

**Agendum
Oakland University
Board of Trustees Formal Session
April 9, 2018**

**REAL ESTATE LEASE AGREEMENT –
FRANKLIN WRIGHT SETTLEMENTS, INC.**

1. **Division and Department:** Office of Government and Community Relations
2. **Introduction:** The Office of Government and Community Relations (“GCR”) oversees Oakland University’s (“University”) relationships with state, federal and local officials, other policymakers and organizations, through advocacy, expanding visibility, developing grassroots relationships, and promoting collaboration between the University and external organizations to support mutually beneficial outcomes. Our community relations strategic goals include planning, identifying and attending events and activities, as a whole, and providing opportunities for University involvement in external collective impact, coalition-building opportunities.

GCR is seeking a three-year lease of a 1070 square foot physical office space in the Franklin Wright Settlements building, formerly Youthville Building, located at 7375 Woodward Avenue in Detroit. The lease will only include the use of the office space along with more than 4000 square feet of common area space included in the base rent of \$20 per square foot.

Use of the Franklin Wright Settlements space would allow GCR to support the University's community engagement, visibility and enrollment goals through increased engagement with targeted leaders and elected officials in Wayne County.

The Board Policy and Procedures for Disposal, Acquisition, Lease and Other Transfer of Real Property Interests requires that the administration seek Board approval for all leases of real property for University use when the lease term is more than one year or the annual rent is more than \$12,000.

3. **Previous Board Action:** None.
4. **Budget Implications:** The total annual rent to be paid is \$26,296, of which \$8,400 will be paid from the GCR cultivating and outreach budget, and \$17,896 will be paid from University reserves. Monthly telephone usage charges will also be incurred.

The basic lease details are as follows:

- | <u>Base Rate</u> | <u>Utility</u> | <u>Yearly Payment</u> | <u>Monthly Payment</u> |
|------------------|----------------|-----------------------|------------------------|
| \$21,400 + | \$4,896 = | \$26,296 | \$2,191.33 |
- 1070 Square Feet
 - \$20/Square Foot
 - Term of lease is three years

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5. Educational Implications: In an effort to positively impact visibility as an institution, as well as provide greater access to higher education for those in the metro-Detroit area, GCR recommends that the University increase its presence in Detroit by securing a physical space. One of the University's aspirational goals is to *become a leader in serving the needs and aspirations of our communities and region through expanded community relationships, institutional reputation, visibility and engagement*. As a preeminent, public University, having such a space would directly support the University mission and goals.

In addition, a secured space could be utilized by many other key campus stakeholders, including Student Affairs, Undergraduate Admissions, and Student Financial Services.

6. Personnel Implications: None.

7. University Reviews/Approvals: This recommendation was prepared by the Assistant Vice President for Government and Community Relations, and has been reviewed by the Vice President for Government and Community Relations, Vice President for Finance and Administration, Chief Operating Officer, and President.

8. Recommendation:

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer to execute a lease with Franklin Wright Settlements, Inc.; and, be it further

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer and his respective designees to execute the lease with an annual base rent and utility in the amount of \$26,296, and to perform all acts and deeds and execute and deliver all contracts, instruments and documents that are necessary, expedient and proper in connection with the lease; and, be it further

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

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9. **Attachments:** None.

Submitted to the President
on April 3, 2018 by



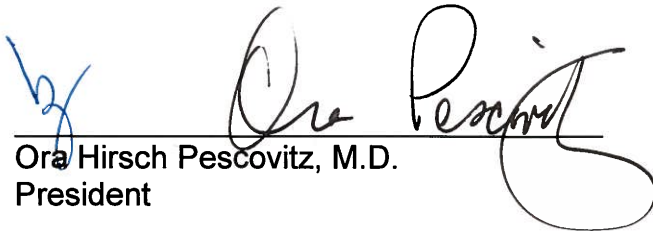
Rochelle A. Black
Vice President, Government and
Community Relations

Submitted to the President
on 4/3, 2018 by



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

Recommended on 4/4, 2018
to the Board for approval by


Ora Hirsch Pescovitz, M.D.
President