

Contact: John Nash

### UNIVERSITY OF IOWA PROPOSED PROPERTY PURCHASE

**Action Requested:** Recommend the Board approve the proposed purchase of property at 9 Melrose Place in Iowa City for the benefit of future University parking development for \$420,000.

Per Board policy, the University obtained two independent appraisals. The owner has agreed to sell at the appraised value.

- *Iowa Code* §262.11 and the Board's *Policy Manual* Chapter 2.3.2.B.ii require the Board approve all acts relating to the management, purchase, disposition or use of land and property.
- Board's *Policy Manual* §2.3.2.C.iii.b states "Property purchased shall be purchased at no more than the high appraisal or not more than 5 percent above the average of two appraisals, whichever is less. This policy is not intended to limit negotiation for a price lower than the appraised value."

**Executive Summary:** The University obtained two appraisals for the property, \$420,000 and \$390,000, which fall within the Board policy listed above. The parcel contains 6,420 square feet of land with a 1,152 square foot, three-bedroom home built in 1957.

The property is a residential rental unit that is the last remaining privately-owned property on Melrose Place. The University owns the land on both sides of this property and across the street. The University acquired the surrounding parcels in 2011 and 2012, when it was planning the removal of Hospital Ramp Two, immediately north of the new children's hospital, and the construction of the new children's hospital tower. At that time the University attempted, but was unsuccessful, at acquiring 9 Melrose Place. The property owner has now approached the University about a sale.

The purchase would allow the University to expand the existing UIHC surface parking lot to the east, as well as work with the city to vacate the public street which serves this residence.

The University has commissioned a Phase I Environmental Report of the property and would share those findings with the Board Office prior to closing on this transaction.



University of Iowa campus,  
west side of the Iowa River

