

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Approved by the Regents

April 16, 2009

ACTION REQUEST

Subject: Regental Action Required Under the State of Michigan  
Conflict of Interest Statute

Action

Requested: Authorization for the University to Enter into a Lease Amendment Agreement with C-3 Partners (University of Michigan Athletic Director William C. Martin, partner)

Background:

The University of Michigan wishes to enter into a lease amendment agreement for 8,081 square feet of property located at 535 West William Street, Ann Arbor, Michigan, to be leased from C-3 Partners. The office space will continue to be utilized for Medical School administration staff.

The proposed lease amendment agreement falls under the State of Michigan Conflict of Interest Statute as William C. Martin is a university employee and would be a party to the lease amendment agreement by virtue of his partnership in C-3 Partners. However, the statute allows university employees to participate in such lease agreements, if the following conditions are met:

- a) The public servant promptly discloses any pecuniary interest in the lease amendment agreement to the official body that has power to approve the lease amendment agreement, which disclosure shall be a matter of record in its official proceedings.
- b) The lease amendment agreement is approved by a vote of not less than two-thirds of the full membership of the approving body in open session without the vote of the public servant making the disclosure.
- c) The official body discloses the following summary information in its official minutes:
  - i) The name of each party involved in the lease amendment agreement
  - ii) The terms of the lease amendment agreement, including duration, financial consideration between the parties, facilities or services of the public entity included in the lease amendment agreement, and the nature and degree of assignment of employees of the public entity for fulfillment of the lease amendment agreement
  - iii) The nature of any pecuniary interest

The following information is provided in compliance with the statutory requirements contained in section (c) above:

- i) The parties to the lease amendment agreement are the Regents of the University of Michigan and C-3 Partners.
- ii) The service to be provided is the lease of 8,081 square feet in a building at 535 West William Street, Ann Arbor, Michigan for one year, beginning June 1, 2009 through May 31, 2010, at a monthly rate of \$12,659.99 for the year. Tenant will be responsible for gas and electric usage plus janitorial service.
- iii) The pecuniary interest arises from the fact that William C. Martin, a University of Michigan employee, is a partner of C-3 Partners.

William C. Martin has met State law requirements with the disclosure of his pecuniary interest, and his formal appointment arrangements with the University of Michigan.

We recommend that the Board of Regents approve the lease amendment agreement between the University of Michigan and C-3 Partners.

Respectfully submitted,



Timothy P. Slottow  
Executive Vice President and  
Chief Financial Officer

April 2009