

January 15, 2014

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Salt Lake Community College – Sale of Institutional Residence

Issue

Salt Lake Community College has requested authorization to sell the existing institutional residence with the proceeds to be placed in a reserve account for payment of housing allowances for future presidents.

Background

The current institutional residence has served its intended purpose for several decades. For a variety of reasons, however, the residence is now at a point where the College concludes it would be more supportive of the next president and more cost efficient for the College to provide a housing stipend instead. Detail regarding the rationale supporting this conclusion is included in the attached letter from SLCC administration, requesting this authorization. Outgoing SLCC President Cynthia Bioteau has also provided a letter supporting the proposal.

In accordance with Board policy, the home is to be sold at or above the appraised value of the property as determined by a licensed MAI appraiser. Representatives from the College will be at the meeting to respond to questions.

Commissioner's Recommendation

The Commissioner recommends that the Board authorize Salt Lake Community College to proceed with the sale of the institutional residence at a price at or above the appraised value with the proceeds placed in a reserve account for payment of housing allowances for future presidents.

David L. Buhler
Commissioner of Higher Education

DLB/GLS/WRH
Attachment

December 17, 2013

Commissioner David L. Buhler
Utah System of Higher Education
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Dear Commissioner Buhler:

Re: Sale of the Institutional Residence for Salt Lake Community College

Salt Lake Community College and the Salt Lake Community College Board of Trustees request that the State Board of Regents approve the sale of the Salt Lake Community College Institutional Residence located at 2138 West 4620 South adjacent to the Taylorsville Redwood Campus.

The residence was originally built in 1983 by the construction trades division at the College using institutional funds. The residence has served its purpose in providing housing for the College President; however, the residence has been aging rapidly and maintenance issues have increased resulting in costly and frequent repairs that cause considerable inconvenience to those living in the residence. With the ever-increasing costs of repairs, it is strongly recommended that the College sell the residence and provide an allowance to the incoming president as provided in Regent's policy R207. An allowance would be less than the current cost of repairs and upkeep. In addition, recent changes in the demographics of the neighborhood and instances of vandalism have made the home a less than an ideal place to invite community leaders, potential donors and host College functions. President Cynthia Bioteau has also given her support to the recommendation that the College sell the residence (see attached).

An official appraisal will be completed prior to placing the house on the market. The College intends to sell the residence at or above the appraisal value. It is our intent to place the revenues from the sale into a reserve account to be used to pay the housing allowance for future presidents. We request Board of Regent's permission to proceed with the sale of the Institutional Residence.

Sincerely,



Dennis R. Klaus
Vice President of Business Services

Attachment

Memo

To: Dennis Klaus, Vice President, Business Services
From: Dr. Cynthia Bioteau, President *CMB*
Re: Support for Recommendation to Sell Institutional Residence

I wanted to lend my support to the recommendation that SLCC administration encourages the Board of Trustees and State Board of Regents to consider selling the institutional residence. Regent statute R207 allows a college or university to either provide an institutional residence or provide a housing allowance to the president for use in carrying out college duties to include donor cultivation and recognition events, college activities, etc.

The SLCC residence has been aging rapidly and numerous maintenance issues arise without warning, including burst pipes, heating/air conditioning major malfunctions, electrical system repairs, to name but a few. In each case, the repairs are major, costly, unanticipated, and cause great upheaval in the lives of those living at the residence.

Additionally, the neighborhood within which the residence is located has been steadily declining in quality and is no longer conducive to inviting community leaders and potential donors to functions – a key purpose for the residence.

Finally, safety has become of great concern in the last year. Vandalism in the form of graffiti, bullet shots to windows, cut irrigation pipes, etc. have cause increased vigilance on a daily basis.

I believe a set housing allowance would actually be more cost efficient for the college, and more supportive of the next president and the accompanying responsibilities.