

MICHIGAN STATE  
UNIVERSITY

September 8, 2010

**MEMORANDUM**

**To:** Trustee Finance Committee

**From:** Fred L. Poston *F. Poston*

**Subject:** Michigan State University Federal Credit Union Long-Term Ground Lease and Permission to Build

**RECOMMENDATION**

BE IT RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees approve granting a 99-year ground lease of approximately 4.0 acres to the Michigan State University Federal Credit Union (MSUFCU) upon such other terms and conditions as may be acceptable to the Vice President for Finance and Operations and Treasurer; and

BE IT FURTHER RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees grant permission for MSUFCU to build a branch office on the leased property, upon such other terms and conditions as may be acceptable to the Vice President for Finance and Operations and Treasurer.



**BACKGROUND**

The MSUFCU needs a branch office to replace branch operations currently at the former MSUFCU headquarters located on Crescent Road. IBM is currently occupying a portion of the Crescent Road site and has exercised its option to occupy the entire building. The proposed ground lease site is an approximate 4.0 acre parcel located on the northeast corner of Farm Lane and Mt. Hope Road.

Terms of the lease include permission to construct streets and parking areas, install and connect to utilities, and build a branch office, according to plans and specifications that must be reviewed and approved by Michigan State University Administration. The proposed branch office would make a material long-term change to the landscape with a footprint of approximately 10,000 sq ft. The costs of construction are the responsibility of MSUFCU and rent will be \$1.00/year.

The Administration is recommending that the Board of Trustees approve the execution of this long-term ground lease and grant permission to build.

cc: D. Brower, R. Flinn, J. Kacos, G. Klein, B. Kranz, K. Lindahl, M. McCabe, J. Mumma, R. Nestle, D. Quinney, C. Reid, B. Groves

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# MSU Federal Credit Union Long-Term Ground Lease and Permission to Build

