

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES**

Agenda Item Summary Sheet

Committee: Finance and Facilities Committee **Date of Meeting:** June 20, 2012

Agenda Item: St. Cloud Technical and Community College –
Acquisition of 1520 Whitney Court, St. Cloud, Minnesota (Heartland Clinic)

- Proposed Policy Change Approvals Required by Policy Other Approvals Monitoring
- Information

Cite policy requirement, or explain why item is on the Board agenda:

Board Policy 6.7, Real Estate Transactions, requires Board approval for real property acquisitions funded by campus operating monies valued at or greater than \$1.0 million or one percent (1%) of the college or university annual operating budget.

Scheduled Presenter(s):

Brian Yolitz, Associate Vice Chancellor for Facilities

Outline of Key Points:

The acquisition in this request is being funded by St. Cloud Technical and Community College's (SCTCC) operating funds. The college intends to renovate and reuse the building for a campus library on the first floor, and student center functions on the second floor, including a veteran's center, student senate offices, student clubs and other offices.

Background Information:

Acquisition of the property is consistent with SCTCC's Master Plan. St. Cloud Hospital and Centracare Clinic currently operate the building. The proposed \$3 million purchase price is still being negotiated.

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

BOARD ACTION

St. Cloud Technical and Community College – Acquisition of 1520 Whitney Court,
St. Cloud, Minnesota (Heartland Clinic)

BACKGROUND

Board Policy 6.7, Real Estate Transactions, requires Board approval for real property acquisitions funded by campus operating monies valued at or greater than \$1.0 million or one percent (1%) of the college or university annual operating budget. The acquisition in this request is being funded by campus operating funds. The Board of Trustees is asked to approve the acquisition of the Heartland Clinic, 1520 Whitney Court, St. Cloud, Minnesota.

DETAILS

- A. Consistency with Master Plan.** The St. Cloud Technical and Community College Master Plan contemplated the acquisition of the Heartland Property. See illustration from the master plan, as attached and labeled **Attachment A**.
- B. Property characteristics.** The property is 2.54 acres and includes approximately 32,600 gross square feet of office/clinic space and a parking lot of approximately 120 parking stalls. The building was constructed in 1994. St. Cloud Hospital and Centracare Clinic operate the building. The building is legally platted as a commercial condominium. The overall gross square footage is approximately 32,600 sq. ft.
- C. Current Use.** The property operates as a primary care clinic.
- D. Intended use.** The college intends to renovate and reuse the building for a campus library on the first floor, and student center functions on the second floor, including a veteran’s center, student senate offices, student clubs and other offices.
- E. Purchase Price and Funding.** The seller proposed a \$3 million purchase price, which is still being negotiated. The campus intends to use operating funds to purchase the property. The college and seller both obtained independent real estate appraisals in support of the \$3 million asking price.
- F. Due Diligence.** The college will undertake a standard environmental, legal, and title investigation prior to closing, including a purchase agreement that is reviewed by the Attorney General’s office.

*St. Cloud Technical and Community College – Acquisition of 1520 Whitney Court,
St. Cloud, Minnesota (Heartland Clinic)*

RECOMMENDED COMMITTEE ACTION:

The Finance and Facilities Committee recommends that the Board of Trustees adopt the following motion:

The Board of Trustees approves the acquisition of the Heartland Clinic, 1520 Whitney Court, St. Cloud, Minnesota, subject to final approval of the purchase agreement terms by the Chancellor or his designee and completion of all required due diligence.

RECOMMENDED MOTION:

The Board of Trustees approves the acquisition of the Heartland Clinic, 1520 Whitney Court, St. Cloud, Minnesota, subject to final approval of the purchase agreement terms by the Chancellor or his designee and completion of all required due diligence.

Date presented to the Board of Trustees: June 20, 2012

Attachment A



A.

Master Plan: Proposed Property Purchase

