

**PUBLIC/PRIVATE PARTNERSHIP (P3)
OAKLAND UNIVERSITY DATA INFRASTRUCTURE PROJECT**

A Recommendation

1. **Division and Department:** Finance and Administration, Academic Affairs and Research Division, University Technology Services

2. **Introduction:** Oakland University's (University) current data center is split between two locations, in buildings not designed nor intended for this purpose. The current data center spaces are also limited in capacity and the infrastructure needs to be modernized for the increasing demands and changes in the current technology landscape. The high-power computing (HPC) system within one of the two locations which is utilized by a limited number of researchers and in a very limited capacity for their research purposes, is nearing end of life. The current data centers have no capacity to accommodate the computing needs required for teaching.

This proposed P3 project will benefit the University by developing and constructing a state of the art, purpose-built compute facility on the University's campus, replacing the existing data centers with infrastructure and compute power for future growth. The new facility will enhance the University's teaching and research efforts with a modern and secure facility as well as state of the art infrastructure that includes scalable compute power for researchers and faculty, enabling the University to grow its capacity.

A P3 partnership provides the funds to build this facility without the University expending capital funds. A P3 partner also provides expertise in sustainable best practices and compute center operations. Additionally, sub-leasing excess computing capacity to industry partners will enhance revenue, enable regional innovation in research and academic programming, provide student employment and internships and expand community engagement.

By modernizing our data center facilities and associated infrastructure to provide additional and advanced compute power, the University has the opportunity to create unique research, academic and career opportunities for our faculty, students, campus and community. This project is critical to fulfilling our mission to cultivate the full potential of our community while impacting Michigan and the region through education, research, and scholarship.

In June, 2025, a Request for Proposals (RFP) to select a P3 partner was issued. Qualified proposals were received from Fairmount Properties, based in Ohio and Solstice Data, an international data center development firm. Both firms were interviewed in August, 2025.

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Fairmount Properties was selected due to:

- Experience working with higher education data centers and P3s
- Expertise with tech transfer, incubators and innovation.
- Sustainability commitments
- Approach to partnership engagement
- Business model
- Based in the region

As authorized by the Board of Trustees in June, 2025, the University entered into a pre-development agreement with Fairmount Properties, LLC, in February, 2026. From February, 2026 through early June, 2026, project feasibility has been assessed including confirmation of power and fiber, confirmation of University computing needs, and confirmation of financial feasibility via a draft baseline business plan.

3. Previous Board Action: On February 7, 2025, the Board accepted the Strategic Vision, 2030. On April 25, 2025 the Board accepted the Campus Plan 2035. On June 27, 2025 the Board authorized the selection of a P3 partner, the negotiation of contract terms and the execution of a pre-development agreement.

4. Budget Implications: This is a P3 project with no capital cost to Oakland University. A ground lease for 50 years is proposed, with revenue reinvested to upgrade the University's computing infrastructure over time as needs change. Revenue will also be used to support student success initiatives and University operations.

5. Educational Implications: This project will provide infrastructure improvements to support the University's network, computing and storage needs for the next decade and beyond. It will provide a uniform standard and access for computing and storage, with a dedicated teaching cluster that does not exist today. It will allow existing research to scale and address more complex research questions. It will provide state of the art, compliant technology required for healthcare research and governmental grants.

The University will be able to attract and retain top-tier research faculty and create new graduate and undergraduate degree programs which require HPC including Computational Biology and Geospatial Technology. Advance simulation, virtual reality and image analysis are representative of the type of capabilities which can be incorporated into existing degree programs. This project will provide student employment opportunities, internships, scholarships and research opportunities with industry partners. It will equip students with HPC skills and capabilities required for competitive 21st century employability.

6. Personnel Implications: None.

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7. **University Reviews/Approvals:** This recommendation was formulated by the Senior Vice President for Finance and Administration and reviewed by the Executive Vice President for Academic Affairs and Provost, Vice President for Research, Chief Information Officer and the President.

8. **Recommendation:**

RESOLVED, that the Board of Trustees authorizes the Senior Vice President for Finance and Administration to enter into: (i) a development agreement with Fairmount Properties, (ii) a ground lease with Fairmount Properties and (iii) affiliation agreements for industry partners who lease space in the data center; and, be it further

RESOLVED, that the Senior Vice President for Finance and Administration will provide the Board of Trustees with project updates at the conclusion the due-diligence phase of the project (anticipated to be June, 2027) and at key milestones thereafter, with the University maintaining the ability to terminate project agreements for cause prior to the design phase of the project and, be it further

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

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Submitted to the President
on June 18 , 2026 by

Amy Thompson

Amy Thompson (Jun 18, 2026 11:46:19 EDT)

Amy Thompson, Ph.D., FESG, CHES
Executive Vice President Academic Affairs and
Provost

Stephen W. Mackey

Stephen W. Mackey
Senior Vice President for Finance and
Administration and
Treasurer to the Board of Trustees

Bhavani Koneru

Bhavani Koneru
Chief Information Officer

Recommended on 6/18 , 2026
to the Board of Trustees for Approval by

Ora Hirsch Pescovitz

Ora Hirsch Pescovitz, M.D.
President

Reviewed by:

Joshua D. Merchant

Joshua D. Merchant, Ph.D.
Chief of Staff and
Secretary to the Board of Trustees