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### Board Policy 6.7 Real Estate Transactions and Management

#### Part 1. Policy Statement

The Board of Trustees expects that real property acquisitions and sales will be consistent with a college's or university's mission and current comprehensive facilities plan.

#### Part 2. Responsibilities

The Board of Trustees delegates to the chancellor or the chancellor's designee the authority to execute and deliver on behalf of the Board of Trustees in accordance with board policy all documents regarding the acquisition, disposal, transfer, or leasing of real property.

##### Subpart A. Board

The Board of Trustees authorizes the chancellor or the chancellor's designee to acquire, develop, and sell real property in conjunction with carpentry programs.

##### Subpart B. Chancellor

The chancellor or the chancellor's designee shall establish processes regarding acquisition, sales, leasing, and any other real estate interests necessary for the management of the system's real estate. The chancellor or the chancellor's designee shall review and approve all real estate transactions.

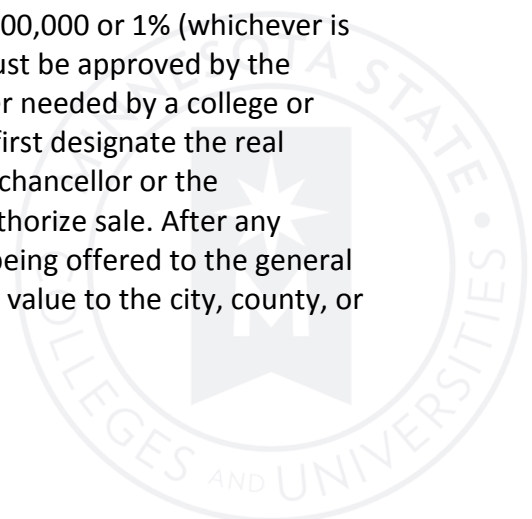
##### Subpart C. President

The president shall make a request to the chancellor or chancellor's designee as provided for in a system procedure.

#### Part 3. Real Estate Thresholds

##### Subpart A. Acquisitions and sales

Acquisitions funded by campus operating monies valued at \$1,000,000 or 1% (whichever is greater) of the college or university annual operating budget must be approved by the Board of Trustees before closing. For real estate that is no longer needed by a college or university and is valued at \$250,000 or greater, the board shall first designate the real estate as surplus; for real estate valued less than \$250,000, the chancellor or the chancellor's designee shall declare real estate as surplus and authorize sale. After any college or university real estate is declared surplus, but before being offered to the general public, the real estate must first be offered for sale at appraised value to the city, county, or other local jurisdiction where the property is located.



Real estate must be designated surplus before it is offered for sale, except in the following instances:

1. Donated real estate accepted by the board, when conversion to cash is consistent with the terms of the gift or bequest (see Board Policy 7.7),
2. Property taken by another agency through eminent domain, or
3. To correct a boundary dispute with an adjoining landowner where the action impacts less than ½ acre of property or less than \$50,000 in value..

#### **Subpart B. Leasing and other property interests**

All leases, whether on or off campus, must be approved by the board if the total rent paid during the term of the lease is valued at or greater than \$1,000,000, including all options to renew. The chancellor or the chancellor's designee shall review and approve all leases lasting at least one year or longer or where the value is \$100,000 or greater. All easements and other interests in real estate with a value of \$1,000,000 or greater must be approved by the board prior to execution of the documents. The chancellor or chancellor's designee shall have authority to enter into easements, licenses, and permits where the value is less than \$1,000,000.

#### **Part 4. Eminent Domain**

The board may acquire real estate via eminent domain consistent with Minn. Stat. Ch. 117 and related provisions. Before an eminent domain proceeding is initiated for the acquisition of any interest in real estate, the board shall first authorize the action and articulate the public purpose and necessity for the acquisition. Decisions with respect to settlement and with respect to payment of or appeal from the award of the condemnation commissioners or court shall be made consistent with board policies and system procedure.

#### **Part 5. Accountability/Reporting**

The chancellor shall report all real estate acquisitions and dispositions annually to the board.

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Date of Adoption: 06/21/00  
Date of Implementation: 06/21/00  
Date of Last Review: 04/19/17

#### **Date and Subject of Revision:**

04/19/17 – Updates document format, Adds “and Management” to the Policy title. Amends part 2 to add “chancellor’s designee” as part of approval and review authority; creates new Part 3 for thresholds and gives the chancellor authority to surplus and sell real property valued less than \$250,000; adds requirement of board review and approval prior to acceptance of gifts of real property by colleges and universities. Adds Part 4 regarding eminent domain, and requires the board to identify the public purpose and necessity for the action. Adds “designee” to Part 3., Subparts A and B.

Additional HISTORY.