Subject: Great Lakes Camp  
Unadilla Township, Livingston County, Michigan

Action Requested: Authorization for a Ground Lease

Background:

Col. Edwin S. George donated land in Unadilla and Putnam Townships, Livingston County, Michigan to the university in 1930 to create the E. S. George Reserve, to be used by university students and other nature study groups to provide visual education in the natural sciences, preserve native fauna and flora, and to promote appreciation for the outdoors. In 1944, the Virginia R. Ives Memorial Camp Association donated land to the university adjacent to the E. S. George Reserve in Unadilla Township, Livingston County, Michigan. The property, known as the Fresh Air Camp, was used as a summer camp for disadvantaged youth and training and research for university students in the fields of social work, education, psychology, nursing and sociology. Use of the camp declined in the 1970s and the property has remained essentially unused except for occasional classes since then.

The Great Lakes Camp (GLC), a Michigan non-profit corporation, has requested to lease approximately one hundred acres from the University of Michigan. The GLC intends to construct new facilities to create a camp for children with chronic or life-threatening illnesses or other serious medical conditions. The GLC proposes to develop collaboration agreements with the University of Michigan, including specific agreements within the University of Michigan Health System (UMHS). This new facility will further the UMHS mission to provide services to children with special health needs.

The proposed agreement is a ground lease by the University of Michigan of approximately ninety acres of Fresh Air Camp land and approximately ten contiguous acres of E.S. George Reserve land to the GLC for thirty years at $1 per year. The lease could be extended at the option of GLC for an additional ten-year period. The University, at its sole discretion, could extend the lease for a second term of ten years. Construction of the new GLC facility shall start within three years of the execution of the lease with construction to be completed and camp operations underway within five years after the execution of the lease. During the term of the ground lease, the GLC will be required to comply with local and state requirements just as any non-University of Michigan land owner is required to follow. This includes: state and local zoning, building codes, land use, regulations and ordinances. The GLC will be required to comply with the university-administered Soil Erosion and Sedimentation Control Part 91 of the Natural Resources and Environmental Protection Act, Public Acts 451 of 1994 during construction.
We recommend that the Regents authorize the executive vice president and chief financial officer to execute a ground lease for approximately one hundred acres of university land in Unadilla Township, Livingston County, Michigan, to the Great Lakes Camp at $1 per year for thirty years, with the possibility of two ten-year extensions as outlined above. Net proceeds from the lease will be applied to the university’s General Fund.

Respectfully submitted,

Timothy P. Siotto
Executive Vice President and
Chief Financial Officer

October 2008
Attachment
Proposed Great Lakes Camp - Ground Lease Boundary
University of Michigan - Livingston County, Michigan

Proposed Great Lakes Camp
Ground Lease Boundary
100 Acres
Subject to final survey

Proposed Great Lakes Camp
E.S. George Reserve
Fresh Air Camp

ARCHITECTURE, ENGINEERING, AND CONSTRUCTION
Real Estate & Space Information

September 26, 2008