

Contact: Jean Friedrich

IOWA STATE UNIVERSITY PROPOSED PROPERTY PURCHASE

Action Requested: Consider recommending to the Board approval of the purchase of 29 acres of land located adjacent to the University's State Avenue and Mortenson Road teaching and research plot area in Ames, Iowa, at a price of \$1,310,000 from Breckenridge for the benefit of Iowa State University, contingent upon the completion of an acceptable environmental survey and subject to approval of the final documents by the Board Office and Attorney General's Office.

Executive Summary: Iowa State University requests approval to purchase approximately 29 acres of land located in Ames adjacent and north of existing University property currently utilized for plot work by the College of Agriculture and Life Sciences. The property is approximately one-half mile west of the main campus; immediately east of the property is the cross country track, intramural and sports club fields. To the north and west are well established single family neighborhoods occupied by many retired and young faculty and staff. The University envisions that the property will provide a creek and green space buffer between the residential developments to the north and plot work by the University. See Attachment A for maps of the location.

The University sold this parcel as well as land to the west in 2000 to the Ames Community School District with the understanding the land would be used for the construction of a new middle school and community recreation facilities. Although the school was constructed, the recreation facilities were not developed, and the school district made a decision to sell the land in 2012.

The land was acquired by Breckenridge in 2013 to be part of a high density student housing development. There has been a great deal of controversy regarding the proposed housing plan and disagreement on the zoning. There currently is litigation between the developer and City of Ames. The neighborhood has strongly opposed the development of high density student housing in this area. High density housing possibly would create light pollution on some of the agricultural projects being conducted to the south, as well as increased pedestrian and residential traffic that could present damage to plot areas. Retaining lower cost single family neighborhoods in proximity to the campus will benefit faculty and staff recruiting.

In late April 2015, Breckenridge approached the University to see if it would be willing to purchase, at its appraised value, the southern 29 acres of the land the firm had acquired. This would benefit ISU's agricultural operations, support the desires of the surrounding neighborhood and remove this particular land parcel from the current litigation over zoning. Because this is the last remaining undeveloped land within a mile of the campus and with the property's easy access from State Avenue and Mortensen Road, it is a unique opportunity to acquire this parcel for future University use. It would aid in the University's plan to consolidate teaching and research activities and improve efficiencies.

The Board policy is that property purchased shall be purchased at no more than the highest appraisal, or not more than 5 percent over the average of two appraisals, whichever is the lower figure. This policy is not intended to limit negotiation for a price lower than the appraised value. The purchase price of \$1,310,000 is consistent with Board policy based on two appraisals. Funds for the purchase of this property would be provided from overhead use of facility funds.

