1. **Issue:** A number of UND apartment properties have significant deferred maintenance needs and have reached the end of their usability. An assessment of these apartments, as outlined in UND’s master plan, indicates that renovation of these properties is not a financially viable option and should be demolished. This meets with SBHE directives to remove buildings in lieu of repair when deferred maintenance values exceed 60-70% of repair costs, and no historical or other mitigating need suggests otherwise.

2. **Proposed motion:** Authorize UND to raze 39 apartment buildings: three six-plex units on Stanford Road, three six-plex units on State Street and 17 four-plex units on Northwestern Drive (each with an insurable value over $250,000); and 16 duplexes on Northwestern Drive (each with an insurable value under $250,000).

3. **Background:** The Stanford Road and State Street apartments were constructed in 1959; Northwestern Drive apartments in 1966. The intent to raze these buildings is in accordance with the current campus master plan. Plans are underway to vacate the units no later than May 31, 2018.

4. **Financial implications:** Removal of these properties will save an estimated $630,000 in operating costs and an estimated $430,000 in repair costs. Landscape costs for maintaining the property will be minimal, and will be included within the current grounds maintenance budget.

5. **Academic implications:** None.

6. **Legal/policy issues:** On February 21, 2017, pursuant to NDCC Sections 55-02-07 and 54-21-27 and SBHE Policy 903, UND notified the Historical Society of North Dakota of its intent to demolish 39 apartment buildings located on the Grand Forks campus. The State Historical Society provided its determination of whether these building have historical significance as requested.

7. **Review Process:** Reviewed by Tonder

8. **Enclosures:** SBHE agenda item

9. **Contact person:** Alice Brekke, VP for finance and operations, alice.brekke@UND.edu, 701-777-3511

10. **Chancellor’s Recommendation:** Chancellor approves