

March 18, 2015

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Weber State University – Acquisition of Property at 26th Street and Monroe Blvd.

Issue

Weber State University (WSU) is requesting authorization to purchase a property located at 26th Street and Monroe Boulevard in Ogden, Utah as the future home of the WSU Community Outreach Center (Center). At present, the Center is housed in a leased facility a few blocks away from the proposed property acquisition. Its mission, which is to increase the enrollment of non-traditional, under-represented populations in post-secondary programs, is summarized in the attached WSU cover letter.

Proposal

The following summarizes the pertinent details of the proposed purchase and use of the property:

- The purchase price of \$560,000 is below the appraised value of \$570,000.
- Funding for the purchase will come from accumulated WSU Continuing Education reserves.
- Potential costs for anticipated mitigation of soil contaminants on the site will be funded by the Utah Department of Environmental Quality.
- There are two older buildings on the 1.4 acre property. As funding becomes available these buildings will be razed and replaced with a new facility to house the Center.

Maps showing the location of the property and an executive summary of the property appraisal are attached along with the WSU cover letter. WSU representatives will be present at the meeting to provide additional information and answer questions as needed.

Commissioner's Recommendation

The Commissioner recommends Board approval of this proposed property purchase.

David L. Buhler
Commissioner of Higher Education

DLB/GLS/WRH
Attachment



WEBER STATE UNIVERSITY

March 5, 2015

Dr. Dave Buhler, Commissioner
Utah System of Higher Education
Board of Regents Building
60 South 400 West
Salt Lake City, UT 84101-1284

Dear Commissioner Buhler,

Weber State University seeks authorization to acquire property at the corner of 26th and Monroe Avenue near the center of Ogden for the purpose of establishing a permanent home for the university's Community Outreach Center. Our current Community Outreach Center occupies leased space a few blocks away from this prime location.

WSU's Community Outreach Center serves the under-represented populations of Ogden and helps them access and successfully transition to higher education. Programs currently offered there include life/employment skills training, basic education, remedial education, admission, registration, and financial-aid assistance. All of this is done in partnership with city, county, school district, and other non-profit agencies. The climate fostered by the Community Outreach Center is supportive and encouraging of minority groups, underrepresented populations, and first time college-goers. A key part of WSU's mission is to reach-out to this neighborhood and help individuals and families succeed.

As shown in the attached maps, two older buildings currently occupy the property WSU seeks to acquire. As funding is available, the older buildings would be removed and replaced with a new facility that would house the outreach center.

The 1.4-acre parcel and buildings appraised for \$570,000 by Integra Realty Resources (MAI appraisers) in November of 2014. The agreed upon purchase price for the property is \$560,000. Funding for the purchase will come from accumulated reserves of WSU Continuing Education.

WSU is currently conducting an environmental assessment of the property to determine if any soil contaminants remain from a fuel station that previously occupied the land. Preliminary indications suggest that any mitigation of the site would be minimal. The State of Utah has previously set aside funding to clean up the property. Thus, any mitigation expenses would not be bourn by WSU.

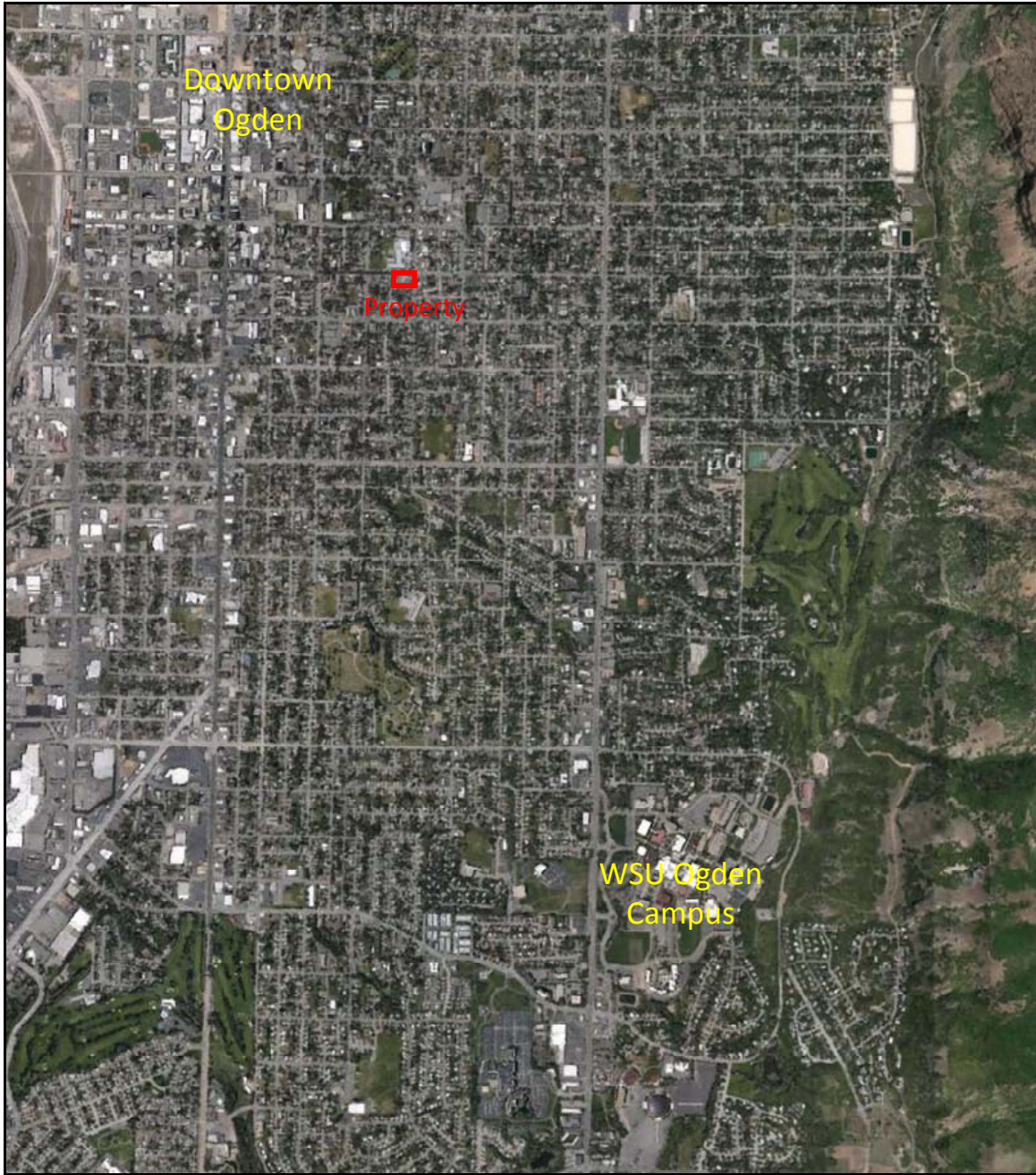
Please place this item on the Regents March 2015 agenda.

Sincerely,

Dr. Norm Tarbox
Vice President for Administrative Services



Property Aerial View



Generalized Location



December 3, 2014

Mr. Richard Sirken
Real Property Business Manager
Facilities Management
Weber State University
3848 Harrison Boulevard
Ogden, Utah 84408-2601

SUBJECT: Market Value Appraisal
2605 Monroe Boulevard Commercial Buildings
2605 Monroe Boulevard
Ogden, Weber County, Utah 84401
Integra Salt Lake City File No. 160-2014-0952JB
Client Purchase Order No. P0049901

Dear Mr. Sirken:

Integra Realty Resources – Salt Lake City is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value as is of the fee simple interest in the property. The client and intended user for the assignment is Weber State University. The intended use is for property acquisition purposes.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of the 2014-2015 edition of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This type of report has a moderate level of detail. It summarizes the information analyzed, the appraisal methods employed, and the reasoning

that supports the analyses, opinions, and conclusions. It meets or exceeds the former Summary Appraisal Report requirements that were contained in the 2012-2013 edition of USPAP.

The subject is an existing commercial property containing two buildings totaling 17,453 square feet of rentable area. The improvements were constructed in 1946. The site area is 1.44 acres or 62,726 square feet.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

Value Conclusion			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Fee Simple	November 18, 2014	\$570,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. We were unable to inspect Building B. We assume that the conditions of the improvements in Building B are similar to those found in Building A which was inspected.

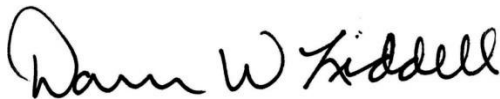
The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. None
-

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Salt Lake City



Darrin W. Liddell, MAI, FRICS, CCIM
Certified General Real Estate Appraiser
(801) 263-9700 ext. 111
dliddell@irr.com



John T. Blanck, MAI, MRICS
Certified General Real Estate Appraiser
(801) 263-9700 ext. 109
jblanck@irr.com