

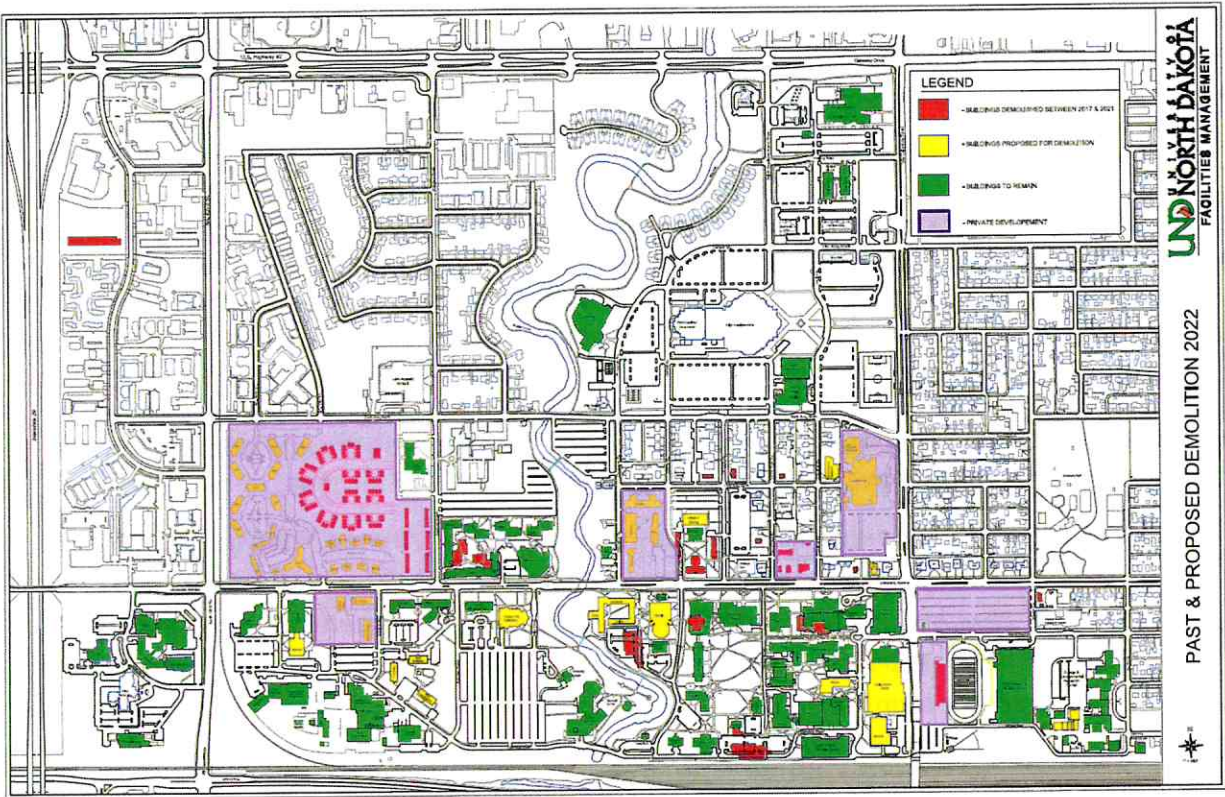
Summary of Request for Sale of Land – SB 2003

April 1, 2025

Background: UND retains a parcel of real property directly north of the main campus between University Avenue and 6th Avenue North. The land contained campus housing. Much of the housing has been demolished over the past several years, and the properties that have not yet been demolished are outdated and require significant structural and aesthetic improvements. Through campus master planning, it has been determined that the land is underdeveloped as a potential asset to university operations and is outside of the campus core. UND has been approached by multiple private developers over the years to acquire or lease the property and would undertake improvements that will improve the overall appearance and value of the area.

Legal Description: *real property located at the intersection of 6th Avenue North and 42nd Street North, in the southeast corner: Unplatted parts, 20 Acres; N ½ of NW ¼ of SW ¼ of Section 5, 151N – 50W (estimated 20 acres) in the records of the city of Grand Forks, if determined appropriate by the state board of higher education. If any of the real property authorized to be conveyed under this section is conveyed, the terms of the conveyance must be determined by the state board of higher education or a designee of the board. North Dakota Century Code sections 54-01-5.2 and 54-01-05.5 do not apply to the transfer authorized by this section.*

The future use of the land was included in the UND master plan, page 22 (attached) for private development. The Master plan was approved by the SBHE in June 2022 as part of the biennial budget request. The master plan presentation included specific reference to this action. Below is a picture of the map:



SBHE approval of the method of development (sale or lease) must take place after all the details are presented. Sale information would include appraisal details and appointment of a board representative to approve the sale. Leasing would follow the requirements of 910.1 Private Development of State Land.

Legal/Policy Matters:

In consultation with the NDUS, UND was advised that SBHE approval of the method of development (sale or lease) must take place after all the details are presented. Sale information would include appraisal details and appointment of a board representative to approve the sale. Leasing would follow the requirements of 910.1 Private Development of State Land.

Review of property by Trust Lands Commissioner, Joseph Heringer

From: Heringer, Joe A. <jheringer@nd.gov>
Sent: Wednesday, April 3, 2024 11:17 AM
To: Krebsbach, David <david.krebsbach@ndus.edu>
Cc: Stewart, Karla <karla.stewart@und.edu>; Stegmiller, Joseph H. <jstegmiller@nd.gov>
Subject: UND Land Sale

Dear Mr. Krebsbach,

Per the request of Ms. Mongeon-Stewart, I am providing you my position regarding ownership and sale proceeds use of the land being considered for sale by UND as described in the attached memo.

The land is owned by UND directly and is not state trust lands owned by the Land Board. Thus, UND would be able to sell as long as approved by the necessary higher ed authority, presumably the State Board of Higher Education, and the legislature.

My role under N.D.C.C. §54-1-05.5(2) is to advise the legislature when the bill comes before it. Since UND owns the land, the university would control any sale proceeds.

Thank you and please contact me with questions.

Joseph A. Heringer, J.D.
Trust Lands Commissioner

701.328.2807 • jheringer@nd.gov • land.nd.gov



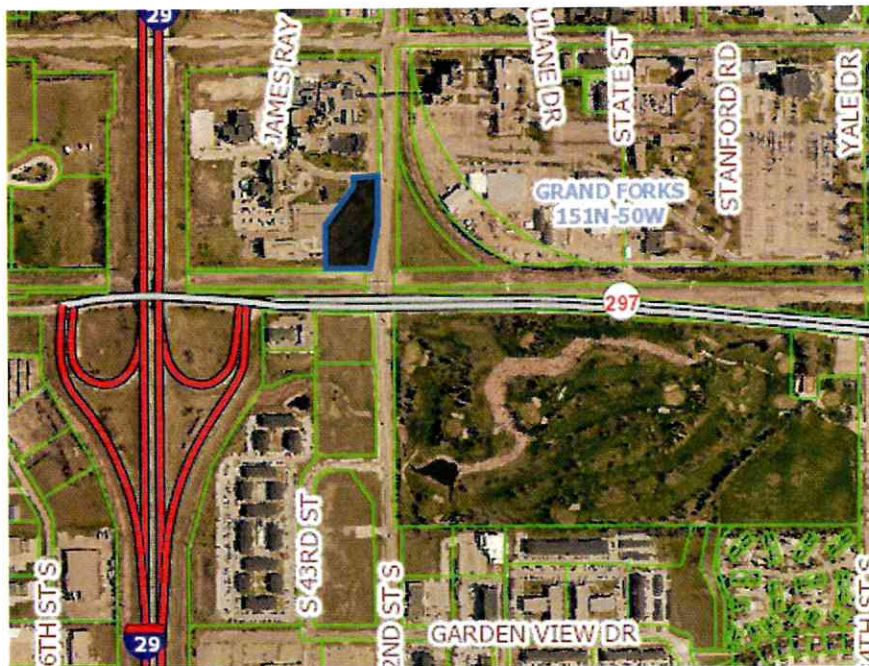
Appraised Value: \$4.14 Million

Financial matters: UND would use the proceeds from the sale of the property to further address deferred maintenance needs on campus and other capital projects that benefit the university by improving and stabilizing enrollment and retention including relocation expenses associated with the closure of Columbia Hall.

Sale of Land in Northwest Corner of Campus for 42nd Street Underpass Project

Proposed action: Authorize UND to seek approval of the legislature during the legislative session for the sale of land described as *real property located at the intersection of DeMer's Avenue and 42nd Street North, in the northwest corner, 4201 James Rae Drive, the south east corner of Lot 1, Block 1 (estimated 2.74 acres) in the records of the city of Grand Forks, if determined appropriate by the state board of higher education. If any of the real property authorized to be conveyed under this section is conveyed, the terms of the conveyance must be determined by the state board of higher education or a designee of the board. North Dakota Century Code sections 54-01-5.2 and 54-01-05.5 do not apply to the transfer authorized by this section.*

Background Information: The University of North Dakota was notified by the North Dakota Department of Transportation that a portion of the property outlined above will need to be purchased to complete the 42nd Street underpass project. A map of the property in question is below:



The portion of land to be purchased by the NDDOT is to create the appropriate slope and separation for the 42nd Street underpass. The NDDOT will only be purchasing the portion of this parcel that is necessary for the project. The parcel will be sold at fair market value. An appraisal nor negotiations with the NDDOT have taken place to date other than the purchase request.

SBHE approval of the method of development (sale) must take place after all the details are presented. Sale information would include appraisal details and appointment of a board representative to approve the sale.

Financial matters: UND would use the proceeds from the sale of the property to further address deferred maintenance needs on campus and other capital projects that benefit the university by improving and stabilizing enrollment and retention including relocation expenses associated with the closure of Columbia Hall.

Legal/policy matters: The land was acquired by UND using general fund appropriations, and subsequently any sale requires both SBHE and legislative authorization as per NDCC 54-01-05.5.

Review Process: Request was developed and reviewed in consultation with the NDUS Director of Facilities Planning, Rick Tonder as well as legal counsel.