Parcel Exchange – Purdue University Intramural Black Fields for Purdue Research Foundation Airport Runway RPZ and South Campus Lands

Request BoT Approval

Campus: West Lafayette

Project Description: This land parcel exchange is proposed to address the future commercial development of the western lands. Specifically, Purdue University has interest in securing the title to 399.6 acres of land that surround the airport (master planned for future academic development or currently held idle due to current airport operations) for 28 acres of property that Purdue Research Foundation has interest in developing. Based on the appraised value this exchange carries an equal exchange value of approximately $5.9 million.
RESOLUTION OF THE BOARD OF TRUSTEES OF THE TRUSTEES OF PURDUE UNIVERSITY (THE “CORPORATION”) AUTHORIZING THE ACQUISITION OF CERTAIN REAL ESTATE IN TIPPECANOE COUNTY, INDIANA

1. DECLARING THE NECESSITY TO ACQUIRE CERTAIN REAL ESTATE FOR THE PURPOSE OF CARRYING ON THE EDUCATIONAL RESEARCH, THE PUBLIC SERVICE PROGRAMS, OR THE STATUTORY RESPONSIBILITIES OF THE CORPORATION AND/OR FOR MANAGING, OPERATING, OR SERVICING PURDUE UNIVERSITY;

2. APPROVING THE ABOVE-DESCRIBED ACQUISITION BY TRADE OR EXCHANGE UNDER APPLICABLE STATUTORY PROCEDURES AND THE EXCHANGE AND TRANSFER OF CERTAIN REAL ESTATE OWNED BY THE CORPORATION AS CONSIDERATION FOR THE ACQUISITION; AND

3. AUTHORIZING CERTAIN OFFICERS OF THE CORPORATION TO ACQUIRE REAL ESTATE BY TRADE OR EXCHANGE AND TO DO ALL ACTS NECESSARY TO ACCOMPLISH SUCH ACQUISITION SUBJECT TO ALL STATUTORY PROVISIONS AND SUBJECT TO PRIOR APPROVAL BY THE TREASURER OR ASSISTANT TREASURER.

WHEREAS, The Board of Trustees (the “Board”) of the Corporation desires to acquire certain real property owned by the Purdue Research Foundation, an Indiana statutory body corporate (“PRF”), which real estate is located in Tippecanoe County, Indiana and delineated in red on Exhibit A attached hereto and made a part hereof (the “Acquired Real Estate”), and the Board believes that the Acquired Real Estate is necessary for carrying on the educational research, the public service programs, or the statutory responsibilities of the Corporation and/or for managing, operating, or servicing Purdue University; and

WHEREAS, the Corporation owns certain real property located in Tippecanoe County, Indiana consisting of the tract of land located to the immediate southwest of the intersection of State Street and Airport Road, as delineated in blue on Exhibit B attached hereto and made a part hereof (collectively, the “Exchanged Real Estate”); and

WHEREAS, the Board believes that it would be advantageous to the Corporation to acquire the Acquired Real Estate by trade or exchange with PRF and under the statutory procedures referred to below, and that the Corporation should therefore exchange and transfer to PRF the Exchanged Real Estate in consideration for the acquisition of the Acquired Real Estate; and

WHEREAS, the aggregate appraised value of the Acquired Real Estate, which consists of multiple tracts that comprise and/or are adjacent to the runway protection zones of the Purdue
University Airport and that are subject in certain cases to leasehold rights, occupancy and maintenance arrangements, easements or other encumbrances (the “Existing Land Use Arrangements”), has been determined to be substantially comparable to the appraised value of the Exchanged Real Estate; and

WHEREAS, the southern portion of the Exchanged Real Estate that is denoted on Exhibit B (the “Southern Portion”) is currently used in part for Purdue University-related recreational activities, and discussions between representatives of the Corporation and PRF have indicated PRF’s willingness to allow the Southern Portion to continue to be maintained for use as open recreational space by the Purdue University community on such terms and conditions and for such a time period as PRF, as owner, may approve following the exchange transaction contemplated hereby; and

WHEREAS, the Board believes that the Exchanged Real Estate, as it is presently being used, does not advance the mission-related purposes of the Corporation or of Purdue University as well as the Acquired Real Estate can be expected to serve them under current strategic initiatives, particularly considering PRF’s willingness to continue to maintain the Southern Portion for use as open recreational space for the benefit of the Purdue University community until such time as PRF may pursue development opportunities for the Southern Portion; and

WHEREAS, pursuant to IC 21-34-3, the Board is authorized and empowered to acquire, by trade or exchange through procedures prescribed in said statute, any real estate that is necessary for carrying on the educational research, the public service programs, or the statutory responsibilities of the Corporation and/or for managing, operating, or servicing Purdue University:

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board as follows:

1. The Board hereby finds and determines that the Acquired Real Estate is necessary for carrying on the educational research, the public service programs, or the statutory responsibilities of the Corporation and/or for managing, operating, or servicing Purdue University, and that it would be advantageous to the Corporation to acquire the Acquired Real Estate by trade or exchange with PRF pursuant to the provisions of IC 21-34-3.

2. The Board further finds and determines that the Exchanged Real Estate, as it is presently being used, does not advance the mission-related purposes of the Corporation or of Purdue University as well as the Acquired Real Estate can be expected to serve them under current strategic initiatives, particularly considering PRF’s willingness to continue to maintain the Southern Portion for use as open recreational space for the benefit of the Purdue University community until such time as PRF may pursue development opportunities for the Southern Portion.
3. The Board further finds and determines that the aggregate appraised value of the Acquired Real Estate is of relatively equal value to the appraised value of the Exchanged Real Estate.

4. The Board further finds and determines that the Corporation should, in consideration for the acquisition of the Acquired Real Estate, exchange and transfer to PRF the Exchanged Real Estate.

5. The Board hereby authorizes and approves (a) the acquisition of the Acquired Real Estate by trade or exchange with PRF pursuant to the provisions of IC 21-34-3 and subject to the Existing Land Use Arrangements, and (b) in consideration therefor, the exchange and transfer to PRF of the Exchanged Real Estate, all on such terms and conditions as the Treasurer of the Corporation shall deem to be in the best interests of the Corporation and of Purdue University.

6. The Treasurer and Assistant Treasurer of the Corporation, and each of them, are hereby authorized to negotiate, make and execute a contract, together with such other documents as are reasonably necessary to effectuate the transactions contemplated thereby, in the name and on behalf of the Corporation, setting forth such terms and conditions for the acquisition and exchange as in their judgment may be necessary or desirable, and the Secretary and Assistant Secretary of the Corporation, and each of them, are hereby authorized and directed to attest the execution of such contract and other documents.

7. Without limiting the generality of the authorization set forth in the foregoing paragraph, the Treasurer and Assistant Treasurer, and each of them, are hereby authorized to negotiate and execute a contract with PRF, in the name and on behalf of the Corporation, setting forth such terms and conditions as in their judgment are necessary or desirable to give effect to the continued maintenance of the Southern Portion of the Exchanged Property for use as open recreational space for the benefit of the Purdue University community following the exchange transaction contemplated hereby—at least until such time as PRF may propose to pursue development opportunities for the Southern Portion. The Treasurer and the Assistant Treasurer are authorized and instructed to include in such terms and conditions a provision for sufficient notice from PRF before development opportunities are pursued for the Southern Portion, so as to ensure the timely identification and establishment of alternative recreational space for use by the Purdue University community in lieu of the Southern Portion.

8. Upon receipt of the deed of conveyance of the Acquired Real Estate to the Corporation, the Treasurer and Assistant Treasurer of the Corporation, and each of them, are hereby authorized and directed to cause to be executed a deed of conveyance of the Exchanged Real Estate conveying the same to PRF, and the Secretary and Assistant Secretary of the Corporation, and each of them, are hereby authorized and directed to attest the execution of such deed.
9. The Board intends that, to the fullest extent permitted by law, the transactions contemplated herein with respect to the acquisition and exchange of the Acquired Real Estate and the Exchanged Real Estate shall qualify as a tax-free exchange of property under applicable law and regulations.

10. The above designated officers, together with the Chairman, Vice Chairman, Secretary, Assistant Secretary, Legal Counsel and Assistant Legal Counsel of the Corporation, and each of them, are authorized and directed, on behalf of and in the name of the Corporation, to execute any documents and to take all other actions necessary or convenient to accomplish the purposes and intent of this resolution, whether or not specifically set forth in this resolution. All acts of said officers in conformity with the intent and purposes of this resolution, whether taken before or after this date, are ratified, confirmed, approved and adopted as the acts of the Corporation.
Exhibit A—Acquired Real Estate
Exhibit B—Exchanged Real Estate