622 Acquisition and Disposal of Real Property

Approved by Board of Trustees
Effective Date: ______________, 2019
Responsible Division: Business and Finance
Responsible Office: Campus Planning
Responsible Officer: Assistant Vice President, Campus Planning

I. Purpose

This policy establishes procedures for the acquisition and disposal of real property at Middle Tennessee State University (MTSU or University).

II. Introduction

A. Authorization. Pursuant to T.C.A. § 49-8-203(a)(3), the University has the authority, whether by gift or purchase, to acquire and dispose of real property, condemn land, and to receive donations of property. See Policy 135 Solicitation and Acceptance of Gifts.

B. Title of Property Acquired. Property that is acquired shall be titled in the name of the State of Tennessee for the use and benefit of the University.

C. All proposed acquisitions or disposals of real property, in any manner, shall be subject to the approval of the President. Any acquisitions or disposals that are outside of the Campus Master Plan acquisition area or require an amendment to the Campus Master Plan shall require Board approval.

III. Procedures

A. The approval of land acquisition by purchase or condemnation shall be subject to the following procedures:

1. The University shall submit to the Board and the Tennessee Higher Education Commission (THEC), for consideration and approval, a campus master plan or an amended master plan which indicates land acquisition needs.

2. Upon approval of the campus master plan or an amendment to the campus master plan, the University may request a land acquisition by submitting the proper
documentation for each proposed acquisition to State of Tennessee Real Estate Asset Management Division (STREAM). The property acquisition or disposal request will be submitted by the University to the State Building Commission (SBC) Executive Sub-Committee (ESC) for approval and shall be done in accordance with procedures established by the State Building Commission (SBC) By-laws, Policy and Procedure Item 8, T.C.A. §§ 4-15-102, 12-2-112 and 49-8-111.

After SBC ESC approval, STREAM staff will obtain a title commitment, an appraisal, option to purchase property, survey, and an Environmental Site Assessment Phase I report.

If an option to purchase property is signed by the seller, it will be submitted to the President for final approval to proceed with transaction through STREAM. If negotiations fail, the University may request that condemnation proceedings commence for acquisition of the property.

If acquisition of the property by purchase is approved, STREAM will be responsible for recording the warranty deed and forwarding the deed and title insurance to the University.

B. Gift Property. Acquisition of any interest in real property by gift or devise that obligates the University, or State of Tennessee to expend State of Tennessee funds for capital improvements or continuing operating expenditures shall be approved by the SBC Executive Sub-committee in accordance with T.C.A. § 4-15-102(d)(2), prior to acceptance by the University. See Policy 135 Solicitation and Acceptance of Gifts.

IV. Inspection

Facilities evaluations and environmental identification inspections shall be conducted according to STREAM requirements.

V. Relocation Assistance

Persons, businesses, farms, and non-profit organizations relocated by State real property acquisition projects are eligible for relocation assistance in accordance with the provisions of T.C.A. § 13-11-101 et seq., and the Federal Uniform Relocation Assistance and Land Acquisition Policies Act of 1970, as administered by the Department of Finance and Administration.

VI. Proceeds from Sale of Real Property

A. The receipts from the sale or conveyance of real property shall be deposited in the capital outlay fund of the selling institution in accordance with T.C.A. § 49-8-111.
B. However, if the receipts are the result of a devise or gift which designated the purpose of
the gift for a particular use, any funds from a sale or conveyance of the property may be
transferred from the capital outlay fund of the selling institution to the appropriate
account in order to effectuate the donor's intent.

Forms: none.

Revisions: June 12, 2018 (original) to be effective July 1, 2018; ____________, 2019.

Last Reviewed: __________, 2019.

References: SBC By-laws, Policy and Procedure Item 8, T.C.A. §§ 4-15-102; 12-2-112; 49-8-111;
§ 49-8-203(a)(3); Policy 135 Solicitation and Acceptance of Gifts.