

REGENTS' POLICY
PART V – FINANCE AND BUSINESS MANAGEMENT
Chapter 05.11 – Real Property

P05.11.010. Purpose and Scope.

- A. This chapter establishes guidelines for the prudent management, including trust management, and use of all university real property.
- B. Except as provided in C. of this section, this policy applies to all real property owned by the university or in which the university has a substantial beneficial interest.
- C. This policy does not apply to university acquisitions of certain space leasehold interests that are administered in accordance with university regulation relating to procurement or to the development of educational facilities. Any third party use of such facilities is subject to this chapter.

(06-08-06)

P05.11.020. Definitions.

- D. “educational facilities” means campus facilities, buildings, improvements, fixtures and major equipment items situated on educational property.
- E. “educational property” means all university real property designated for education, research, related support, or administrative purposes.
- F. “investment property” means all university real property not designated as educational property.
- G. “trust land” means all land and interests in land directly or indirectly acquired in connection with federal grants under the March 4, 1915 and January 29, 1929 Acts of Congress, or otherwise received by or granted to the board for purposes of funding the land-grant endowment established pursuant to the 1929 Act of Congress and AS 14.40.400. For purposes of this definition, “indirectly acquired” land and interests in land include replacement land acquired from the State of Alaska and land exchanged for trust land. The Board of Regents, as a constitutionally created instrumentality of the State of Alaska, has been named by the legislature as trustee and holds such land in trust for the exclusive benefit of the university.
- H. “university real property” means all land and interests in land of any kind or nature, including all appurtenances, where title is held by either the board or the university, whether acquired through purchase, grant, gift, exchange, or other means.

(09-19-14)

P05.11.030. Fiduciary Responsibility.

- A. The board affirms its fiduciary responsibility to prudently manage all university real property for the exclusive benefit of the university, subject to restrictions imposed by law, conveyance documents or gift instruments.
- B. All trust land shall be managed in accordance with sound trust management principles, consistent with the specific fiduciary duties and legal obligations applicable to such land. The strategy, planning and budget officer is charged with the responsibility of managing trust land in a manner consistent with the fiduciary duties and legal obligations of the board, and shall be directly accountable to the board for the management of such land.

(06-05-15)

P05.11.040. Classification of Real Property.

The strategy, planning and budget officer shall designate which university real property parcels will be managed as investment property and which will be managed as educational property. Such designations will not preclude the compatible use of such university real property parcels for both educational and investment purposes. The president will resolve any disputes regarding classification of properties for investment or educational purposes.

(06-05-15)

P05.11.041. Plans and Reports for University Real Property.

The Office of Land Management shall:

- A. develop, maintain, and periodically update a general strategic plan for the comprehensive management and development of investment property that includes a statement of the goals and objectives to be acc

B. Economic Feasibility.

P05.11.050. Real Property Acquisitions.

A. Campus Land Acquisitions.

In order to provide an adequate land base to support current and future campus programs, the strategy, planning and budget officer shall pursue strategic land acquisitions that meet the goals of the university's educational mission. To facilitate such real property acquisitions, the strategy, planning and budget officer shall consider relevant campus land acquisition plans, as approved by the board as part of campus master plans.

B. Federal and State Land Grants.

The board will seek to acquire additional real property through state and federal grants in order to rectify inequities in the land grants to the State of Alaska compared to other states for their universities. When selecting new grant lands, the strategy, planning and budget officer will attempt to acquire parcels where the selection:

1. is consistent with and enhances the goals of the university's educational mission;
2. is located near communities that have a need for expansion and economic development, provided that such selections do not conflict with selections under the Municipal Entitlements Act;
3. enhances or diversifies the university real property portfolio; or
4. has potential for residential, recreational or commercial development, timber harvesting, materials extraction, oil and gas development or mineral development.

C. Other Real Property Acquisitions.

The strategy, planning and budget officer shall consider acquisitions or exchanges of property adjacent to existing university real property, when such property consolidates university real property holdings or enhances the access or development potential of other university real property. When economically feasible, and in the university's best interests, the chief finance officer may acquire or invest in real property that will enhance the university real property portfolio.

(06-05-15)

P05.11.060. Negotiation, Approval, and Execution of University Real Property Transactions.

All university real property transactions and agreements are subject to the following:

- A. Only individuals authorized under AS 36.30 to execute space leases or in writing by the strategy, planning and budget officer to negotiate real property transactions may do so on behalf of the university or the board. These real property transactions include, without limitation, any transaction involving lease, sale, cooperative development, right of

occupancy, use, permit, license, or contract relating to any real property, or any other real property transaction whether or not similar to the foregoing. All other persons or university officials discussing prospective real property transactions with potential third

5. Real property transactions that require the subordination of an interest in university real property of not more than \$1,000,000 in value; and
 6. Project cost increases for development projects previously approved by the board, not to exceed 20 percent of the original project cost estimate.
- D. The strategy, planning and budget officer is authorized to execute all properly approved real property transactions and may delegate signatory authority to other university officials, provided that any such delegation shall be in writing. Any further delegation must be approved, in writing, by the strategy, planning and budget officer.

(06-05-15)