Summary of Proposed Action
SBHE Meeting – November 30, 2017

1. **Issue:** Dakota Hall is vacant, excess space and is not contiguous to UND’s main campus. Selling the building will enable UND to reduce ongoing operating expenses.

2. **Proposed motion:** Authorize UND to sell the following building: Dakota Hall (with an insurable value over $250,000), and request SBHE to identify a designee to approve the terms of the conveyance jointly with the Commissioner of University and School Lands.

3. **Background:** Dakota Hall (formerly Road King Inn) was acquired in 2003 and was used as a residence hall through the 2007-2008 academic year. Since that time the building has housed a number of departments and has been used as a transition space during significant construction/renovation projects. Its last tenant, Environmental Training Institute, moved out of Dakota Hall at the end of 2015. The building is vacant, excess space and is disconnected from UND’s campus center by more than a mile.

Dakota Hall was listed in UND’s 2016 Master Plan as excess property (UND has adequate student housing on the main campus). The sale of Dakota Hall will reduce UND’s ongoing operational budget associated with the building, and the sale proceeds can be invested into other UND property.

4. **Financial implications:** By the end of 2018, the University expects to have vacated 13 buildings with the goal of saving more than $1 million in annual operating costs and $32 million in postponed building maintenance and repairs.

5. **Academic implications:** None.

6. **Legal/policy issues:** On March 3, 2017, pursuit to NDCC Section 55-02-07 and SBHE Policy 903, UND notified the Historical Society of North Dakota of its intent to sell Dakota Hall located on the Grand Forks campus. The State Historical Society determined this building has no historical significance (see statement attached).

The 65th Legislative Assembly (2017) permits the sale of Dakota Hall through SB2003. Section 30, Transfer of Land Authorized, allows the SBHE to “convey certain real property known as Dakota Hall… if determined appropriate by the SBHE.” If the SBHE authorizes the sale of the property, “the terms of the conveyance must be determined jointly by the SBHE or a designee of the Board and the Commissioner of University and School Lands. North Dakota Century Code sections 54-01-05.2 and 54-01-05.5 do not apply to a transfer authorized by this section.”

7. **Review Process:** Tonder

8. **Enclosures:** None

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

10. **Chancellor’s Recommendation:** Chancellor recommends approval.