

ACCEPTANCE OF GIFT OF PROPERTY IN MACOMB COUNTY

A Recommendation

1. **Division and Department:** Office of the Vice President for University Relations.
2. **Introduction:** It is recommended that the Board of Trustees (Board) accept the gift of land and a building from Towne Square Associates, a Michigan Co-Partnership (Donor), the principals of which are Mr. Gebran Syde Anton, Jr. and Mr. Stuart Frankel. The land and building will be used by the University to expand the delivery of its educational programs in Macomb and other Michigan counties by locating a University facility in downtown Mt. Clemens directly across from the City's municipal buildings. The University plans in the near future to expand academic programming consistent with the University's mission and its desire to provide convenient access to baccalaureate and graduate degrees as well as potential certificate and continuing education programs for residents of Macomb and other Michigan counties.

Based upon the State equalized value, the land and building have an approximate value of \$2,100,000 and are more fully described in Attachment A.

The Donor has provided free and complete access to the property and all records regarding the construction of the building. The University commissioned Professional Service Industries, Inc. (PSI) to perform an environmental site assessment. PSI's assessment states "This assessment revealed no evidence of RECs (recognized environmental conditions) in connection with the subject property..." and "PSI recommends no further assessment of the subject property at this time." The University further commissioned Tremco to inspect the roof which was assessed to have a 7-10 year remaining life and was determined to be "in good shape".

The building was further inspected by the University's Facilities Management Department, with the following findings: "The building looks to be in fairly good shape and appears to be well maintained. There are indications of glazing system failure in a couple locations, but overall the glazing system is intact. Structurally the building is sound and the roof is in good shape. Building HVAC systems are reported to be in working order."

The gift of the land and building comports with the Board's Gift Policy (Gift Policy). Consideration of the gift has been careful and deliberate, and acceptance of the gift is contingent upon the University receiving marketable, insurable, title to the land and building. In addition to obtaining a title insurance commitment from Lawyers Title, a docket search was conducted for both State and Federal courts by Pinkerton that indicated there is no outstanding litigation related to the land or building. The gift will also be memorialized by a written agreement that is legally binding on the Donor and its

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successors and assigns, has been reviewed and approved by the Office of Legal Affairs and complies with the Gift Policy, the law, and other University policies and regulations, and conforms to the legal standards and policies of the Vice President for Legal Affairs and General Counsel, including without limitation those laws and regulations applicable to gifts under the Internal Revenue Code, and is subject to Board approval (Land and Building Donation Agreement).

In short, all due diligence has been completed and the gift complies with the Gift Policy.

In recognition of the Donor, the building will be named the *Oakland University Anton Frankel Center*, or a similar name upon mutual agreement of the Donor and the University. Consistent with the Gift Policy, the name will appropriately reflect the nature of the building and will appear on the building's signage. Mr. Anton and Mr. Frankel will also be recognized as members in the Golden Oaks Society upon acceptance of the gift.

3. Previous Board Action: The Board accepts gifts to the University on a regular basis at its Formal Sessions.

4. Budget Implications: Net operating income from current and planned Macomb programs, strategic initiative funding, and any additional gift income related to this building are expected to offset operating expenses and future upgrades to support the delivery of new academic programs. The building can accommodate up to twelve (12) fifty (50) seat classrooms, twelve (12) faculty offices, and an administrative suite.

5. Educational Implications: The University anticipates expanding academic programs and serving a growing population of students in Macomb County.

6. Personnel Implications: Faculty and staff assignments will be made via the normal program development process.

7. University Reviews/Approvals: Pursuant to the Gift Policy, the gift has been reviewed through the Vice President for University Relations in consultation with other University administrators and departments including the Senior Vice President for Academic Affairs and Provost, the Facilities Management Department, the Vice President for Outreach, the Executive in Residence-Macomb, the Vice President for Finance and Administration, the Vice President for Legal Affairs and General Counsel, and the President, all prior to this recommendation to the Board. In addition, Trustee Richard Flynn assisted University administrators in meeting with Macomb County officials related to the gift.

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8. Recommendation:

WHEREAS, Oakland University is interested in expanding academic program offerings in Macomb County and other counties; and

WHEREAS, the land and building are prominently located in Mt. Clemens, the Macomb County seat; and therefore, be it

RESOLVED that the Board of Trustees accept the gift of the land and building commonly known as Parcel 2 of Towne Square, 20 South Main Street, Mt. Clemens, Michigan, as more fully described in and pursuant to the terms and conditions of the Land and Building Donation Agreement; and be it further

RESOLVED that the Board recognize Mr. Gebran Syde Anton, Jr. and Mr. Stuart Frankel as members in the Golden Oaks Society upon acceptance of the gift; and, be it further

RESOLVED, that all related documents be reviewed and approved by the Office of Legal Affairs prior to execution, and be in compliance with the law and University policies and regulations and conform to the legal standards and policies of the Vice President for Legal Affairs and General Counsel.

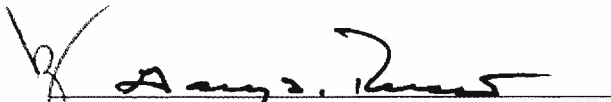
9. Attachments: A. Land and Building Description.

Submitted to the President
on June 27, 2010 by



Susan Davies Goepf
Vice President, University Relations

Recommended on 6/28, 2010
to the Board for approval by



Gary D. Russi
President

SKETCH/AREA TABLE ADDENDUM

File No 05-11-14-252-029

SUBJECT

Property Address 20 S MAIN ST

City MOUNT CLEMENS

County MACOMB

State MI

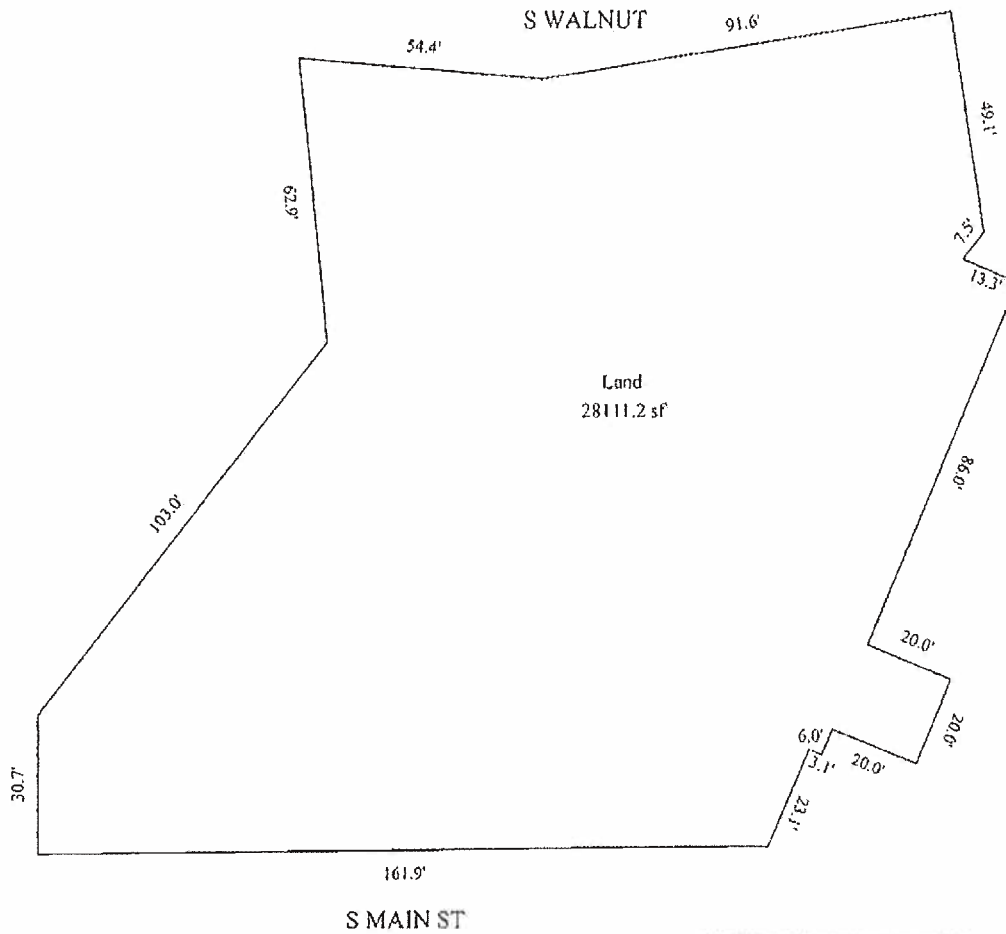
Zip 48043

Owner TOWNE SQUARE ASSOCIATES

Client

Appraiser Name

IMPROVEMENTS SKETCH



Scale: 1" = 39'

AREA CALCULATIONS

AREA CALCULATIONS SUMMARY

Code	Description	Factor	Net Size	Perimeter	Net Totals
Land1	Land	1.00	28111.2	752.7	28111.2

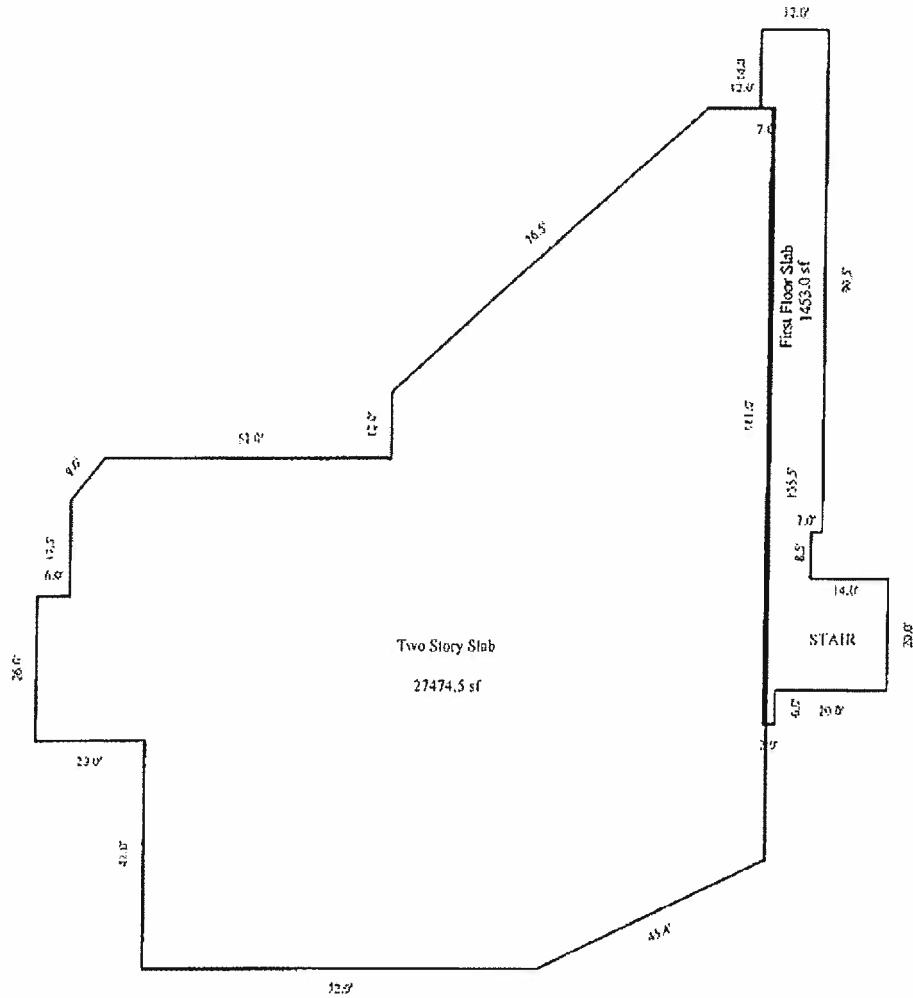
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File No 05-11-14-252-029

SUBJECT

Property Address 20 S MAIN ST
 City MOUNT CLEMENS County MACOMB State MI Zip 48043
 Owner TOWNE SQUARE ASSOCIATES
 Client
 Appraiser Name

IMPROVEMENTS SKETCH



Scale: 1" = 32'

AREA CALCULATIONS

AREA CALCULATIONS SUMMARY

Code	Description	Factor	Net Size	Perimeter	Net Totals
GBA3	First Floor Slab	1.00	1453.0	302.0	1453.0
GBA15	Two Story Slab	2.00	27474.5	525.5	27474.5

Net BUILDING Area (rounded w/ factors) 28928

Downtown Mt. Clemens



Southwest Entrance



South Elevation



West Grounds



Looking North on Gratiot toward Main

