

**Agendum
Oakland University
Board of Trustees Formal Session
October 8, 2018**

SALE OF ROSE TOWNSHIP PROPERTY

1. Introduction: Oakland University (University) accepted the Rose Township Property (8238 Fish Lake Road, Rose Township) in Oakland County, Michigan (Property) as a gift in 1984, subject to a permanent utility easement over the northwest tip of the Property granted by the donor to Consumers Energy Company (Consumers) in 1951, to construct, repair and maintain up to two gas mains that still exist on the Property.

The Property is comprised of approximately 120 undeveloped acres with one single-family 1,148 square foot home located on the Property's western boundary, which the University rented via a residential lease on a year-to-year basis until 2017.

To the north, the Property abuts the Rose Township Superfund Site (Superfund Site), designated by the United States Environmental Protection Agency (USEPA) as a contaminated area. In 1992, the Board of Trustees (Board) approved an access agreement to a 21 acre parcel at the northern boundary of the Property to the Chrysler Corporation (Chrysler), so that Chrysler could erect a fence, install ten monitoring wells, and perform cleanup activities related to the Superfund Site. In December 2010, at the request of the USEPA, the Board approved a new access agreement for the Rose Township Group (RTG), for the continued cleanup of the Superfund Site as Chrysler's successor. The RTG access agreement is currently in effect and will terminate only upon the USEPA's notification to the University and RTG that no further cleanup of the Superfund Site is necessary.

In 2013, the Board approved an oil and gas lease to the Jordan Development Company (JDC). JDC drilled four dry holes and advised the University that it plans no further exploration on the Property.

The Property has no current or anticipated use that would be of value to University programming.

Given the foregoing facts and analysis, the administration recommends that the University's interest is best served by a sale of the Property on the open market pursuant to the Board's Policy on Sale, Purchase, Lease, or Receipt by Gift, of Land or an Interest in Land (Board Policy).

2. Previous Board Action: On August 29, 1984, the Board accepted the Property as a gift. On October 1, 1992, the Board authorized the aforementioned access agreement for Chrysler, which the Board subsequently extended on April 11, 1996. On April 7, 2010, the Board authorized expanding Consumers permanent utility easement. On December 9, 2010, the Board authorized the aforementioned access agreement for RTG. On December 3, 2012, the Board authorized the issuance of a request for bids

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for oil and gas leases, which resulted in the aforementioned oil and gas lease with JDC that the Board authorized on June 26, 2013.

3. **Budget Implications:** There is currently zero cash flow from this Property. Any net proceeds from disposal of the Property will be deposited in a restricted non-general fund account, in accordance with Board Policy.
4. **Educational Implications:** None.
5. **Personnel Implications:** None.
6. **University Reviews/Approvals:** This recommendation was formulated by the Vice President for Finance and Administration and reviewed by the President.
7. **Recommendation:**

RESOLVED, that the President and the Vice President for Finance and Administration, and their respective designees, are authorized to take, without limitation, the following actions consistent with Board Policy: (i) negotiate and contract with a real estate broker for a fair market commission to assist in setting the listing price and sale of the Rose Township Property; provided however, that the name of the broker and the terms of the contract shall be reported to the Board prior to the execution of the contract; (ii) list the Rose Township Property on the open market to all qualified bidders; (iii) reserve the right of the University to reject any and all bids for any reason, including the rejection of any bid if the University determines that the public's interest, or that of the University, shall not be served by the sale to any bidder; (iv) contract with a surveyor if a survey becomes necessary, and/or such other professionals as necessary or appropriate to consummate a sale; and be it further

RESOLVED, that the Board waives the Board Policy requirement that the Property be evaluated by three qualified appraisers; and be it further

RESOLVED, that the Board of Trustees further authorizes the President and the Vice President for Finance and Administration, and their respective designees, to perform all other acts and deeds and to execute and deliver all other contracts, instruments, and documents required by this resolution that are necessary, expedient and proper in connection with the listing and sale of the Rose Township Property; and, be it further

RESOLVED, that all said contracts, instruments, and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with

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University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

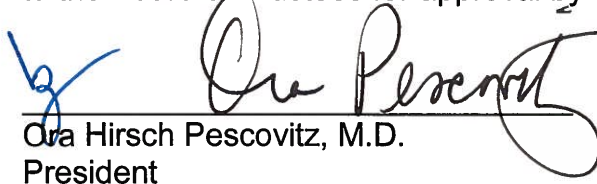
8. Attachments: Attachment A: Site Map

Submitted to the President
on 10/4, 2018 by



John W. Beaghan
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on 10/5, 2018
to the Board of Trustees for approval by



Ora Hirsch Pescovitz, M.D.
President

