REQUEST FOR ACTION

Subject: State Building Authority Financing of the University of Michigan Dearborn Campus Renovation Phase I

Action Requested: Approval of Resolution Requesting and Approving Conveyance of Property to the University

Background and Summary:

The Dearborn Campus Renovation Project Phase I, which included the renovation of the Administration Building (formerly the Student Activities Building) and the Science Building (formerly the Classroom Administration Building) as well as the construction of the new Computing Wing linked to the Science Building, was financed by the State Building Authority (SBA). As required by all SBA financing, the subject properties were deeded to the SBA and the University leased the facilities during the term of the bond issue.

The bond issue was recently paid in full, and in accordance with the terms of the lease agreement, the properties can now be conveyed back to the University. In order to accomplish this result, the SBA will need a formal request for reconveyance from the University in the form of the attached resolution.

We recommend the attached resolution be approved requesting and approving the conveyance of the facilities included in the Dearborn Campus Renovation Project Phase I.

Respectfully submitted,

Robert Kasdin
Executive Vice President

September 1999

Attachment

APPROVED BY THE REGENTS ON SEP 17, 1999
A RESOLUTION OF THE GOVERNING BODY
OF UNIVERSITY OF MICHIGAN-DEARBORN
APPROVING CONVEYANCE OF PROPERTY
FOR THE GENERAL CAMPUS RENOVATION PHASE I

A RESOLUTION of the Governing Body of University of Michigan (the "Educational Institution") requesting and approving the conveyance of property, and to provide matters relating thereto.

WHEREAS, the State Building Authority (the "Authority"), a statutory body corporate created under provisions of 1964 PA 183, as amended, is authorized to acquire, construct, furnish, equip, own, improve, enlarge, operate, mortgage and maintain buildings, necessary parking structures or lots and facilities and sites therefor for use by the State or any of its agencies including institutions of higher education created pursuant to Sections 5, 6 and 7 of Article VIII of the Michigan Constitution of 1963; and

WHEREAS, the Educational Institution has been created and is maintained pursuant to Sections 4 and 5 of Article VIII of the Michigan Constitution of 1963; and

WHEREAS, the Authority has previously acquired the facilities as described in the attached Exhibit A and the site upon which it was constructed (the described facilities and the site together are the "Facilities") and the Authority leased the Facilities to the Educational Institution and the State of Michigan (the "State") pursuant to a lease dated October 1, 1992 (the "Lease"); and

WHEREAS, under the terms of the Lease, the Authority agreed to convey title to the Facilities to the Educational Institution upon request by the Educational Institution after the Bonds which financed the Facilities (the "Bonds" as defined in the Lease) and any additional bonds or other obligations as provided in the Lease are paid in full or provision for the payment thereof is made as provided in the Lease
for consideration of one ($1.00) Dollar and the assumption by the Educational Institution of all monetary obligations and legal responsibilities for the operation and maintenance of the Facilities; and

WHEREAS, the Bonds have been paid in full and all conditions established by the Lease as conditions precedent to conveyance of title to the Facilities by the Authority to the Educational Institution have occurred.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE EDUCATIONAL INSTITUTION THAT:

1. The Educational Institution hereby requests that the Authority convey title to the Facilities by Quitclaim Deed to the University.

2. The consideration for the conveyance of the Facilities shall be one ($1.00) Dollar and the assumption by the Educational Institution of all monetary obligations and legal responsibilities for the operation and maintenance of the Facilities.

3. The conveyance of the Facilities pursuant to the terms and conditions set forth above is approved and each of the President and Executive VP and CFO of the Educational Institution is authorized and directed to execute any documents to accomplish the conveyance in such form as may be requested by the Authority and approved by counsel for the Educational Institution.

4. All ordinances, resolutions and orders or parts thereof in conflict with this resolution are, to the extent of such conflict, repealed.

5. This resolution shall be effective immediately upon its adoption.
Project Description

University of Michigan-Dearborn
General Campus Renovation

The University of Michigan-Dearborn General Campus Renovation Project Phase I included the renovation of two facilities: the Administration Building (formerly the Student Activities Building) and the Science Building (formerly the Classroom Administration Building), as well as, the construction of the new Computing Wing linked to the Science Building.

The 35,300 gross square foot Administration Building underwent a complete interior demolition and reconfiguration of space for use by the central administrative, student affairs and fine arts departments. This project also provided for a new entry area on the east side of the building.

The 76,000 square foot Science Building also underwent extensive interior demolition and renovation. The project included a new addition at the main entrance and reconfiguration and extension of the basement area provided new efficient laboratory and support space.

The Dearborn Campus Renovation project also included the construction of a new 37,000 gross square foot Computing Wing connected to the Science Building. It is a new two-story steel frame brick building which houses natural science and computing science programs.