

BOARD OF REGENTS
BRIEFING PAPER

1. **AGENDA ITEM TITLE:** Transfer of Real Property at 801, 825, & 843/845 Lake Street, Reno NV from the University of Nevada, Reno Foundation to NSHE on behalf of the University of Nevada, Reno

MEETING DATE: June 8-9, 2017

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

The University of Nevada, Reno is requesting approval to accept a deed transfer of real property from the University of Nevada, Reno Foundation (Foundation) to the Nevada System of Higher Education on behalf of the University of Nevada, Reno. Donor funds were gifted to the Foundation to purchase these properties, which closed in March 2017. These properties are being offered for transfer without monetary consideration.

Location of Property: The properties are located just south of the University of Nevada, Reno campus located at 801, 825 & 843/845 Lake Street (Exhibit 1), and is within the area of the Master Plan, which was approved by the Board of Regents at the December 2014 meeting. This general area is more commonly referred to as the University Gateway.

Property Description: The properties comprise three parcels with an area of approximately 18,487 square feet (0.425 acres) consisting of 5 residential buildings. Building A (801 Lake Street) is a multifamily 3,478 square foot residence with a 960 square foot basement. Building B (825 Lake Street) is a 1,809 square foot residence with a 797 square foot basement. Building C (843 Lake Street) is a 2,237 square foot multi family residence with a 132 square foot basement. Buildings located on D (845 Lake Street) is a 1,035 square foot multifamily residence and a 480 square foot residence. 843 and 845 are on the same parcel (Exhibit 1).

Use: UNR intends to lease the properties as residential rental units until they are needed for another use.

Foundation Corporate Resolution: The Executive Committee of the Foundation approved a resolution on February 6, 2017 to gift the properties to NSHE. There are no restrictions on the gift.

Estimated Value: The current market value is approximately \$2,000,000.

Closing Costs: The grantee (University) will pay all closings costs, which include, but are not limited to, a policy of title insurance, escrow fee, and deed preparation.

Environmental: There are no known violations of environmental laws and regulations related to the site, as per an inspection completed by McGinley & Associates.

Resolution: The University of Nevada, Reno seeks approval of the Resolution authorizing the Chancellor, or designee, to approve and sign the corresponding escrow and title documents

associated with the transfer of the property deed, after consultation with and review by the Vice Chancellor of Legal Affairs. (Exhibit 2)

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

President Marc Johnson is requesting: 1) approval of the deed transfer of 801, 825, 843/845 Lake Street from the University of Nevada, Reno Foundation to the Nevada System of Higher Education on behalf of the University of Nevada, Reno; and 2) approval of a Resolution authorizing the Chancellor, or designee, to approve and sign the corresponding escrow and title documents associated with the transfer of the property deed, after consultation with and review by the Vice Chancellor of Legal Affairs.

4. IMPETUS (WHY NOW?):

- The properties were purchased with funds gifted to the Foundation specifically restricted by the donor for the acquisition of property within the “Gateway” for the benefit of the University of Nevada Reno.
- The properties are offered for deed transfer without any consideration.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The properties are located within the Board approved Campus Master Plan, within the key UNR planned Gateway project.
- The Acquisition is consistent with the University’s Strategic Plan and Campus Master Plan.
- The properties contain equity with no debt service or major concern for property condition or liability.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

None. The Foundation is eager for the University of Nevada, Reno to own and operate the property, given its near future development potential as part of the Gateway Project.

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Pass on the opportunity until such time that the University may acquire the property for market value or other agreed upon terms.

8. COMPLIANCE WITH BOARD POLICY:

- X Consistent With Current Board Policy: Title #4 Chapter # 10 Section #1.9 and 9
- Amends Current Board Policy: Title #_____ Chapter #_____ Section #_____
- Amends Current Procedures & Guidelines Manual: Chapter #_____ Section #_____
- X Other: Procedures & Guidelines Manual, Chapter 5, Section 3, Preparation and Approval of NSHE contracts.
- Fiscal Impact: Yes_____ No X
Explain: This transfer of real property involves no consideration.

EXHIBIT 2

RESOLUTION NO. _____

A RESOLUTION PERTAINING TO THE APPROVAL OF THE TRANSFER OF REAL PROPERTY, LOCATED AT 801, 825, 843/845 LAKE STREET, RENO NEVADA, WASHOE COUNTY ASSESSOR #'s 007-222-08, 007-222-06, & 007-222-02 FROM THE UNIVERSITY OF NEVADA, RENO FOUNDATION TO THE NEVADA SYSTEM OF HIGHER EDUCATION ON BEHALF OF THE UNIVERSITY OF NEVADA, RENO, AND TO THE AUTHORIZATION OF THE CHANCELLOR, OR DESIGNEE, TO APPROVE AND SIGN THE CORRESPONDING ESCROW AND TITLE DOCUMENTS ASSOCIATED WITH THE TRANSFER OF THE PROPERTY DEED, AFTER CONSULTATION WITH AND REVIEW BY THE VICE CHANCELLOR OF LEGAL AFFAIRS.

BE IT RESOLVED that the Board of Regents approves the request to transfer the deed of 801, 825, & 843/845 Lake Street from the University of Nevada, Reno Foundation to the Nevada System of Higher Education on behalf of the University of Nevada, Reno.

BE IT FURTHER RESOLVED that the Board of Regents hereby authorizes the Chancellor, or Designee, after consultation with and review by the Vice Chancellor of Legal Affairs, to approve and sign the corresponding escrow and title documents associated with the sale of real property.

PASSED AND ADOPTED on _____, 2017.

Chairman
Board of Regents of the
Nevada System of Higher Education

(SEAL)
Attest:

Chief of Staff and Special Counsel
to the Board of Regents