



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

TAB D

March 24, 2022

Utah State University – Non-Traditional Arrangement – City of Logan Substation

Board policy R712, *Non-Traditional Arrangements for Development of Facilities on Campuses*, requires the Board to approve development projects by outside entities on institutional land. Utah State University (USU) desires to report to the Finance and Facilities Committee of the long-term ground lease agreement with the City of Logan to construct a substation on university property. The substation will be located on 0.31 acres of university property that will provide Logan City with a much-needed substation in the city's northeast section. The project was approved by the Board of Trustees in the March 5, 2021 meeting. The attached letter and presentation materials from USU provide additional information about the project.

Commissioner's Recommendations

This is an information item only; no action is required.

Attachment



March 2, 2022

Commissioner David R. Woolstenhulme
Utah Board of Higher Education
Board of Regents Building The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Subject: Nontraditional Arrangement for Development of a Facility on Campus – City of Logan Substation

Dear Commissioner Woolstenhulme:

Following Utah System of Higher Education, Policy R712, Nontraditional Arrangements for Development of Facilities on Campuses, Utah State University desires to report to the Finance and Facilities Committee the long-term ground lease agreement with the City of Logan to construct a substation on University property.

USU obtained an independent appraisal to establish the fair market value of 0.31 acres to determine the lease rate. Leasing this property will provide Logan City with a much-needed substation in the northeast section of the city.

Construction, less than \$2.5 million; development; and ongoing maintenance costs associated with the substation will be paid by Logan City. Ownership of the improvements will revert to USU at the end of the ground lease.

The substation is consistent and appropriate for the image and environment of this inconspicuous piece of University property as illustrated in the attached exhibit A. In addition, the ground lease agreement is written to protect the interests of the University including institutional rights to control the facility appearance and access to utility systems and roads.

The Nontraditional Arrangement for Development of a Facility on Campus was approved by the University's Board of Trustees in their meeting on March 5, 2021. We appreciate your support and request that you share this item with the Finance and Facilities Committee during the March meeting.

Sincerely,

A handwritten signature in black ink, appearing to read 'David T. Cowley'.

David T. Cowley
Vice President for Finance and Administrative Services

cc: Juliette Tennert, Chief Financial Officer
Malin Francis, Director of Facilities and Planning
Noelle Cockett, President

EXHIBIT A

