement for the Emily Griffith Opportunity School Building and property located at 1250 Welton Street, Denver, Colorado ("Property") between Denver Public Schools and Stonebridge Companies.
If going before the BoE, has this been reviewed by the COO's office?	Yes
Key Considerations:	<p>In December of 2012, the DPS Board approved the purchase of 1860 Lincoln and a series of other proposed facility changes that would ultimately eliminate the need for the ageing Emily Griffith Opportunity School located at 1250 Welton Street. All proposed real estate transaction under this 2012 approval have been complete other than the sale of 1250 Welton Street. After 2 plus years of an engagement process (as outlined in the presentation attached to this memo), staff is recommending to sell the 1250 Welton Street property under the following terms to Stonebridge Companies:</p> <p>The purchase price will be \$26,100,000 (Twenty Six Million One Hundred Thousand U.S. Dollars). Five business days after the Purchase and Sale Agreement is signed by Stonebridge Companies (Buyer") and Denver Public Schools, the Buyer will make a \$1,000,000 earnest money deposit in an interest-bearing escrow account with the title company selected by DPS. Also, after the PSA is executed, the sixty-day (60) Due Diligence Period begins. Thereafter, if Buyer gives DPS written notice it intends to purchase the Property, Buyer will deposit another \$500,000 dollars into the District's escrow account, which at that point \$1,500,000 is non-refundable to Buyer. At Closing, the \$1,500,000 Earnest Money Deposit will be credited toward the Purchase Price.</p> <p>DPS is responsible for all costs associated with obtaining a title examination and title insurance, obtaining or updating an ALTA\ACSM survey of the property, state and municipal transfer taxes, excise taxes, and any fees for its attorneys, accountants, consultants and real estate brokers. Stonebridge Companies pays all fees and disbursements to its attorneys, accountants and consultants, and all costs for due diligence studies, investigations, tests and reports. Both parties agree to equally share the costs related to deed stamps, and the fees and costs of the Escrow Agent.</p>
Budget/Staff Impact:	\$26,100,000 less closing and sale fees
In compliance with or pursuant to which board policies, if any:	

Recommendation:

Approve the sale of 1250 Welton Street under the terms in the Purchase and Sale Agreement

**Attachments/
Supporting
Documentation:**

Purchase and Sale Agreement and Presentation