



## Board Policy 6.7 Real Estate Transactions and Management

### 1 Part 1. Policy Statement

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

### 4 Part 2. Responsibilities

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

#### 9 Subpart A. Board

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

#### 12 Subpart B. Chancellor

13 The chancellor or the chancellor's designee shall establish processes regarding acquisition,  
14 sales, leasing, and any other real estate interests necessary for the management of ~~the~~  
15 system's Minnesota State Colleges and Universities real estate. The chancellor or the  
16 chancellor's designee shall review and approve all real estate transactions.

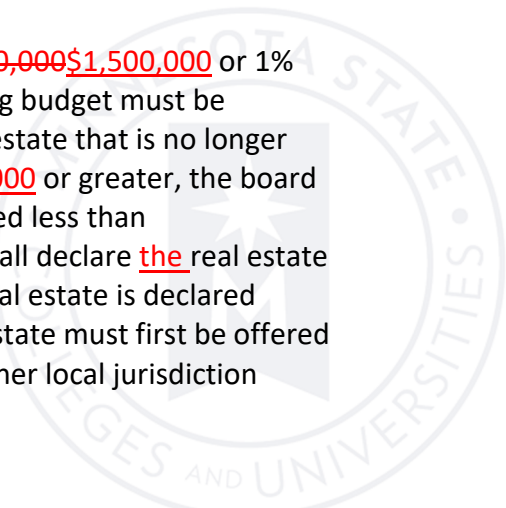
#### 17 Subpart C. President

18 ~~The~~A college or university president shall make a request to the chancellor or chancellor's  
19 designee as provided for in a system procedure.

### 20 Part 3. Real Estate Thresholds

#### 21 Subpart A. Acquisitions and sales

22 Acquisitions funded by campus operating monies valued at ~~\$1,000,000~~\$1,500,000 or 1%  
23 (whichever is greater) of the college or university annual operating budget must be  
24 approved by the ~~board~~Board of Trustees before closing. For real estate that is no longer  
25 needed by a college or university and is valued at ~~\$250,000~~\$350,000 or greater, the board  
26 shall first designate the real estate as surplus; for real estate valued less than  
27 ~~\$250,000~~\$350,000, the chancellor or the chancellor's designee shall declare the real estate  
28 as surplus and authorize its sale. After any college or university real estate is declared  
29 surplus, but before being offered to the general public, the real estate must first be offered  
30 for sale at appraised value to the city, county, school district or other local jurisdiction  
31 where the property is located.



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

- 38
- 39 1. Donated real estate accepted by the board, when conversion to cash is consistent  
40 with the terms of the gift or bequest (see Board Policy 7.7 [Gift and Grants](#)  
41 [Acceptance](#)),
- 42 2. Property taken by another agency through eminent domain, or
- 43 3. To correct a boundary dispute with an adjoining landowner where the action  
44 impacts less than ½ acre of property or less than \$50,000 in value.
- 45

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

47 All leases, whether on or off campus, must be approved by the board if the total rent paid  
48 during the term of the lease is valued at or greater than ~~\$1,000,000~~[the threshold](#)  
49 [established in Board Policy 5.14, Contracts, Procurements, and Supplier Diversity](#), including  
50 all options to renew. The chancellor or the chancellor's designee shall review and approve  
51 all leases lasting at least one year or longer or where the ~~value is \$100,000 or greater~~[total](#)  
52 [rent paid exceeds the threshold in Board Policy 5.14](#). All easements and other interests in  
53 real estate with a value ~~of \$1,000,000 or greater~~[exceeding the threshold in Board Policy](#)  
54 [5.14](#) must be approved by the board prior to execution of the documents. The chancellor or  
55 chancellor's designee shall have authority to enter into easements, licenses, and permits  
56 where the value is less than ~~\$1,000,000~~[the threshold established in Board Policy 5.14](#).

#### 57

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

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

#### 66

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

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

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#### **Related Documents**

- [Board Policy 7.7 Gift and Grants Acceptance](#)
- [Board Policy 5.14 Contracts, Procurements, and Supplier Diversity](#)

[To view any of the following related statutes, go to the Revisor's Office website. You can conduct a search from this site by typing in the statute number.](#)

- [Minn. Stat. Ch. 117 Eminent Domain](#)

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#### **Policy History**

Date of Adoption: 06/21/00

Date of Implementation: 06/21/00

Date of Last Review: 04/19/17

Date and Subject of Amendment~~Revision~~:

Xx/xx/23 – Full review, (add summary)

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.