Board Meeting
Agenda Abstract

Monday, November 2, 2026
Location:

Agenda Item

Agreement - Purchase and Sale of Improved Real Property - 120 Raleigh Street - Budget Amendment - (BA-27-06) - (Mitchell) - Item 10.B

Item Explanation

The purpose of this agenda item is to consider approval of a budget amendment and a purchase of improved real property agreement for 120 Raleigh Street in the amount of $900,000.

Staff Comments

The Fuquay-Varina 2025-2029 Strategic Plan emphasizes the Governing Bodyâ€™s core value of quality of life, specifically through the following objectives and initiatives:
Objective 1: Offer recreational and cultural programs that every citizen can enjoy.
Objective 3: Develop the creative and arts identity of Downtown and the Town as a whole.
Initiative 1: Develop partnership opportunities to expand art programming and public art beyond the Arts Center.

During the 2025 and 2026 Town Board Strategic Planning Retreats, Management identified growing demand for classroom space at the Arts Center. Current capacity constraints during prime evening hours frequently result in waitlists, particularly for dance and pre-K programs. Furthermore, adult participation has increased by 40% over the past year. Key community programs--including the Chorale, Community Theatre, and Young Actors Theatre--are currently limited in their ability to grow due to insufficient rehearsal and performance space. To meet this demand, Management and the Town Board have explored opportunities to expand programming, including the strategic acquisition of adjacent properties as they become available.

In response to the need for expanded programming and activity space, the Town has identified an opportunity to purchase 120 Raleigh Street. This property is strategically located adjacent to the existing Arts Center and will provide the necessary space to meet community demand for additional classrooms and cultural facilities. Upon authorization, staff will develop comprehensive options for the space, including the introduction of new programs and the optimization of existing programs through strategic relocation or expansion between the two buildings.

The Agreement for Purchase and Sale of Improved Real Property for 120 Raleigh Street

identifies specific terms and conditions to include:

Purchase Price: $900,000
Examination Period: 30-days
Property Legal Description
Added Responsibilities (Exhibit B): Relocation of an above ground heating oil tank and lines

The property is 0.11 acres and contains a commercial building structure totaling 4,635 square feet built in 1935. The property has a total tax value of $472,254.

The current property and business owner is retiring and plans to close her existing business. As such, all sublet space within the building will expire by the closing date of the property acquisition per the terms of the agreement. The property owner will be permitted to remain in the property through December 21, 2026, also per the agreement, for the purposes of removing any remaining private personal property.

Management recommends that the Town Board approve the Agreement for Purchase and Sale of Improved Real Property at 120 Raleigh Street as presented, authorize the Town Manager to execute the agreement on the Town's behalf, and approve budget amendment BA-27-06, which funds the purchase of the property.

Fiscal Note

Yes
The payment terms of the agreement are a purchase price of $900,000, which includes a $25,000 earnest payment, that will be paid from the Town's General Fund Unassigned Fund Balance. Additional expenses will be related to the maintenance of the existing building on the parcel. Following review by the Town's Inspections Director, it has been determined that the building is in fairly sound form. The roof is in good condition. The furnace and air conditioning units will need to be replaced in the near term and are estimated to cost $30,000. As a condition of the purchase agreement, the Town will be responsible for relocating an above ground heating oil tank and lines that are presently encroaching on an adjacent property. It is estimated that the cost to relocate the tank and lines as well as repair the underlying asphalt will be between $5,000 and $10,000. While the 30-day examination period runs until November 6, 2026, the examination and assessment is substantially complete.

Recommendation

MOTION TO: Approve Budget Amendment BA-27-06 and the Agreement for Purchase and Sale of Improved Real Property for 120 Raleigh Street in the amount of $900,000, as recommended and presented by management and legal counsel, and authorize the Town Manager to execute the Agreement on the Town's behalf.

ATTACHMENTS
BA-27-06 - 120 Raleigh Street.pdf
120 Raleigh Street - Purchase Sale Agreement.pdf
120 Raleigh Street.jpg