

May 9, 2018

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: University of Utah – Property Disposal

Issue

Regent Policy R704, *Disposal of Real Property* requires the Board of Regents to approve institutional property disposals that exceed \$500,000. The University of Utah requests Board approval to sell 0.26 acres of property located at 427 East on South Temple in Salt Lake City to the Orrin G. Hatch Foundation for the mutually beneficial development of an Orrin G. Hatch Center for Legislative Leadership and Public Policy Studies at an appraised value of \$850,000.

Background

The University of Utah owns property on the 400 East block of South Temple in Salt Lake City which is home to the Kem C. Gardner Policy Institute and the Thomas S. Monson Center. The University seeks Board approval to sell a small 0.26 acre property east of the Monson Center at 427 East South Temple that is currently a parking lot to the Hatch Foundation, which is a 501(c)(3) non-profit corporation organized to preserve the legacy of Senator Orrin G. Hatch's service in the United State Senate. The Foundation would use the property to construct an Orrin G. Hatch Center for Legislative Leadership and Public Policy. The proximity of the University to the Hatch Center would provide for collaborations between the University and the Center including active engagement of the Hinckley Institute of Politics and the Kem C. Gardner Policy Institute as well as the potential for student internships and faculty activities. The property will be sold for the appraised fair market value of \$850,000.

Additional information about this request may be found in the attached letter from the University with an accompanying map and the executive summary of the property appraisal. Representatives from the University of Utah will be in attendance at the meeting to provide additional information and respond to questions from the Board.

Commissioner's Recommendation

The Commissioner recommends that the Board authorize the University of Utah to sell property located at 427 East South Temple in Salt Lake City, Utah as proposed.

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David L. Buhler  
Commissioner of Higher Education

DLB/KLH/RPA  
Attachments



April 30, 2018

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

Dear Commissioner Buhler:

The University of Utah hereby requests approval from the Board of Regents' for the disposition of the parking lot located at 427 East South Temple in Salt Lake City, Utah east of the Monson Center. The purchase price shall be the fair market value of the property as established via appraisal and is currently estimated at \$850,000 for the ~0.26 acres. Attached for your reference is an aerial view of the property outlined in yellow.

The buyer of the property is the Hatch Foundation for the future development of the Orrin G. Hatch Center for Legislative Leadership and Public Policy. The following are other components of the terms of the transaction:

- The University will have an opportunity to review and comment on the site plans including floor plans and architectural renderings.
- The University will retain a right of first refusal to purchase the property and building from the Foundation should it ever be offered for sale.
- The University, through its Hinckley Institute of Politics, Kem C. Gardner Policy Institute, and other appropriate colleges and departments will collaborate with the Hatch Center.

Accordingly, Jason Perry, Vice President of Government Relations, would appreciate an opportunity to present this disposition to the Finance and Facilities Committee at the May 18, 2018 Board of Regents meeting.

Thanks, as always, for your consideration and support.

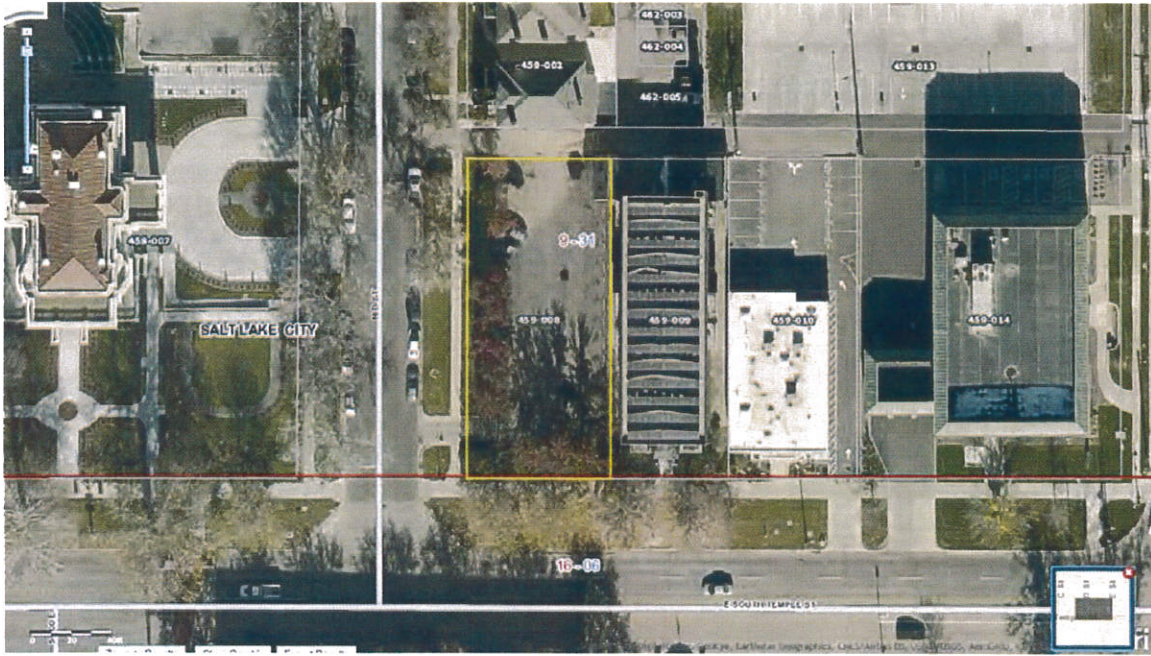
Sincerely,

A handwritten signature in black ink, appearing to read "Patricia A. Ross", with a long, sweeping flourish extending to the right.

Patricia A. Ross  
Chief Strategy Officer

c: Dr. Ruth V. Watkins  
Dr. Kimberly Henrie  
Richard P. Amon  
Jason Perry  
Jonathon Bates

Attachment



## Executive Summary

<b>Property Name</b>	University of Utah Parking Lot		
<b>Location</b>	427 East South Temple, Salt Lake City, Salt Lake County, Utah 84111		
<b>Highest and Best Use</b>	As If Vacant		
<b>Property Rights Appraised</b>	Fee Simple Estate		
<b>Date of Report</b>	April 12, 2018		
<b>Date of Inspection</b>	April 11, 2018		
<b>Estimated Exposure Time</b>	6 Months		
<b>Estimated Marketing Time</b>	6 Months		
<b>Land Area</b>	0.26 AC		11,326 SF
<b>Buyer Profile</b>	Developer		
<b>VALUATION</b>		<b>Total</b>	<b>Per SF</b>
Land Value		\$850,000	\$75.05

CONCLUDED MARKET VALUE			
Appraisal Premise	Interest Appraised	Date of Value	Value
As Is	Fee Simple Estate	April 11, 2018	\$850,000

Compiled by CBRE

### EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” <sup>1</sup>

- None noted

### HYPOTHETICAL CONDITIONS

A hypothetical condition is defined as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purposes of analysis.” <sup>2</sup>

- None noted

<sup>1</sup> The Appraisal Foundation, *USPAP, 2017-2019*

<sup>2</sup> The Appraisal Foundation, *USPAP, 2017-2019*