

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Dixie State University – Sale of Property Follow-up

Issue

During the March 2015 Board of Regents meeting the Board approved allowing Dixie State University (DSU) to sell two properties to a private developer. The original developer was unable to complete the transaction, but another developer has since approached the University to purchase the land and build new student housing.

Background

In March 2015 DSU requested approval of the Board to sell approximately 0.42 acres of property along Tabernacle Street in St. George, Utah for an appraised value of \$230,000. DSU proposed to sell the land in conjunction with an adjoining 2.29 acres owned by the Dixie College Foundation to a private developer for construction of privately owned student housing. The Board approved the sale of property contingent on Board of Trustee and Foundation approval of the project, which were both subsequently obtained. However, the original developer could not complete the transaction and plans for additional student housing stalled.

A different developer has recently been in negotiations with DSU and the Dixie College Foundation to purchase the property and develop the land into student housing. The developer is currently under contract to purchase the property at a recently appraised value of \$255,000 (a \$25,000 increase in value) and the parameters of the development meet the same institutional objectives as approved in the March 2015 meeting. The University wishes to update the Board on this issue and will be available to respond to any questions.

Commissioner's Recommendation

This is an information item; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA