

May 7, 2014

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Utah State University – Acquisition of Property in Moab, Utah

Issue

Utah State University (USU) has requested authorization to acquire approximately 40 acres of property in Moab, Utah from the Schools and Institutions Trust Lands Administration (SITLA) in exchange for approximately 21 acres of USU property and \$440,000 for the difference in the appraised values between the two properties.

Background

The two parcels of land are in close proximity to each other and are located about 2.5 miles south of the center of Moab City. The USU parcel was donated to the institution and has been retained as a possible future Regional Campus site to address the long-term enrollment growth needs of the area.

During the past several years there has been ongoing dialogue between USU and SITLA, initiated by SITLA, about the possibility of a land exchange. Because of the fact that the property that was donated to USU is very hilly and less conducive to the development of a future campus than the parcel owned by SITLA, the joint efforts have resulted in this proposed exchange. It is also important to note that development of a future campus on this property was included in the Campus Master Plan approved by the Regents on September 13, 2013.

As is noted in the USU letter requesting this approval, payment of the \$440,000 difference in value of the properties included this property exchange will be made from USU Regional Campus and Distance Education funds. Copies of a map showing the location of the two properties and the property appraisal are also attached for your information. USU representatives will be in attendance at the meeting to provide additional information and respond to questions.

Commissioner's Recommendation

The Commissioner recommends Board approval of this property exchange to provide a site for a future USU Regional Campus.

David L. Buhler
Commissioner of Higher Education

DLB/GLS/WRH
Attachment



April 25, 2014

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

Dear Commissioner Buhler:

Utah State University desires to acquire approximately 40 acres of Schools and Institutions Trust Lands Administration (SITLA) property in exchange for approximately 21 acres of USU property (acquired through a donation) and \$440,000 for the difference in appraised values between the two parcels of vacant land. The request has been approved by the Utah State University Board of Trustees.

This acquisition addresses long-term enrollment growth and provides a future site for a Regional Campus in Moab, Utah. Currently, USU occupies space in two buildings in downtown Moab, which are approaching full utilization.

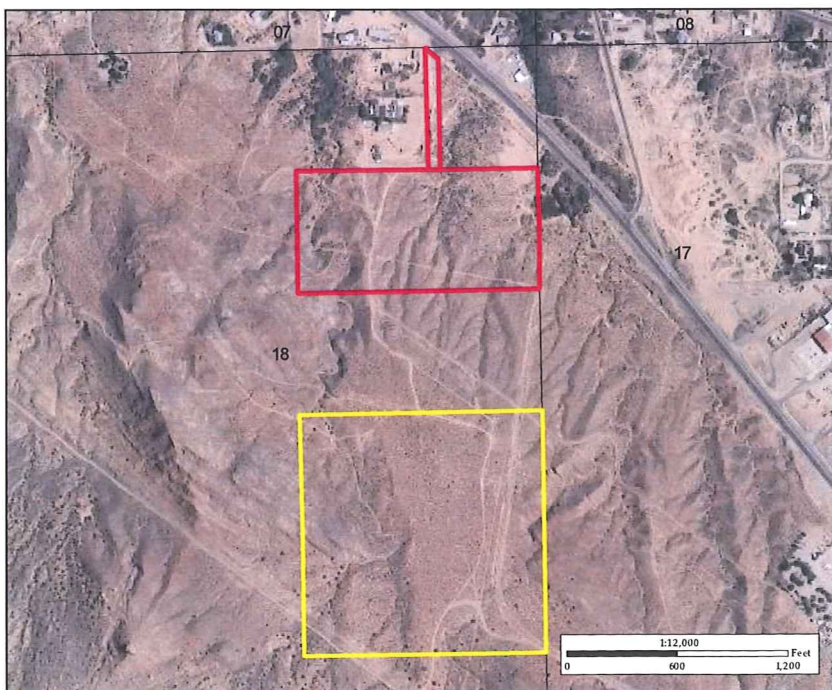
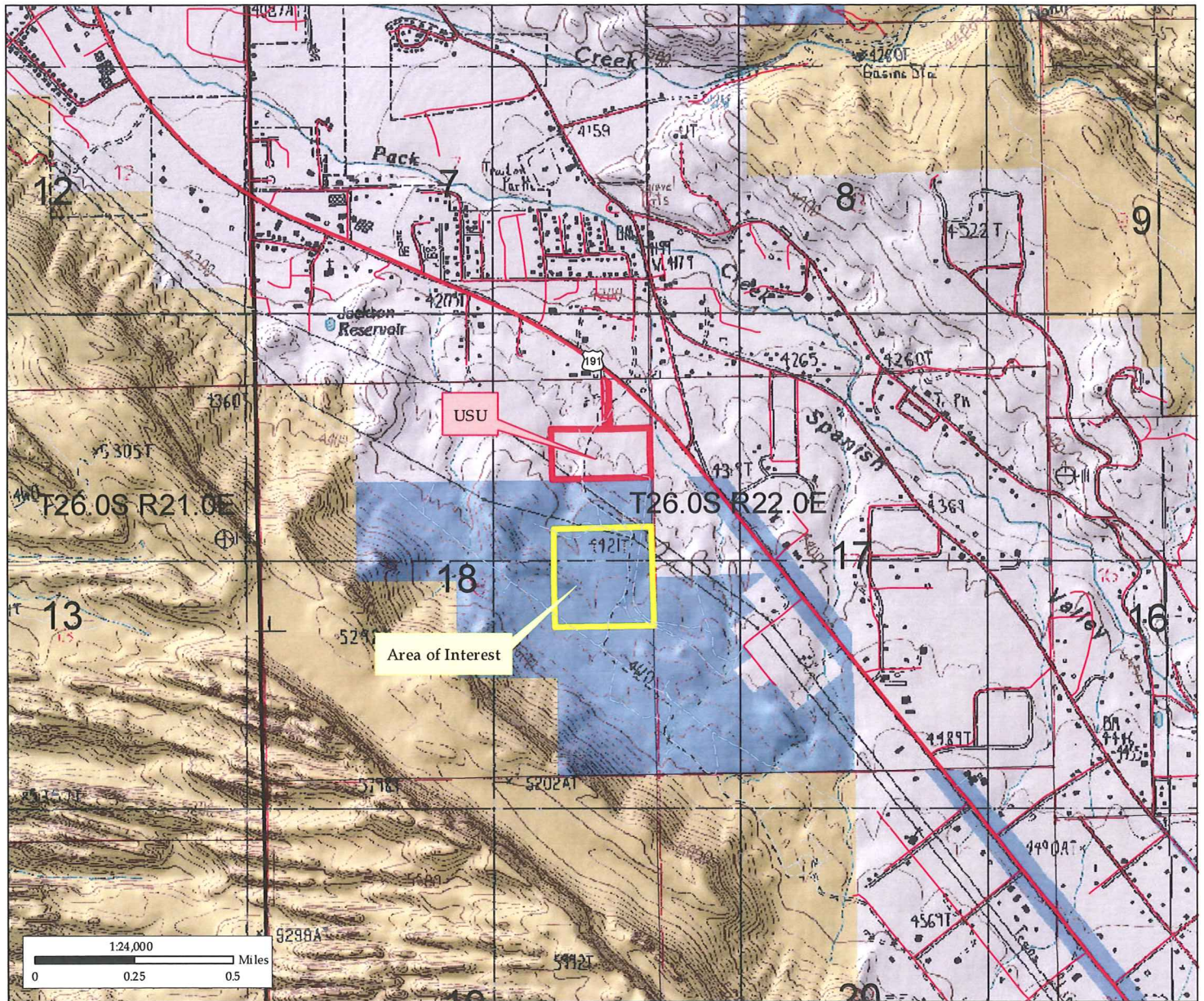
SITLA and USU have jointly completed the initial phase of a master plan for the future USU Moab campus and a future land use plan for the adjoining SITLA land. The parcels are located in close proximity to each other and are located about 2.5 miles south of the heart of Moab, Utah (see attached map). USU conducted an inspection of the property and found it to be in good condition and environmentally safe and sound. Payment of the difference in land values will be paid from USU Regional Campus and Distance Education funds.

We appreciate your support and ask that you present this item to the Board of Regents for approval.

Sincerely,

David T. Cowley
Vice President
for Business & Finance

cc: Greg Stauffer, Associate Commissioner for Planning, Finance & Facilities
Stan Albrecht, President



Potential Exchange - USU

Township 26 South, Range 22 East, SLB&M,
Within, Section 18,
Grand County

State of Utah
School & Institutional Trust Lands Administration
Feb. 14, 2011 SITLA

Land Ownership and Administration

- Bureau of Land Management
- Bureau of Reclamation
- Bankhead-Jones Land Use Lands
- National Recreation Area
- National Parks, Monuments & Historic Sites
- National Forest
- National Wilderness Area
- National Wildlife Refuge
- Other Federal
- Military Reservations and Corps of Engineers
- Private
- State Trust Lands
- State Sovereign Land
- State Parks and Recreation
- State Wildlife Reserve/Management Area
- Other State
- Tribal Lands

USU
Area of Interest

Coordinate System: NAD 1983 UTM Zone 12N
Projection: Transverse Mercator

Data represented on this map is for REFERENCE USE ONLY and is NOT to be used in place of a legal land survey! The Utah School and Institutional Trust Lands Administration (SITLA) IT/GIS Department assumes no responsibility for errors or omissions in these materials. Land parcels, lot or bound lines and associated SITLA data layers may have been adjusted to align with other digital features (i.e. PLSS lines, digital imagery, roads) or other best points in order to allow for visual "best fit". While SITLA seeks to verify data for accuracy and content, discrepancies may exist within the data. SITLA hereby disclaims any and all liability due to the use or misuse of this map and the data represented on this map. The user assumes total responsibility for verification and use.

Lakes, rivers, streams, highways, roads, county and state boundaries were USGS DLG 1:100,000 source files, and contour lines (if present) were generated from USGS DEM 3-arc-second files, collected and distributed by the Utah Automated Geographic Reference Center. The ownership information was originally digitized by Utah State University from BLM 1:100,000 source maps and has been edited by Utah Trust Lands Administration (TLA) to reflect current state ownership. TLA surface and mineral ownership is frequently being updated and verified by TLA. Official and detailed information is available from the responsible agencies. Color AerialPhoto (National Agricultural Imagery Program, NAIP 2009)

VAN DRIMMELEN & ASSOCIATES, INC.
REAL ESTATE APPRAISERS & CONSULTANTS

**A SELF CONTAINED APPRAISAL REPORT OF
TWO PARCELS OF LAND CONTAINING
40 ACRES & 20.95 ACRES
LOCATED
+/-1600 SOUTH & SOUTH OF
HIGHWAY 191
MOAB, UTAH**



PREPARED FOR
SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION

BY
MATTHEW LIMPERT
CERTIFIED GENERAL APPRAISER

DATE OF VALUATION
May 6, 2013

DATE OF THE REPORT
May 14, 2013



VAN DRIMMELEN & ASSOCIATES, INC.
REAL ESTATE APPRAISERS & CONSULTANTS

May 14, 2013

Mr. Bryan Torgerson
Trust Lands Resource Specialist
School and Institutional Trust Lands Administration
217 East Center Street, Suite 230
Moab, Utah 84532

Re: A Self Contained Appraisal report of two parcels of land containing 40 acres and 20.95 acres of land, located at +/-1600 South and South of Highway 191, Moab, Utah. File# 42ML0513.

Dear Mr. Torgerson

Pursuant to your request, I have inspected the identified parcels of ground, located in Grand County, Utah. The purpose of the inspection, and subsequent investigation and analysis, was to determine the market value of the land to assist in a potential sale/trade of the properties.

The results of the appraisal have been prepared and communicated in a self-contained format, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. As such, it presents detailed discussions of the data, reasoning, and analyses that were used in the appraisal process to develop an opinion of market value. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. Finally, this appraisal report conforms with, and is subject to, the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics, and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The properties being appraised are vacant land. For the purposes of this appraisal, I have assumed that the legal description and acreage is correct. In compliance with the engagement letter, resalable access is assumed to each of the parcels. In reality, it appears as though both parcels have physical access. Both parcels are within the boundaries of Moab City, having been annexed recently. Each parcel is set back off of Highway 191. The front parcel is zoned C-4 and the rear (40 acre) parcel is zoned R-4. It is noted that the rear parcel will be zoned institutional once owned by Utah State University and will not be subject to zoning codes. The properties have been appraised under their highest and best use as residential development parcels.

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Mr. Bryan Torgerson
May 14, 2013
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Based on my inspection of the subject property and subsequent investigation and analysis, I am of the opinion that the market value of the fee simple interest for the subject parcels of land appraised, subject to the limitations and caveats expressed, as of May 6, 2013 is:

Reconciled Market Value	
40 Acre Parcel- State of Utah-Market Value in Fee Simple As of May 6, 2013	\$920,000
20.95 Acre Parcel- Utah State University -Market Value in Fee Simple As of May 6, 2013	\$480,000

Your attention is invited to the attached appraisal report, which outlines in detail the data collected and the methods used to estimate the market value of the above-described property. The values given are subject to the general assumptions and limiting conditions, and specific extraordinary assumptions and hypothetical conditions stated in the report and/or itemized in the preface section of this document. It is important that the reader of this report review and understand all general and specific assumptions and limiting conditions. The date of the report is May 14, 2013.

Respectfully submitted,



Matthew Limpert, Appraiser

Utah State Certified General Appraiser License No. 5489702-CG00, Expires 1-31-15

Enc.