

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

**Resolution No. 2024.10/58
Authorization to Acquire Real
Property located at 1709 and
1711 General Electric Road,
Bloomington, Illinois**

Resolution

Whereas, the Board of Trustees of Illinois State University has the authority to acquire real property for university use, and

Whereas, Illinois State University's Master Plan 2010-2030: Looking to the Future, endorsed by the Board of Trustees on February 18, 2011, and updated on July 26, 2019, includes a recommendation to "Acquire strategic properties near the campus", and

Whereas, Illinois State University became aware of the current owners' interest in the sale of such a strategic property located at 1709 and 1711 General Electric Road in Bloomington, Illinois, and entered discussions with the current owners to purchase the property, and

Whereas, the University desires to acquire such real property for the new College of Engineering and additional office and academic spaces:

Whereas, the University engaged the Education Advisory Board (EAB) in 2016 to investigate the feasibility of establishing new engineering degree programs at Illinois State University, and;

Whereas, in June 2018, the University established an Academic Steering Committee to investigate the establishment of Mechanical and Electrical Engineering programs at Illinois State University, and;

Whereas, the Academic Steering Committee examined the feasibility of establishing programs in Mechanical Engineering and Electrical Engineering to leverage the already existing faculty expertise in the departments of Physics and Technology and other departments and schools across the University, and;

Whereas, the Board of Trustees approved in May of 2021 (2021.05/09) for the University to request Illinois Board of Higher Education (IBHE) approval for Illinois State University for three new Units of Instruction in Engineering (i.e., a College of Engineering, a Department of Electrical Engineering, and a Department of Mechanical Engineering); and;

Whereas, the Illinois Board of Higher Education (IBHE) approved Illinois State University for three new Units of Instruction - a College of Engineering, a Department of Electrical Engineering, and a Department of Mechanical Engineering in March 2022, and;

Therefore, be it resolved by the Board of Trustees that

1. The Board authorizes the President of Illinois State University to enter into all necessary agreements to acquire the aforementioned real property for a total purchase price not to exceed \$17.5 million plus reasonable and customary closing and related costs.

2. The Chairperson, the Secretary and the Treasurer 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 agreements and documents as may be necessary to carry out and comply with the provisions 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, October 11, 2024

Secretary / Chairperson

**Board of Trustees
Illinois State University**

Authorization to Acquire Real Property located at 1709 and 1711 General Electric Road, Bloomington, Illinois

Illinois State University's Master Plan 2010-2030: Looking to the Future, endorsed by the Board of Trustees on February 18, 2011, and updated on July 26, 2019, presents a long-range plan for the physical development of the campus in size, form, character, and environment.

Illinois State University became aware of the current owners' interest in the sale of a strategic property located at 1709 and 1711 General Electric Road in Bloomington, Illinois and entered into discussions with the current owners to purchase the property. The property is of keen interest to the University as it sits within 3 miles from the main campus.

Through negotiations with the owners' representatives, the University and the owners, have come to a tentative agreement on a purchase price of \$17.5 million plus reasonable and customary closing and related costs. The property consists of about 28.32 acres of improved land with three interlinked buildings offering 392,000 sq. ft. of usable space and 1,334 paved parking spaces.

The first building located at 1709 General Electric Road, Bloomington Illinois, called the ISB, is a dual-story facility with approximately 215,000 usable sq. ft. The first floor consists of employee training rooms, shipping and receiving areas, and storage. The second floor consists of office and training spaces. The ISB exterior construction and interior spaces, including operating systems, are in quality condition. Closing for the ISB is anticipated to be on or about November 15, 2024. The owners will continue to occupy space at the ISB through April 30, 2025, pursuant to a leaseback arrangement to allow the opportunity to transition operations and decommission the building.

The second building, located at 1711 General Electric Road Bloomington, Illinois called the CSB, is a three-story facility with approximately 150,000 usable sq. ft. The CSB consists primarily of office space. The owners will maintain ownership of the CSB after the first closing until December 31, 2026, with \$3 million put in escrow until the closing on the CSB building is completed. The CSB exterior construction and interior spaces, including operating systems, are in quality condition.

The third building, called the Link, is a one-story facility with approximately 27,000 usable sq. ft. That connects the ISB and CSB buildings. The Link consists of a main lobby, walkway between the buildings, and cafeteria area. The exterior construction and interior spaces, including operating systems, are in quality condition. The owners will maintain and occupy the Link until the closing on the CSB building is completed.

If approved, the University plans to use this newly acquired ISB building to provide the necessary faculty, instructional labs, and student collaboration space needed for the new College of Engineering. Current instructional and lab space limitations at the University require new construction to provide lecture, lab, research, and collaborative learning spaces unique to engineering programs. The ISB building will be renovated to provide a new engineering facility to house electrical, mechanical, and general engineering degree programs to support 520 new engineering students. The building will have additional space capacity to eventually allow new engineering programs to accommodate up to 1,000 engineering students.

The CSB and Link buildings, when acquired from the owners in 2026, will be used for office spaces and academic purposes. The purchase of these two buildings will also allow for the potential in the future to reduce the amount of third-party lease space and corresponding rent paid by certain university departments currently occupying space in Uptown Crossing. The annual lease costs for Uptown Crossing are approximately \$1 million per year and the current lease extends through 2027. Additional space will be used for other departments and programs from the campus to improve the efficiency and operability of existing buildings and programs on the current campus.

Project Resource Requirements - Total Acquisition Price - \$17,500,000 plus reasonable and customary closing and related costs

Source of Funds: Tax Exempt COPS debt