



UTAH SYSTEM OF  
HIGHER EDUCATION

# MEMORANDUM

March 24, 2023

## Salt Lake Community College – Nontraditional Arrangement

[Board Policy R712, Nontraditional Arrangements for Development of Facilities on Campuses](#), requires the Board to approve development projects by outside entities on institutional land. On January 14, 2021, Salt Lake Community College (SLCC) requested authorization to contract with a private developer to develop and operate student housing on the Taylorsville-Redwood Campus; the project was presented as self-funding. The Finance and Facilities Committee recommended the project be approved subject to approval as to form on the legal documents by the Attorney General's Office. The Board approved the project through its consent calendar on January 15, 2021.

Due to disruption in the financial markets in the wake of Covid-19, the project was put on hold until financial conditions improved.

In the October 24, 2022, Board meeting, SLCC returned to the Board to seek to move forward with a Ground Lease and Cooperation Agreement with a non-profit NCCD – Taylorsville Properties. SLCC was hoping to close the transaction by October 31, 2022.

In the Board meeting, Juliette Tennert introduced the agenda item and provided a history of the arrangement. President Huftalin reviewed further details, and then Chris Martin, CFO, went through the model and financial details. He provided the history and current state of the project and shared they had paused the project due to the market's volatility. Several questions were asked concerning the maintenance, rent setting, students selected to live in the housing, campus safety and resources, and insurance liability.

Board member Shawn Newell moved the Board to approve the Salt Lake Community College non-traditional arrangement subject to the Attorney General's Office's approval as to form of the associated contracts. He also moved that Salt Lake Community College return to the Board for further approval if there are material changes to the agreement or the agreement is not finalized within three months. Board member Sanchaita Datta seconded the motion, and the motion passed.

SLCC is returning to the Board with a project update. Due to the current market conditions, SLCC finds it not financially advantageous for the College or any of the entities associated with the project. SLCC has also determined that the contractor cannot meet the project deadline, which was also a critical component of the project's success. With much internal discussion with the Executive Cabinet and Board of Trustees, SLCC is proposing a pause on the project. To best support the students and the College, they will re-evaluate the next steps to move forward with this project. There is still a great need for a housing project for the College.

**Commissioner's Recommendation**

The Commissioner recommends the Board rescind the approval for the nontraditional student housing project at Salt Lake Community College.

**Attachment**