AGENDA ITEM: 4.4 MEETING DATE: November 10, 2022

# BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES ITEMS FOR DISCUSSION AND ACTION\FISCAL, FACILITIES AND AUDIT

**ACTION:** 

Approve Designation of Crites Hall and West Court Housing as Unfit for Residence Hall Use Property and Remove Facilities from the Auxiliary Revenue Bond System for Chadron State College

The Board may remove a facility from the Revenue Bond System according to Section 5.7 of the Master Resolution:

Section 5.7. Not to Alienate Ownership, Operation, Management and Control of Facilities; Disposition of Worn-Out or Useless Property. Except as provided in Section 3.7(6) and 3.7(E) hereof, The Board shall take no action nor cause any action to be taken, to alter or change the ownership, management and control of the Facilities or of any buildings, facilities, extensions or additions, all or a part of the revenues, fees and earnings derived from the operations of which are pledged hereunder, or in any Supplemental Resolution, or any part thereof, including any land or facilities comprising the site thereof or necessary to the use or operation thereof; provided, however, that the Board may from time to time sell or otherwise dispose of any building or faculty or any personal property comprising a part of the Facilities or of said other buildings, facilities, extensions or additions, which has been determined by the Board to be unserviceable, inadequate, obsolete, worn out, or unfit to be used or no longer required for use in connection with the operation thereof, and the moneys received by the Board as proceeds of any such sale or other disposition either shall be used by it to purchase property which shall comprise a part of the Facilities or of said other buildings, facilities, extensions or additions or shall be deposited by it in the Surplus Fund.

Chadron State is requesting that Crites Hall and the remaining West Court Housing building, be removed from the Revenue Bond System (System). Crites Hall was part of the System when bonds were issued for the facility in 1937 and West Court was part of the System when bonds were issued for the facility in 1961, but those bonds have been paid in full. There are no dedicated student fees related to these facilities. Crites Hall once functioned as a student residence hall and West Court Housing once functioned as married/family student housing. Crites Hall use shifted to predominantly state use as a student services facility many years ago, where services such as financial aid, housing offices, business office, records, START, and student health are located. The majority of the West Court buildings were demolished in fiscal years 2017-2019 but the remaining building's use shifted to state use as a veteran center first and currently as an art classroom.

The determination that Crites Hall and West Court Housing are no longer fit to be used as

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student and family housing warrants removing the facilities from the Revenue Bond System.

This change will impact revenues generated for the System because there was an annual internal lease of \$32,360 for these two buildings, but it will also remove all operating expenses and the liability of maintaining the facility by the revenue bond system.

The System Office supports the request by Chadron State to remove Crites Hall and West Court Housing from the Revenue Bond System as they are no longer used for student housing and are unfit for that use. The facilities have been converted to a student support services facility and an art classroom, so their use no longer aligns with the revenue bond program.

The updated Schedule of Facilities for the Revenue Bond System after the removal of Crites Hall and West Housing is identified in Exhibit A.

The System Office and Chadron State College recommend approval of the Designation of Crites Hall and West Court Housing as Unfit Property for Chadron State College.

#### **ATTACHMENTS:**

• Revenue Bond Schedule of Facilities - 11-10-22 (PDF)

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# Revenue Bond Resolution Exhibit A – Schedule of Facilities as of November 10, 2022

# **Chadron State College**

Andrews Hall Brooks Hall Edna Work Hall Edna Work Wing

**High Rise Dormitory** 

Kent Hall

Student Center Eagle Ridge A Eagle Ridge B Eagle Ridge C

## **Wayne State College**

Anderson Hall Berry Hall Bowen Hall Morey Hall Neihardt Hall Pile Hall

Recreation Center Student Center Terrace Hall

## **Peru State College**

Centennial Complex – Davidson

Centennial Complex - Palmer

Centennial Complex – Clayburn

Centennial Complex – Mathews

Centennial Complex – Nicholas

Centennial Complex - Pate

Oak Hill Complex - L

Oak Hill Complex – M

Oak Hill Complex - P

Oak Hill Complex - Q

Delzell Residence Hall

Faculty Housing A

Faculty Housing B

Morgan Residence Hall

**Student Center**