

SOUTH DAKOTA BOARD OF REGENTS

Full Board

AGENDA ITEM: 3
DATE: January 25, 2019

SUBJECT

South Dakota School for the Deaf Sale/Acquisition Resolution

CONTROLLING STATUTE, RULE, OR POLICY

[Chapter 111 of the 2018 Session Laws](#);
[SDCL 5-2-10](#) & [5-3-7](#); and
[BOR Policy 6:2](#).

BACKGROUND / DISCUSSION

The Board received and approved the report and recommendations of the SDDS Task Force at its [December 2017 meeting](#). Subsequently, during the 2018 Legislative Session, [HB 1064](#) was approved and signed into law by Governor Dugaard, which provides a myriad of options pertaining to the School for the Deaf Property, one of which includes authorization to engage in a conditional land exchange pursuant to SDCL 5-3-7.

After an extensive search for suitable properties for the School for the Deaf, it was determined that the “TCF Building” located at 4101 West 38th Street in Sioux Falls would serve as a suitable space for the School for the Deaf and satisfactory offer was tendered. Subsequently, the Sioux Falls Ministry Center submitted an acceptable offer on the existing School for the Deaf property. As such, the parties now intend to engage in a conditional land exchange, by which a portion of the proceeds from the sale of the School for the Deaf will be used to purchase the TCF Building, with the difference between the sale price of the School for the Deaf and the acquisition price of the TCF Building going to fund the cost of renovations at the TCF Building. The sale of the School for the Deaf will be at or above appraised value and the acquisition of the TCF Building will be at or below appraised value.

Pursuant to Administrative Rule [4:01:08:10](#), public notice of the intended exchange has been posted once a week for each of the last three weeks in the Argus Leader, and a public hearing on the exchange, which is conducted by the Commissioner of School and Public

(Continued)

DRAFT MOTION 20190125_4:

I move to approve and adopt the Resolution set forth in Attachment I, requesting the Commissioner of School and Public Lands to proceed with the sale and acquisition as stated therein.

Lands, is scheduled for 11:00 AM on January 29th at the School for the Deaf, after which the Governor may approve the exchange pursuant to SDCL 5-3-7. The transactions contemplated herein conform to the legal limitations on the Board's authority as certified by the General Counsel, and otherwise comply with applicable law and BOR policy, to include a satisfactory review of the documentation and statements set forth in BOR Policy 6.2.

IMPACT AND RECOMMENDATION

The resolution will allow for the sale of the existing School for the Deaf Property and the acquisition of the TCF Building, which will serve as the future home for the School for the Deaf.

Staff recommends approval.

ATTACHMENT

Attachment I – Resolution Requesting the Sale and Acquisition of Certain Property Pertaining to the School for the Deaf

RESOLUTION

Resolution requesting the sale and acquisition of certain real property located in Minnehaha County as authorized in Chapter 111 of the 2018 Session Laws (HB 1064 from the 2018 Legislative Session) by way of a conditional land exchange pursuant to SDCL § 5-3-7.

The South Dakota Board of Regents (“SD BOR”), on behalf of the South Dakota School for the Deaf, as authorized in Chapter 111 of the 2018 Session Laws (HB 1064 from the 2018 Legislative Session), hereby requests the Commissioner of School and Public Lands to draw up all necessary documents and to forward them to the Governor to request their execution in order to effectuate a conditional land exchange in accordance with SDCL § 5-3-7, which includes the following transactions:

1. Transfer title of the South Dakota School for the Deaf property, as described below, to the Sioux Falls Ministry Center, with a sale price equal to or greater than its appraised value:

Lot 1, School for the Deaf Addition to the City of Sioux Falls, Minnehaha County, South Dakota, to include any adjacent H Lots, as appropriate, previously described as all unplatted land located in the South Half of Section 15, Township 101 North, Range 49 West of the 5th Principal Meridian, Minnehaha County South Dakota (“SDSD Property”); and

2. Acquire title of certain real property, as described below, with a purchase price equal to or less than its appraised value:

Tract 1A, Lot 1A, Menard’s Addition to the City of Sioux Falls, Minnehaha County, South Dakota, commonly known as 4101 West 38th Street, Sioux Falls, South Dakota (“TCF Building”).

The proceeds from the sale of the SDSD Property, net of any costs associated with the preparation for sale and subsequent sale, shall be used to acquire the TCF Building, with any remaining proceeds going to fund the necessary renovations of the TCF Building, as authorized in Chapter 111 of the 2018 Session Laws (HB 1064 from the 2018 Legislative Session). This resolution shall also serve to ratify, request and/or approve any and all documents, transactions and/or actions necessary to effectuate the conditional land exchange contemplated herein.

Dated this ____ day of January, 2019

SOUTH DAKOTA BOARD OF REGENTS

By _____

Kevin V. Schieffer

President

Certification:

I have compared the foregoing with an action taken by the Board of Regents at its meeting conducted via teleconference on the 25th day of January, 2019, and I hereby certify that the same is a true, correct, and complete copy thereof and that the same has not been rescinded.

Dated this ____ day of January, 2019

SOUTH DAKOTA BOARD OF REGENTS

By _____

James Morgan

Secretary