

For Implementation of Board Policy 3-606 “Allocation of Land Fund Income”

- A. These Guidelines are intended to assist the Universities in implementing a Redesignation and/or Reallocation of University Trust Land in accordance with Board Policy 3-606 “Allocation of Land Fund Income.”
- B. Early and comprehensive information sharing with and among the Universities is encouraged concerning any proposal subject to these Guidelines.
- C. A University requesting approval for a Redesignation and/or Reallocation of University Trust Land (“Proposer”) shall present its proposal, including Evaluation Materials, to EEC for review and comment prior to submittal to the Board.
- D. Prior to Board and Board committee review, the Proposer will provide the other Universities an opportunity to review and provide comments to the Board about each proposal. In order to facilitate timely review of such comments, the Proposer will deliver the Evaluation Materials to the other Universities at least one week prior to the submittal deadline for Board Agenda Items.
- E. Factors the Board will consider in determining whether to approve a proposal include:
 - 1. How the proposal will advance the teaching and/or research mission of the Proposer and the goals of the Arizona Higher Education Enterprise;
 - 2. Financial impact on the Universities;
 - 3. Compensation, if any, to the other Universities commensurate with value of an Relinquished Parcel, Reallocated Parcel, and Acquired Parcel, and the legal requirements pertaining to such compensation; and
 - 4. Requirements, conditions and/or stipulations consistent with the Board’s stewardship of the University system and administration of the University trust lands.
- F. The following definitions apply to these Guidelines:
 - 1. “Board” refers to the Arizona Board of Regents.
 - 2. “EEC” refers to the Board’s Enterprise Executive Committee.
 - 3. “Relinquished Parcel” refers to state trust land held on behalf of the Board and proposed to be redesignated to a state trust land beneficiary other than the Board.

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4. “Proposer” means a University proposing a Reallocation and/or Redesignation.
 5. “Redesignation” refers to the process by which a relinquished parcel is exchanged for an acquired parcel in accordance with board policy and Arizona State Land Department requirements.
 6. “Acquired Parcel” refers to state trust land subject to Redesignation.
 7. “Reallocation” refers to the process by which state trust land held by the Board to benefit all Universities (or which would be so held upon Redesignation) is assigned for the sole benefit of a single University in accordance with Policy 3-606 and these Guidelines.
 8. “Reallocated Parcel” refers to state trust land subject to Reallocation.
 9. “University” or “Universities” refers to Arizona State University, Northern Arizona University, and the University of Arizona.
 10. “University Trust Land” shall have the meaning set forth in Policy 3-606.
- G. Evaluation Materials shall include, at a minimum:
1. Timelines
 - a. Timeframe for completion of the reallocation transaction.
 - b. Available timelines for use of the Reallocated Parcel. A legal description, site plan if available, and narrative description of the Parcels involved in the Proposal.
 2. Uses
 - a. A description of the current use of any proposed Reallocated Land, Acquired Parcel, and Relinquished Parcel;
 - b. Identity of the current State Land Trust beneficiary of any proposed Acquired Parcel; and
 - c. A description of the proposed use of any proposed Reallocated Parcel, Acquired Parcel and Relinquished Parcel.

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3. Educational and Research Mission
 - a. An explanation of how any proposed Reallocation and/or Redesignation will advance the educational and/or research missions of the Proposer and the goals of the Arizona Higher Education Enterprise plan; and
 - b. An explanation of the mechanisms to ensure the proposed Reallocation will continue to advance the educational and/or research missions of the Proposer throughout the term of the Reallocation.
4. Financial Impact, Income and Revenue Generation
 - a. A description of the financial impact on the Universities;
 - b. An income statement showing revenue, if any, generated by any proposed Reallocated Land and any proposed Acquired Parcel;
 - c. An income statement showing revenue, if any, generated by any proposed Relinquished Parcel;
 - d. A description of future potential uses and revenue of any proposed Reallocated Parcel and any proposed Acquired Parcel; and
 - e. A description of future potential uses and revenues of any proposed Relinquished Parcel
5. Establishing Equal Value
 - a. Current appraisals(s) of any proposed Acquired parcel which satisfies Arizona State Land Department standards (and ABOR policy); and
 - b. Current appraisal(s) of any proposed Relinquished parcel which satisfies Arizona State Land Department standards and ABOR Policy.
6. Third-party Agreements

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- a. If the Proposer proposes that third party(ies) will have the right to use Acquired Parcel or Reallocated Parcel through a partnership, affiliation or other agreement, identify the proposed partners and/or affiliates and describe the terms of the proposed partnership, affiliation or other agreement, including without limitation the Proposer’s rights and obligations under the proposed partnership, affiliation or other agreement; and
 - b. Provide the proposed timeline for execution and delivery of the proposed partnership, affiliation or other agreement.
7. Consultation with State Land Department
- a. Provide a summary of consultation concerning the proposal with the Arizona State Land Department; and
 - b. Provide a description of the requirements of the State Land Department in connection with any proposed Redesignation.
8. Compensation to Other Universities
- a. Provide a description of the proposed compensation structure, if any, to the other Universities for the Proposer’s use of Reallocated Land, including the basis for the proposal and any pertinent statutes, policies, and guidelines; and
 - b. Provide a description of the proposed compensation structure, if any, to the other Universities for current income and potential future revenue generated by Relinquished Parcel, including the basis for the proposal and any pertinent statutes, policies, and guidelines.