**Illinois State**

**University**

Board of

**Trustees**

 **Resolution No. 2015/07.24**

 **Town of Normal Real Estate Exchange**

**Resolution**

Whereas, Illinois State University (the “*University”*) owns certain real estate parcels located at 608 South Main Street, and

Whereas, the Town of Normal (the “*Town”*) owns certain real estate parcels located at 604 North Adelaide Street, the intersection of Beaufort Street and School Street, and Sudduth Road located between Kingsley and Center Street, and

Whereas, the Town has contracted to purchase real estate located at 404 West Locust Street subject to approval by the Town’s Council, and

Whereas, both the University and the Town have determined the exchange of ownership of the aforementioned real estate parcels to be mutually beneficial, and

Whereas, the Board of Trustees of Illinois State University (the “*Board”*) has the authority to enter into Intergovernmental Agreements with selected governmental entities to transfer real estate parcels, and

Whereas, the University and the Town have worked cooperatively to develop an Intergovernmental Agreement to transfer ownership of the aforementioned real estate parcels, and

Whereas, the market valuation of the identified real estate parcels is not equal and the Intergovernmental Agreement requires the University to pay $150,000 to the Town as consideration in addition to the University owned parcels:

Therefore, be it resolved by the Board of Trustees of Illinois State University in regular meeting assembled, that:

1. The Board hereby authorizes the University to enter into an Intergovernmental Agreement with the Town to exchange ownership of such identified real estate parcels.
2. The Board authorizes the payment of $150,000 to the Town as additional consideration.
3. The Chairman, the Treasurer and the Secretary of the Board and the members, officers, agents and employees of the Board are hereby authorized and directed to do all such acts and to execute all such documents as may be necessary to carry out and comply with the provisions of this resolution and with the actions of the members, officers, agents, and employees of the Board which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, which actions shall be and are ratified, confirmed and approved.

Board Action on: Postpone:

 Motion by: Amend:

 Second by: Disapprove:

 Vote: Yeas: Nays: Approve:

 ATTEST: Board Action, July 24,2015

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Secretary/Chairperson

**Board of Trustees**

**Illinois State University**

**Town of Normal Real Estate Exchange**

**Supplemental Information**

The Town of Normal (the *“Town”)* and Illinois State University (the *“University”*) have a long history of collaborative partnerships. Recent collaborations include a real estate exchange to facilitate the development of the Marriott Conference Center and the University’s south campus chiller plant; creation of the Central Illinois Regional Broadband LLC, which provides expanded and low cost broadband services to local government, education and other non-profit and private entities; and the establishment of the University’s Art Gallery in Uptown Normal. These partnerships promote strategies articulated in Goal 3 of *Educating Illinois 2013-2018: Individualized Attention, Shared Aspirations* that call for the University to develop partnerships with business, education and government entities that provide mutually-beneficial opportunities.

For the past several months, the Town and the University have discussed an exchange of real estate parcels to assist the strategic development of Town and University facilities. The Town seeks a suitable site to facilitate its plan to relocate its fire and rescue facilities to more efficiently and effectively serve its constituents, including the University. The University seeks to acquire strategic land parcels in accordance with its *Master Plan 2010-2030: Looking to the Future* endorsed by the Board of Trustees in February 2011.

The Town and the University have identified specific land parcels that are considered mutually beneficial to exchange ownership.

 **University Owned:**

1. Property located at 608 South Main which meets the Town’s criteria for construction of a new fire station to replace the Adelaide Street facility. The University benefits from the closer proximity of fire protection and rescue services to campus. The Town’s planned new facility also advances the redevelopment of the Main Street corridor.

**Town Owned/Contracted:**

1. Property located at the intersection of Beaufort Street and School Street which supplements University parking (33 spaces) in that area.
2. Property known as Sudduth Road which separates two University-owned parcels located off College Avenue and Kingsley. Acquisition of this parcel allows the University to redevelop and connect the College Avenue parking lot (G53) with the recently acquired Kingsley parcel for a net addition of 117 parking spaces.
3. Property located at 604 North Adelaide (currently Adelaide Fire Station) which is contiguous to University owned property and strategic to future campus development.
4. Town has contracted to purchase private property (12 room apartment) located at 404 West Locust Street directly north of Bone Student Center and strategic to future campus development.

State statute authorizes the University to acquire, hold, and convey property. Yet, state statute prohibits the University from retaining proceeds associated with the sale of state property; such proceeds by law must be deposited into the State Treasury. The University can, however, enter into an intergovernmental agreement with the Town to exchange real estate.

The University requests authorization to enter into an intergovernmental agreement with the Town of Normal to exchange the above identified properties. Closing for the properties with the exception of the 404 West Locust parcel is anticipated to occur in August of 2015. The closing and transfer of the 404 West Locust parcel is anticipated to occur in the summer of 2017 in accordance with the terms of the purchase contract. The determined market valuation of the properties requires the University to contribute a payment of $150,000 to the Town as additional consideration.

Funding Source: Residence Hall Reserves