

November 5, 2014

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Revision of Policy R741, Capital Development Prioritization - CDP

Issue

Section 6, *Land Bank Acquisition Requests* of Regent policy R741, *Capital Development Prioritization - CDP*, has been revised in order to establish a more thorough process for evaluation and advocacy of the USHE land bank requests as part of the Board of Regents recommendations for funding consideration that are made to the State Building Board, Governor, and the Legislature.

Background

Over the past few years, members of the Board of Regents have expressed some concern about the minimal amount of information that is submitted to the Board regarding the USHE institutional land bank property acquisition requests. Due to the limited amount of information provided, Board members have tended to feel insufficiently informed and therefore not in a strong position either to prioritize or to be advocates for the requests presented. The resulting practice generally has been for the Board to simply forward the requests for funding consideration on, without any clear recommendation or advocacy. During this year's Capital Development process, the Regents Capital Facilities Committee asked for more complete information regarding such requests in order to enable them to be better informed in determining and advocating priorities and support in this arena.

The specific information to be considered in this [more robust] evaluation process going forward has been added to Section 6 of the policy and is now presented for your consideration and approval.

Commissioner's Recommendation

The Commissioner recommends that the Regents review, and if in agreement, approve the additions to Section 6, *Land Bank Acquisition Requests* of policy R741, *Capital Development Prioritization - CDP*, to be effective immediately.

David L. Buhler
Commissioner of Higher Education

DLB/GLS/WRH/CRW
Attachment

R741.5. Projects Funded from Non-State Appropriated Funds – Proposals from institutions for approval of capital development projects to be financed by non-state appropriated funds are subject to the approval process outlined in Policy R710, Capital Facilities. This includes determination of whether the projects qualify for state-appropriated funding for ongoing O&M needs. Consistent with provisions of this policy, before any project can be considered for approval it must be included in the approved master plan of an institution, and the programs to be housed therein must have been approved by the Board of Regents. If those approvals have not been received, the project will not be considered.

R741.6 Land Bank Acquisition Requests – Requests for purchase of land from funds to be appropriated by the state Legislature for future use of an institution must be reviewed and approved by the Board of Regents. Recommendations to the State Building Board, Governor and Legislature for such purchases shall be based upon approved programmatic planning and facilities master plan requirements of the institutions (Policy R710.4.5.3). The following considerations will be taken into account in evaluation of these requests for inclusion in the annual request for land bank funding:

6.1. Location and description of the property including any existing permanent structures.

6.2. Current availability of the land and "time sensitivity" of the window of opportunity for its purchase.

6.3. Intended use of the land and its relative importance in the context of the institutions role and mission assignment, campus master plan, and strategic plan for the future.

6.4. Suitability of the property for the intended use (ingress/egress, proximity of utilities, percentage of buildable area, ground tests, etc. where applicable).

6.5. Reasonableness of cost as determined by an appraisal or other reasonable estimate of the value of the land.

6.6. Condition of the land, including the potential liability of the institution pertaining to clearing the property, potential existence of hazardous waste, greenhouse gas emissions, etc.

6.7. Condition and potential use of existing structures, if any.

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