

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: F

DATE:

June 13, 2019

AMENDED RECOMMENDATION

SALE OF UNIVERSITY PROPERTY - 1275 SOUTH HURON STREET

ACTION REQUESTED

It is recommended that the Board of Regents authorize the President to negotiate and execute final documents for the sale of the Corporate Education Center (CEC) located at 1275 South Huron Street.

I make this recommendation on the stipulation that the University continue to support and maintain the golf course and Club House as a unique and important University asset, with appropriate budget allocations to that effect.

STAFF SUMMARY

The University has agreed to sell the Corporate Education Center, located at Eagle Crest Resort, to MFS Ypsilanti Holdings, LLC the operator of the Marriott Hotel adjacent to the CEC.

The delivery of corporate education has changed since the construction of the CEC, such that the original intent of the CEC is no longer consistent with the University's business model for non-credit instruction. The CEC has been operated by Marriott Management as part of a Joint Operating Agreement, which also includes Eagle Crest Golf Course. The Operating Agreement will need to be amended as well to reflect the sale.

Sale of the CEC is not expected to have an impact on the operations of Eagle Crest Golf Course, which will continue to be operated by Eagle Administrative Services.

The agreed upon sale price is \$2.0 million, with financial closing expected no later than the first quarter of the 2020 fiscal year.

FISCAL IMPLICATIONS

Net funds realized from the sale will be directed to the University's financial reserves.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.



University Executive Officer

Jun 13, 2017
Date