

**Agendum
Oakland University
Board of Trustees Formal Session
February 7, 2022**

**SCHEMATIC DESIGN AND BUDGET APPROVAL FOR MEADOW BROOK HALL
VISITOR CENTER AND EAST & WEST GARDEN TENT VENUES
A Recommendation**

1. **Division and Department:** University Advancement, Meadow Brook Estate
2. **Introduction:** In order to enhance visitor engagement for Meadow Brook Hall, improve facilities and service delivery, and increase the use and revenue opportunities for Oakland University, the Division of University Advancement and the Meadow Brook Estate Unit propose constructing a new Visitor Center including a new Orientation Gallery, create a second garden tent venue, and upgrade the existing garden tent site.

The Visitor Center will include accessible restrooms for visitors and provide both access and control of the property entrance gate. The Visitor Center will be adjacent the parking lot and will offer ticket and tour information as well as retail sales. The Visitor Center will be located North of the Visitors Garage, and will maintain a low profile so as not to interfere with the historic vantage of the garage.

The Visitor Garage will be connected to the Visitor Center and renovated into an education Orientation Gallery. The purpose of the gallery is to display objects and interpretive materials including a theater space which is focused on telling the remarkable story of the origins of Oakland University. The story includes the history of John F. Dodge and the Dodge Brothers Car Company, the growth and impact of Meadow Brook Farms, and the history of Matilda Dodge-Wilson and Alfred Wilson and their legacy in helping found and support Oakland University. The gallery will also prepare visitors for their visit to Meadow Brook Hall, offering tips and insights to better engage each visitor during their visit.

The Family Garage will be repurposed as a stand-alone Learning Center and exhibition space. An accessible entry will be added to this building. It will be used for lectures, programs, receptions, and as a summer camp studio and classroom space.

The project includes creating a new West Garden Tent Venue to increase the capacity of hosting more and larger events. The East (existing) Garden Tent Venue will be improved with an upgraded frame tent, extending the seasonal use of this location. Both locations will have small service structures constructed adjacent to each tent site which will include a Prep Kitchen to increase efficiency of food service as well as accessible restroom facilities. Both sites will be available for rental events, including wedding, corporate, university and internal programs such as Winter Wonder Lights and the Summer Concert Series.

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Meadow Brook Hall has engaged Hopkins and Burns Design Studio, which has staff experienced in Historical Renovation, and have successfully completed many projects for Oakland University as well as numerous other Universities and historic sites. Hopkins and Burns is nearing a 90% design and cost estimate phase for the Visitor Center and Orientation Gallery and we anticipate construction documents ready for bid by March 1, 2022.

Based on needed Utilities across all three project sites, Oakland University Capital Planning and Meadow Brook Estate staff have requested an overall site utility study in order to better facilitate the construction needs for power, water, gas and communication needs as both a cost and time saving exercise. Based on the work already underway with the Visitor Center, staff have expanded the scope of Hopkins and Burns initial contract to take additional utility needs into the design planning.

3. **Previous Board Action:** At the December 9, 2021 Board Work Session, this project was presented to the Board for review, however no action was taken.

4. **Budgetary Implications:** The funding source for the \$5.5 million Project is an internal Oakland University loan which will be repaid with an interest rate of 4.25% through a combination of philanthropy for the Visitor Center and Orientation Gallery; and through increased event net revenue streams from the new venue and improvements. The construction project will be entirely funded using Auxiliary funds with no impact on University Bond or General Funds. Ongoing Operating expenses will also be solely paid through Auxiliary Funds. The Interim Vice President for Finance and Administration and Vice President for University Advancement have reviewed and support this funding mechanism.

5. **Educational Implications:** The Orientation Gallery and Learning Center spaces will contribute to continuous learning, serving primarily our community, and secondarily the campus students, faculty and staff.

6. **Personnel Implications:** Incremental maintenance and operations personnel will be identified and integrated into the management and operations of the department.

7. **University Reviews/Approvals:** Proposed by the Executive Director of Meadow Brook Estate; reviewed and approved by the Director of Capital Planning & Design, Vice President for University Advancement, Interim Vice President for Finance and Administration, and the President.

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8. Recommendation:

RESOLVED, that the Board of Trustees approves the Schematic Design (as may be immaterially amended during the continuing design and construction phases of the project) for the Meadow Brook Hall Visitor Center and Venue Project at a not to exceed cost of \$5.5 million; and, be it further

RESOLVED, that the Board of Trustees authorizes the President, the Interim Vice President for Finance and Administration, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the Visitor Center and Venue Project; and, be it further

RESOLVED, that all said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

9. Attachment:

A. Visitor Center and Garden Tent Venues Project – Schematic Design

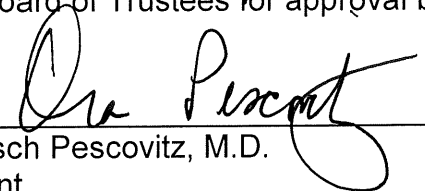
Submitted to the President

on FEB 3, 2022 by



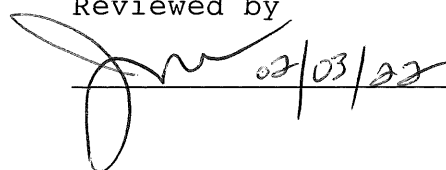
Michael J. Westfall
Vice President for University Advancement

Recommended on 2/4, 2022
to the Board of Trustees for approval by



Ora Hirsch Pescovitz, M.D.
President

Reviewed by



02/03/22

MEADOW BROOK ESTATE

Activating Meadow Brook

February 2022





Elevating the Great Estate Experience

Through two transformative projects – a new **Visitor Center** and **West Event Venue** – Meadow Brook Hall looks to elevate its stature as a major cultural center and events destination; while enhancing the University's profile.

These projects will:

- Invest in OU's Historic District
- Increase University Community Engagement
- Enhance OU Philanthropy and Event Revenue



Visitor Center



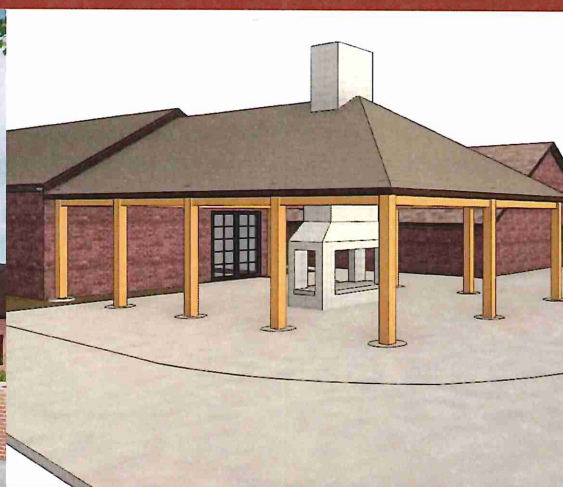
HopkinsBurns
DESIGN & STUDIO
The Johnson Hill
Land Ethics
Studio



Visitor Center



Welcome Gateway

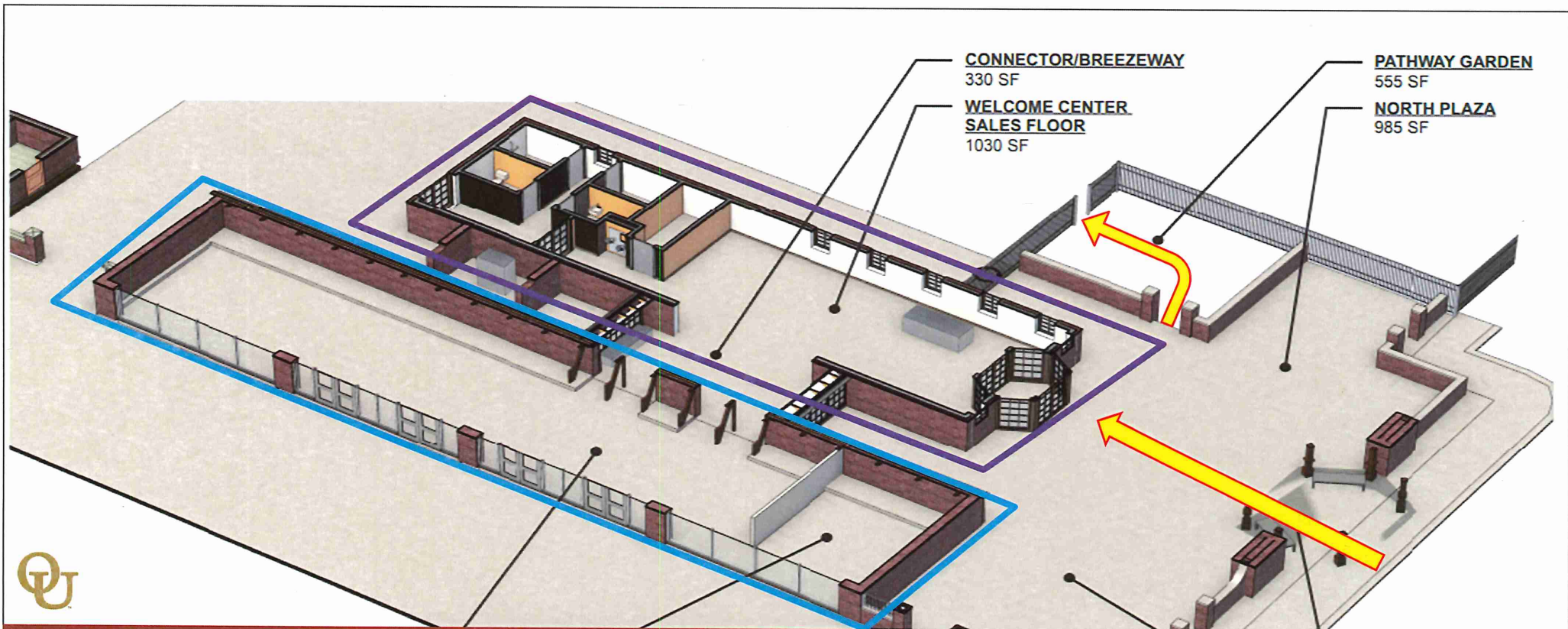


Plaza & Patio



Visitor Center





Visitor Center (New Construction)

The **YELLOW** arrow shows the visitor path from the Welcome Center to the Visitor Center, outlined in **PURPLE**. An after-hours pathway to bypass the Visitor Center is adjacent. The **BLUE** outline indicates the existing Visitor Garage (that will become the Orientation Gallery). Connecting to the back of the Visitor Garage minimizes the impact to this historic structure.

Orientation Gallery (Renovation)

The Orientation Gallery provides a permanent place to tell our story, and position messaging around two concepts:

- How Oakland University, progressive, vibrant and relevant, was made possible thru the Dodge-Wilson gift.
- Showcase the incredible scale of Meadow Brook and its place within history and the community.



Research * Engagement * Scholarship

Inclusion * Creativity * Community

Impact * Stewardship * Legacy

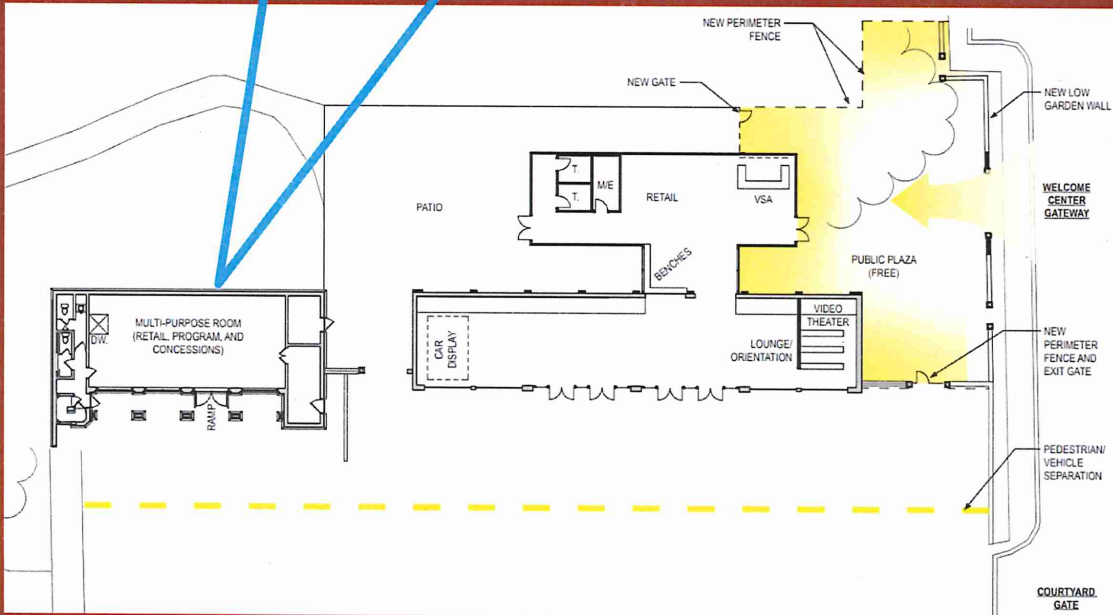
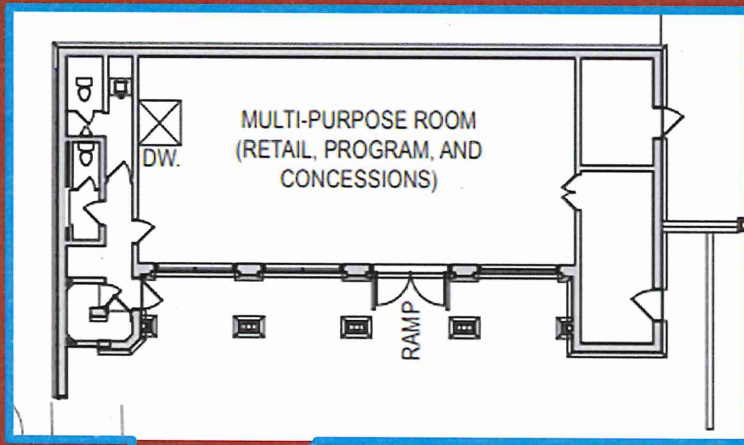


Learning Center (Renovation)

The Learning Center will be an easily adaptable space housed in the renovated Family Garage

This multi-purpose space can be utilized for:

- Receptions & Events
- Lectures, Panel Discussion
- Special Exhibitions
- Holiday Specialty Sales
- Youth Programs and Camps





West Event Venue



West Event Venue

Creating a Second Outdoor Tented Venue



The proposed new West Event Venue is the single biggest opportunity to grow Meadow Brook's revenue

By creating a second successful outdoor tented venue, Meadow Brook can expand its available dates, season - and revenue - dramatically

MBH will replicate our current success with a second, smaller tented venue – which will increase our market share and grow revenue, with a significantly lower

West Event Venue

Meadow Brook Unique Strengths



Historic Mansion

A National Historic Landmark, Meadow Brook is a unique venue of unparalleled beauty for memorable weddings and events.



Outdoor Venue

Our Versatile Garden Tent is spacious, accommodating, and has a proven record of exceptional demand resulting in profitable sales.



Garden & Golf Views

Meadow Brook's lush gardens and sweeping views are the most beautiful backdrop to any wedding.



West Event Venue

Delivering critical features to both venues



The new West Event Venue site is adjacent to the west back of the mansion along the Sun Porch. It delivers three critical components for weddings:

- Views of Gardens & Golf Course
- Adjacent to Building for Service
- Adjacent to Ceremony Space



West Event Venue

Financial Perspective



Annual Revenue Highlights

- 12-Year trend shows sustained growth (outside pandemic impact in FY20 & FY21)
- For first time ever, FY22 exceeds \$5m
- History Indicates:
 - Reliable & Consistent Sales
 - Upward Trajectory

**Please note that Meadow Brook transitioned from a Calendar Year (CY) to Fiscal Year (FY) in 2017.*

The "dip" in FY21 demonstrates the impact of the COVID pandemic, when Meadow Brook had to close its doors for a sustained period.



West Event Venue

Needs Assessment

Leads & Demand	2021				2022			
	APRIL 21	MAY 21	JUNE 21	Q4 TOTAL	JULY 21	AUGUST 21	SEPT 21	Q1 TOTAL
INCOMING LEADS	339	338	371	1048	386	321	343	1050
DATE NOT AVAILABLE	153	192	184	529	174	175	191	540
PERCENT UNABLE TO ACCOMMODATE	45.1%	56.8%	49.6%	50.5%	45.2%	55.3%	55.7%	50.5%

High Demand

- In 2021 we hosted a record 79 weddings booked
- Of 2,000 inquiries in Apr-Sep 2021, half were turned away because dates were already booked

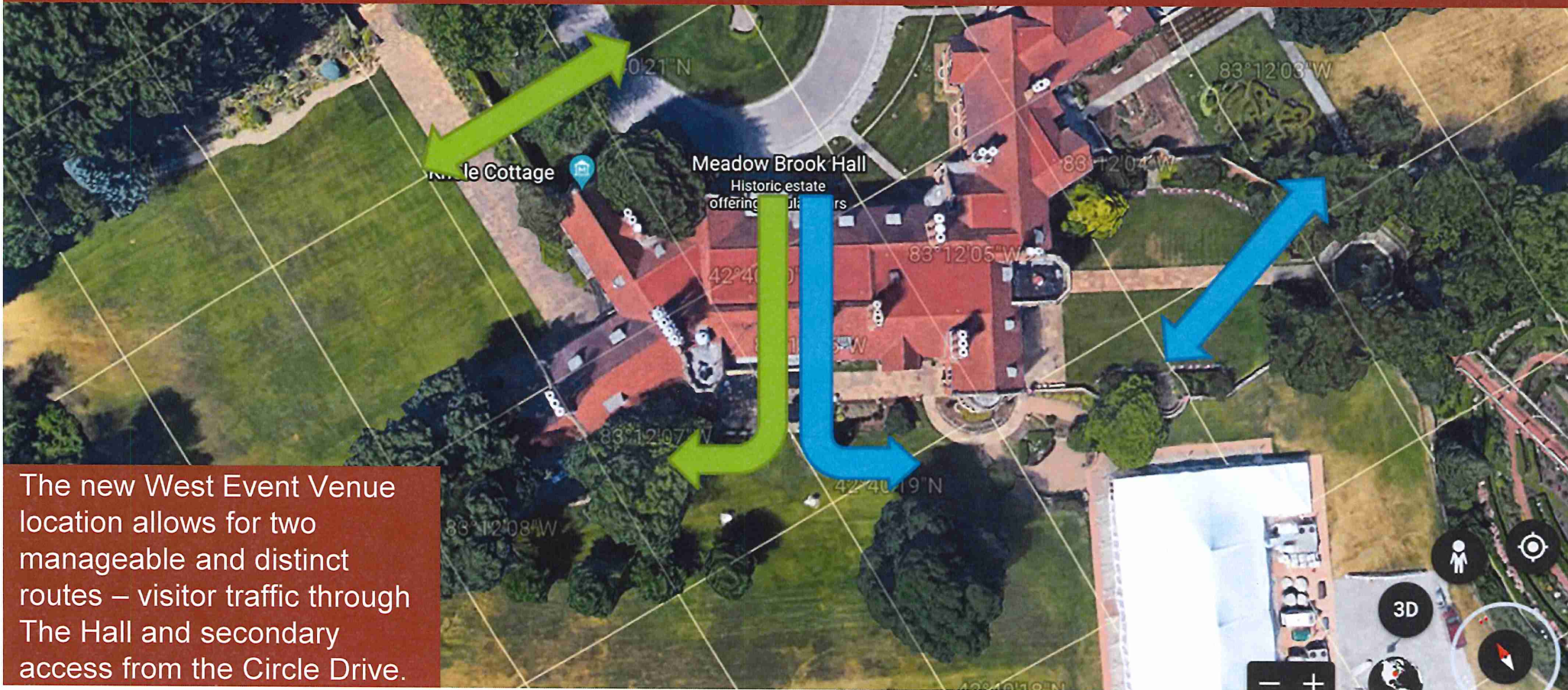
Current and Future Bookings

- Every summer 2022 Friday & Saturday dates are booked
- In 2023 we have ALREADY BOOKED 50% of available Saturday dates



West Event Venue

Access and Traffic Flow for Dual Events



The new West Event Venue location allows for two manageable and distinct routes – visitor traffic through The Hall and secondary access from the Circle Drive.



West Event Venue



Dual Event Proximity

An initial concern in expanding to a second venue tent was sound interference between two events. The new West Event Venue is designed to minimize any crossover of sound or visitors between events.

History of Outdoor Events

Seasonal use aligns with preservation intentions, and consistent with historic property use. A seasonal tent does not detract from Meadow Brook Hall.

Parking

Meadow Brook Hall has 259 parking spaces in an adjacent lot, enough to accommodate two events. Overflow options are at the Shotwell-Gustafson and VIP Amphitheatre lots.



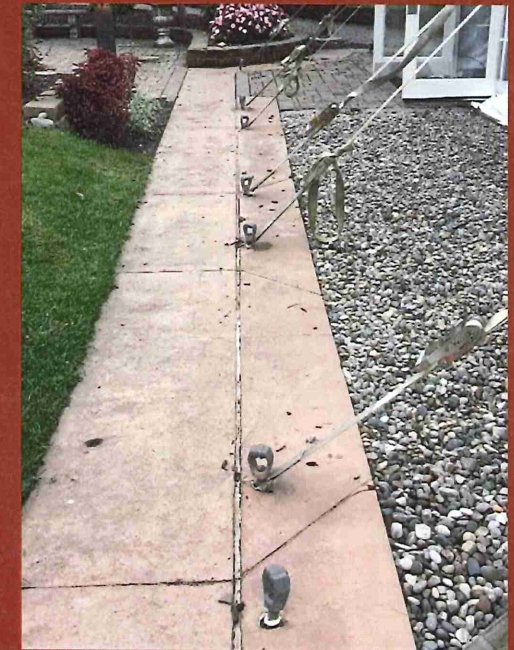
East & West Venues: Service Upgrades



Concept Prep Kitchen



Concept Restroom



Eliminate Poles, Support Stakes and Tiedown Cords

Critical upgrades for both Event Venues include constructing small, low-profile service structures to house adjacent Restrooms, Equipment Storage, and a prep & serve kitchen

A Framed Tent will extend the event season, increase aesthetics and improve safety





Funding Plan



Funding Plan

Cost Estimate of \$5.5m

	Visitor Center	West Tent (New)	East Tent (Existing)	
Const, & Owner Costs	\$ 2,500,000	\$ -	\$ -	
Equipment	\$ -	\$ 355,000	\$ 235,000	
HVAC	\$ -	\$ 150,000	\$ 200,000	
Site Improvements	\$ -	\$ 150,000	\$ 150,000	
Service Drive	\$ -	\$ 100,000	\$ -	
Service Building	\$ -	\$ 560,000	\$ 700,000	
Contingency	\$ 200,000	\$ 100,000	\$ 100,000	
TOTAL	\$ 2,700,000	\$ 1,415,000	\$ 1,385,000	\$ 5,500,000



Funding Plan

Increased Revenue Projection

	Current State Single Venue	Additional Revenue Dual Venue	Total
Rental Revenue	\$3,037,770	\$1,353,531	\$4,391,301
Rental Expense	\$2,289,227	\$851,063	\$3,140,290
TOTAL NET	\$748,543	\$502,469	\$1,251,012



Funding Plan

All Revenue Sources

Source	Amount	Frequency
FUNDRAISING		
Naming Opportunities	\$ 1,750,000	One Time
Individuals	\$ 250,000	One Time
TOTAL	\$ 2,000,000	
NEW REVENUE		
Second Events Tent	\$ 500,000	Annual
Winter Wonder Lights	\$ 200,000	Annual
TOTAL	\$ 700,000	
MURILLO PAINTING		
Sales Proceeds (Contingency)	\$ 1,000,000	One Time
TOTAL	\$ 1,000,000	



Proceeds from Murillo Sale

The Oakland University Board of Trustees approved the sale of the artwork *Infant Saint John the Baptist in the Wilderness*, by Bartolomé Esteban Murillo on June 21, 2021. President Pescovitz met with the Detroit Institute of Arts Board in November 2021; which voted to approve the purchase. Artwork was sold to the DIA in December 2021. The proceeds will be used to support Meadow Brook Estate.



Original Artwork



Restored Artwork



On display at the DIA





Funding Plan

Solutions



Visitor Center Fundraising

While the West Event Venue has a strong revenue versus payback business model, the Visitor Center has little new revenue potential. It does, however, have naming opportunities with fundraising prospects. University Advancement has initiated efforts to generate \$2 million by July 2022 to contribute towards construction.

University Term Loan

Utilize OU's working capital to finance the entire scope of projects for up to \$5.5 million to be paid back to the University, with 4.25% interest, from philanthropy and increased revenue. Philanthropy will be applied to the loan principal upon receipt; and beginning in FY24, the first full year of earning potential for the new West Event Venue, annual payments will be made to the University from increased revenue.

Proceeds of Art Sale

The Murillo Painting sale netted \$1m. A portion or the entirety could be applied towards the Visitor Center costs. These proceeds will be utilized as a backstop for any shortfalls in philanthropy.

Funding Plan

Capital Repayment Timeframe

Borrowed Amount	Loan Term in Years	Annual Repayment Amount	4.25 % Interest Payment	Total Repayment Amount
\$ 3,500,000.00	10	\$ 437,000	\$ 869,000	\$ 4,369,000
\$ 5,500,000.00	15	\$ 503,000	\$ 2,050,000	\$ 7,550,000

Funding plan has an Annual Interest Rate of 4.25%.

The 4.25% rate is above the 10-year average return for OU's working capital investment fund (4%).

Loan will be paid off in approximately 10 years.

The ability to make higher annual payments is anticipated, and a goal. This would shorten the payment timeframe and amount of interest paid.

Entirety of capital loan will be repaid through Auxiliary Revenue and will not utilize General Fund sources.





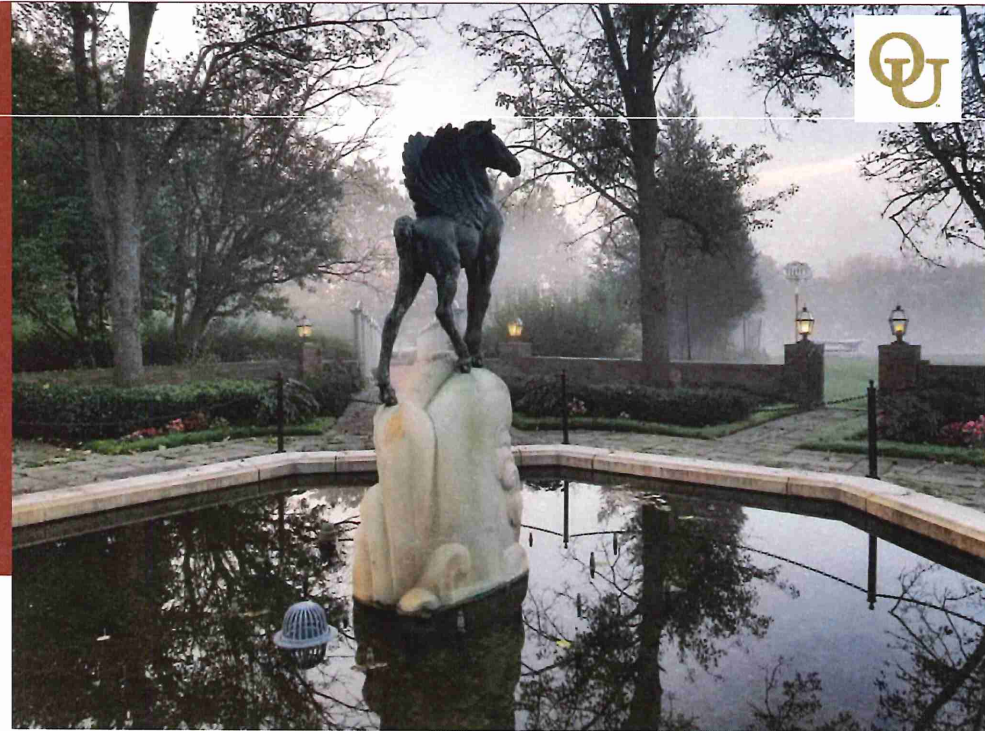
Timeline





Timeline

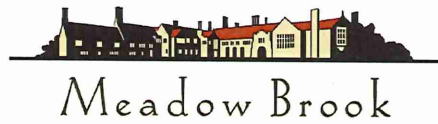
- Upon Approval, Projects Launch in 2022
- Visitor Center, Orientation Gallery & Learning Center
- Events Venue: New, Improved, & Connected



Milestone Draft Timeline



Thank You



OAKLAND UNIVERSITY
MEADOW BROOK ESTATE CONSTRUCTION

Board of Trustees Meeting

February 7, 2022

QUICK FACTS

- **Construction Area:**
 - **New Structures/Sites: 10,200 GSF**
 - 1,800gsf Visitor Center
 - 3,600gsf Venue Services Buildings
 - 4,800gsf West Venue Garden Tent Pad
 - **Renovation: 9,200 GSF**
 - 2,000gsf Visitors Garage
 - 7,200gsf East Venue Garden Tent
- **Project Budget: \$5,500,000**
- **Start of Construction: Spring 2022**
- **Start of Occupancy: Fall 2022**

Meadow Brook Estate



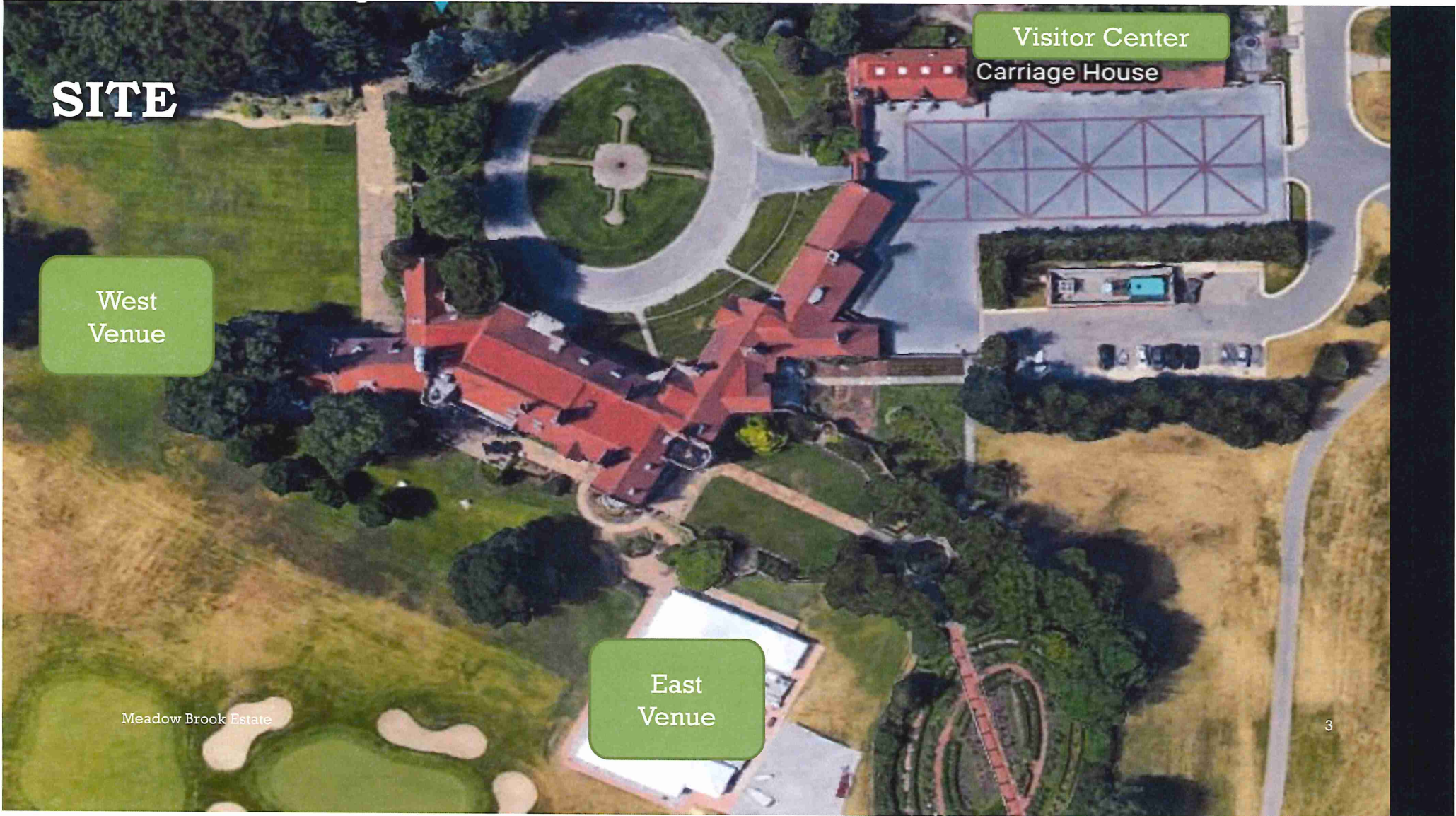
SITE

Visitor Center
Carriage House

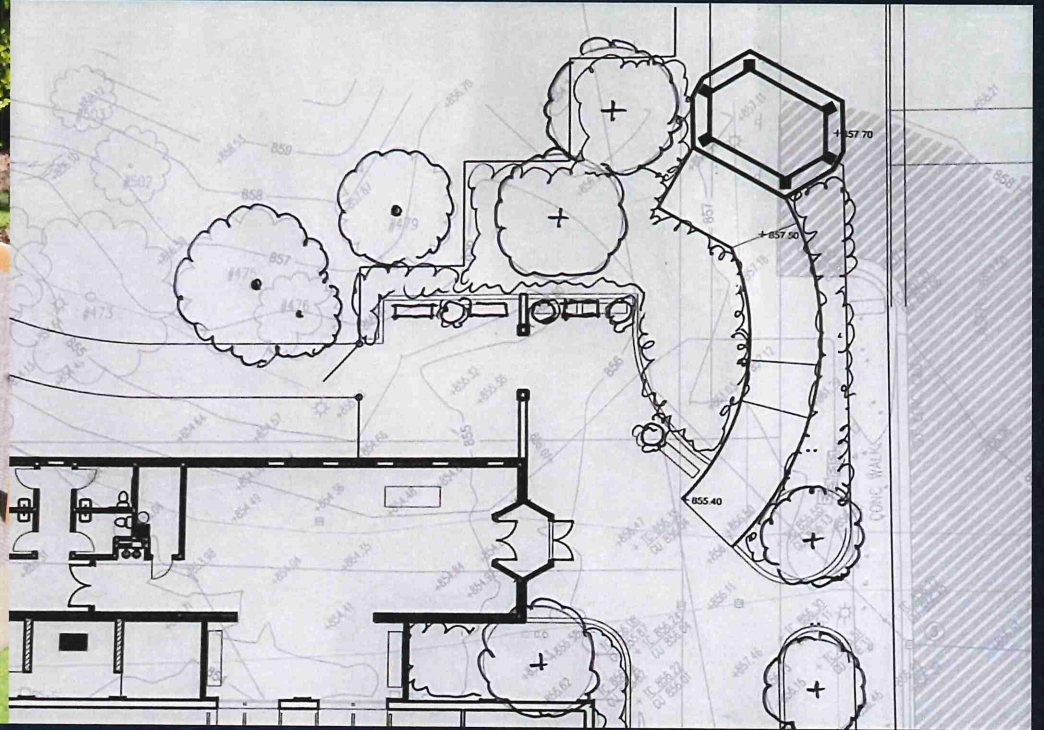
West
Venue

East
Venue

Meadow Brook Estate



VISITOR CENTER BUILDING EXTERIOR



VENUES OVERHEAD



WEST

Meadow Brook Hall
Historic estate
offering regular tours

EAST

Meadow Brook Estate

WEST VENUE RENDERINGS



Meadow Brook Estate



PROGRAM

Project Objectives

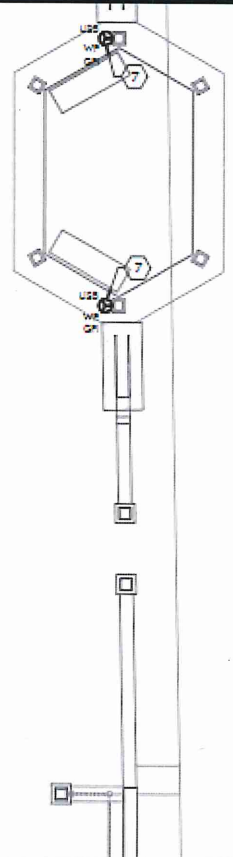
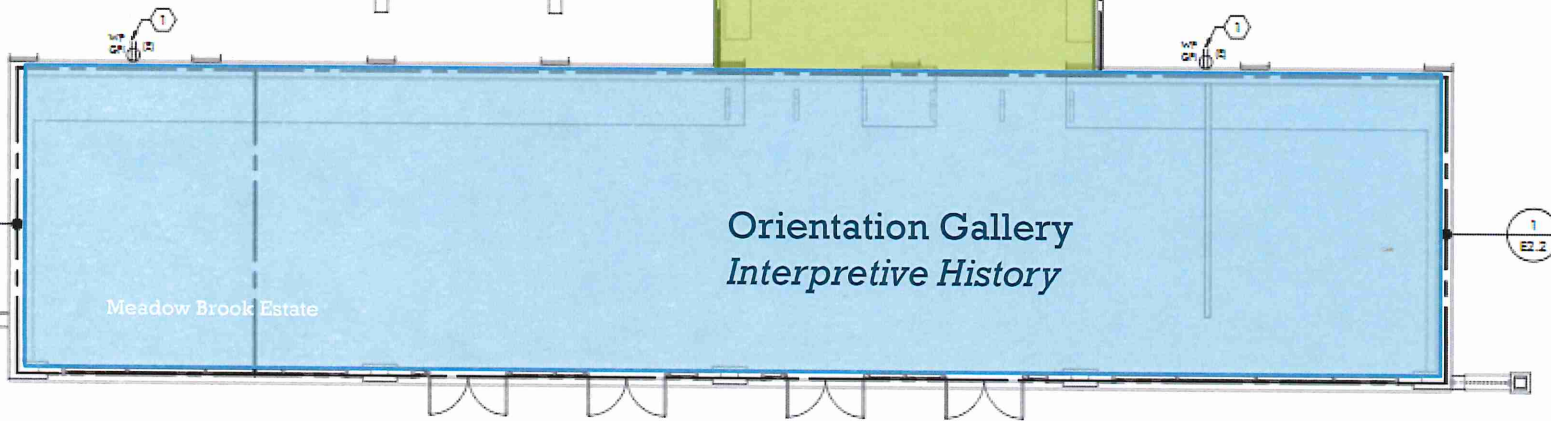
- Construct new **Visitor Center** at property entrance to include retail and ticket sales, program information and accessible restrooms
- Renovate Visitors Garage to provide **Orientation Gallery**, where the history of the founding of Oakland University and Dodge-Wilson family legacy is presented
- Construct **Service Buildings** adjacent to East and West Event Venues providing accessible restrooms and prep kitchen facilities
- Install New West Venue **Garden Tent** and Pad, and Upgrade East Venue Site

PROGRAM

Engagement Objectives

- The **Visitor Center** allows us to have a “front door” to improve service delivery, provide accessible facilities, and present a welcoming entrance for public tours and events
- The **Orientation Gallery** shares the history of Oakland University, including the connection to Matilda Dodge Wilson and the construction of Meadow Brook Hall
- **Service Buildings** are expected to improve food service delivery and increases guest satisfaction with adjacent accessible restrooms
- The second **Garden Tent** and Pad will double our capacity to hold more, and larger private and University events; more opportunities to provide access to Oakland University, Meadow Brook Hall, as well as increase revenue

FULL BUILD VISITOR CENTER



FULL BUILD WEST VENUE

Meadow Brook Estate

