

FCR 4

Office of the President
December 9, 2003

Members, Board of Trustees:

ACQUISITION OF REAL PROPERTY REFERRED TO AS SILVER LAKE FARM IN HARRISON COUNTY, KENTUCKY

Recommendation: that the Board of Trustees authorize the Executive Vice President for Finance and Administration to negotiate the acquisition of approximately 390-400 acres of real property on U.S. highway 62 and Kentucky Highway 353 in southern Harrison County, Kentucky, currently owned by The Nature Conservancy (“TNC”), for a purchase price not to exceed the \$1,120,000.00 authorized in a grant to the University of Kentucky Research Foundation from the Kentucky Heritage Land Conservation Board and also not to exceed the appraised fair market value as based upon two independent appraisals and simultaneously with the acquisition, to subject the property to a conservation easement, as described in KRS 382.800 et seq.; further, that the Executive Vice President for Finance and Administration be authorized to execute any and all documents required for such purchase and the grant of the conservation easement.

Background: Portions of this property contain what is said to be best remnant of pre-settlement savanna-woodland in the Bluegrass region, and the woods on the property contain a variety of mature trees including ancient chinquapin oaks, bur oaks, blue ashes, and shagbark and shagbark hickory, many 150 to 300 or more years old. The woods have been of interest to scholars in this area for many years. When the property became available for sale, Dr. Phil Crowley began extensive work in conjunction with TNC, and applied for a grant from the Kentucky Heritage Land Conservation Fund Board (“Fund”), a fund established by KRS 146.550 et seq. for the purpose of acquisition and maintenance of certain natural areas. The Fund has approved that grant, and \$1,120,000.00 is available to UK for the purchase of the property, subject to the statutory requirement that the property be protected in perpetuity. As the statues also require a resource management plan for property acquired with Fund moneys, a consortium made up of UK, TNC and other members will manage the property. Of note, the entire tract of property purchased by The Nature Conservancy totals 746.51 acres, and TNC currently intends to also protect the additional acreage, and the parties hope to work cooperatively to use the entire tract for study and research.

Action taken: Approved Disapproved Other _____