September 16, 2022

Utah State University – Acquisition of Property by Exchange

Board Policy R703, *Acquisition of Real Property,* requires the institutions of Higher Education to seek Board approval for real property acquisitions that commit institutional funds in excess of $1.5 million; Board Policy R704, *Disposal of Real* Property, requires Board approval of the disposal of real property with a price of more than $1 million. Utah State University (USU) is requesting approval from the Board to acquire 64 acres of property located near 1500 West 4000 South in Wellsville, Utah, valued at $2.09 million through an exchange of 7.67 acres of vacant property located at 2050 North 400 East, North Logan, valued at $1.61 million. USU obtained independent appraisals to establish the fair market value of the property exchange. The difference in the market value will be paid by the College of Agriculture and Applied Sciences with farm commodity revenues.

Acquiring the property in Wellsville provides key access points to University owned properties and allows the Utah Agricultural Experiment Station (UAES) to produce additional feed to support livestock located at the adjacent Animal Science farm and near the Caine Dairy. The property in North Logan was used for research on agronomic and horticultural crops and practices, and urban development makes research on this site difficult. This function will move to other UAES controlled assets and sites deemed suitable for specific researchers' requests. Utah State University Board of Trustees approved the acquisition by exchange in their August 12, 2022, meeting.

Commissioner's Recommendation
The Commissioner recommends the Board authorize the property acquisition by exchange for Utah State University, as described in the accompanying documents.

Attachment

August 18, 2022

Commissioner Dave Woolstenhulme
Utah State Board of Regents
Board of Regents Building The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Subject: Real Property Acquisition by Exchange

Dear Commissioner Woolstenhulme:

Utah State University desires approval to acquire approximately 64 acres of agriculture property located near 1500 West 4000 South, Wellsville Utah, adjacent to the south farm property through an exchange of 7.67 acres of vacant property located at 2050 North 400 East, North Logan Utah as illustrated in Exhibits A and B.

Acquiring the property in Wellsville, provides two key access points making it more efficient to manage other University owned properties and will allow the Utah Agricultural Experiment Station (UAES) to produce additional feed to support livestock located at the adjacent Animal Science farm and near the Caine Dairy.

The North Logan property to be disposed was originally obtained to conduct research on agronomic and horticultural crops and practices. Urban development makes agronomic research at this site difficult due to interactions with the public and intentional, and unintentional damage to research plots. This function will move to other UAES controlled assets (i.e. Wellsville/Caine Dairy/Cache Junction farms) and sites deemed suitable for specific researcher requests due to the soil type and availability of dependable irrigation sources.

Independent appraisals were obtained by USU to establish the fair market value of the Wellsville and North Logan properties at $2,090,000 and $1,610,000, respectively, to complete an equivalent value transaction. The difference in market value will be paid by the College of Agriculture and Applied Sciences with available farm commodity revenues.

The Utah State University Board of Trustees approved the acquisition by exchange in their August 12, 2022, meeting.

We appreciate your support and request that this item be presented to the Utah Board of Higher Education during the September meeting.

Sincerely,

David T. Cowley
Vice President for Finance & Administrative Services

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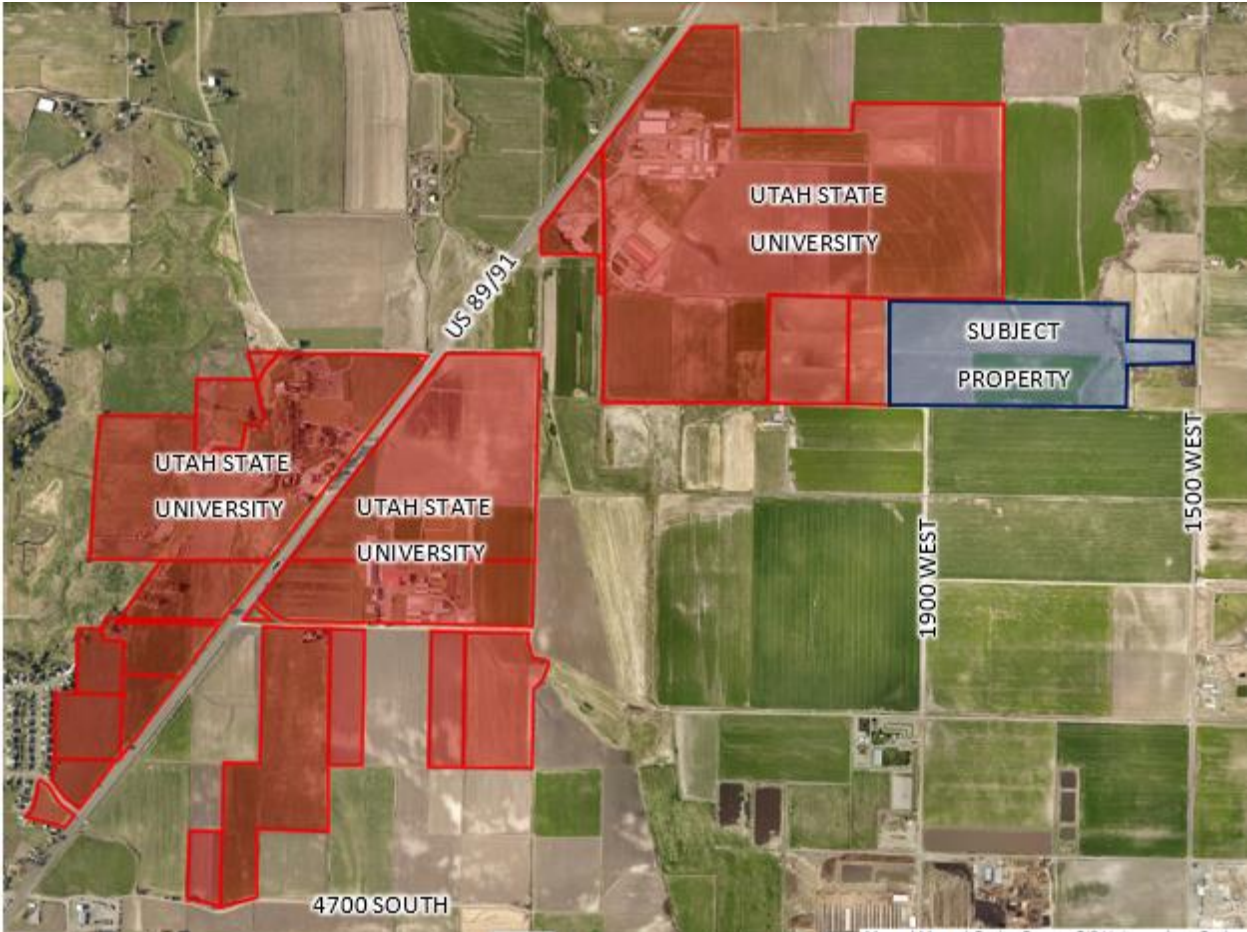   Noelle E. Cockett, President

EXHIBIT A

EXHIBIT B

2200 NORTH

SUBJECT
PROPERTY

200 EAST

400 EAST

800 EAST

1800 NORTH

UTAH STATE
UNIVERSITY

1400 NORTH