



WKU[®]

Board of Regents

EXECUTIVE COMMITTEE

April 12, 2019

*Cornelius A. Martin Regents Room
Mass Media and Technology Hall*

TRANSFER OF PROPERTY LOCATED AT 2341 HADLEY-COHRON ROAD TO THE COLLEGE HEIGHTS FOUNDATION

REQUEST:

Authorization to transfer 43.58 acres of land from WKU to the WKU Real Estate Corporation to sell the property and create a scholarship fund for Biology Department graduate students.

FACTS:

The Potter Nicely Outdoor Education Center located at 2341 Hadley-Cohron Road is a 48.22-acre farm donated by Ms. Sallie Carwell. The original 43.58 acres of land was donated in 2002 to Western Kentucky University. Subsequently, an additional tract of 4.64 acres, along with a home and related outbuildings, was donated in 2012 to the WKU Real Estate Corporation. The property has been used as a teaching and research center by the WKU Biology Department, and graduate students in Biology have occupied the home.

Currently, the home does not have any graduate students living on the property and the physical structures located on the WKU Real Estate Corporation tract have considerable deferred maintenance. While Ms. Carwell has provided some assistance for deferred maintenance, it does not resolve the fact that there is no long-term endowment to care for the property. Additionally, we recognize that the Biology Department now has research opportunities at the Green River Preserve.

After considering various options, Ms. Carwell agreed that the best course of action is to sell the property with the proceeds being used to establish a scholarship fund for graduate students in the Biology Department. The WKU Real Estate Corporation will assist with the sale of both tracts. The original 43.58 acre was appraised for \$65,000 when it was donated in 2002.

The proceeds will create a scholarship fund that will be held and administered by the College Heights Foundation. The College Heights Foundation will work with Ms. Carwell on guidelines for establishing this important scholarship to honor the Potter and Nicely legacies.

BUDGETARY IMPLICATIONS:

None

RECOMMENDATION:

President Timothy C. Caboni recommends approval to transfer 43.58 acres of property from WKU to the WKU Real Estate Corporation to sell the property and create a scholarship fund for Biology Department graduate students.

MOTION:

AUTHORIZATION FOR WKU TO TRANSFER 43.58 ACRES OF PROPERTY FROM WKU TO THE WKU REAL ESTATE CORPORATION TO SELL THE PROPERTY AND CREATE A SCHOLARSHIP FUND FOR BIOLOGY DEPARTMENT GRADUATE STUDENTS

TRANSFER OF PROPERTY LOCATED AT 521 EMMETT AVENUE

REQUEST:

Authorization to receive .53 acres of land located at 521 Emmett Avenue from WKU Real Estate Corporation to WKU.

FACTS:

During 2015, properties located along the 500 block of Emmett Avenue were identified as potential acquisition targets by WKU for their ability to improve connections between Main and South Campus locations. The following year, the University was presented with an opportunity to secure all of the three previously identified properties. WKU selected the best candidate and approached the WKU Real Estate Corporation about approving the purchase of 521 Emmett Avenue to hold in reserve on behalf of WKU.

The property appraised for \$160,000 and the WKU Real Estate Corporation subsequently initiated the purchase on 08/24/2016 for \$155,500. The property was .53 acres and included a 1,525 well-maintained residence. WKU Real Estate Corporation then entered into a rental agreement lease of the property to a tenant to cash flow its purchase price.

The Parking and Transportation Department then discovered that the construction of a road would significantly increase transit efficacies by reducing the number of drivers and fuel use while improve services by reducing ride times. These advantages were in addition to the known safety advantages to drivers and riders by avoiding the Story and Emmett Avenue traffic signals on Nashville Road. Once it was determined that the return on investment for the construction of a new road was estimated to be in the range of 3-5 years, WKU fast-tracked the project to take advantage of operational savings.

The Parking and Transportation Department applied its foundation resources towards WKU Real Estate Corporation debt and on October 2017 entered into a department agreement to lease the property for eight years at \$11,282 annually. The lease agreement allowed for the demolition of the residence, allowed for the construction of a road, and stated that the property will to revert to the University once the final payment was received.

Parking and Transportation is in the process of retiring this obligation early.

BUDGETARY IMPLICATIONS:

None

RECOMMENDATION:

President Timothy C. Caboni recommends approval to receive .53 acres of land located at 521 Emmett Avenue from WKU Real Estate Corporation to WKU.

MOTION: AUTHORIZATION TO RECEIVE .53 ACRES OF LAND LOCATED AT 521 EMMETT AVENUE FROM WKU REAL ESTATE CORPORATION TO WKU.