

**APPROVAL OF LEASE AGREEMENT FOR  
CONSTRUCTION AND OPERATION OF A HIGH ROPES  
ADVENTURE/CHALLENGE COURSE**

**A Recommendation**

1. **Division and Department:** Operations and Finance and Student Affairs Divisions
2. **Introduction:** In 2016, the Oakland University (OU) President charged the Chief Operating Officer and the Vice President for Student Affairs and Chief Diversity Officer to investigate opportunities for enhancement of campus life. A Taskforce was formed to carry out this directive. This activity was in direct support of the Strategic Plan to support student success. The Taskforce recommended the issuance of a request for proposals (RFP) seeking interested parties that could construct and operate an aerial adventure park on one of the treed areas of OU's campus.

Aerial adventure parks are high ropes and zip-line obstacle courses suspended in the trees. Relying on a natural setting, aerial adventure parks contain multiple "runs" with various obstacles spanning multiple degrees of difficulty for the patron. Over the years, two major categories of aerial adventure parks have developed: "pay-to-play" parks directed toward purely recreational purposes and experiential parks that are more focused on team building, education, and therapy.

In addition to providing an enhanced campus life, having such an aerial adventure park on the OU campus will also provide meaningful integration opportunities to our surrounding community. This is also in direct support of the Strategic Plan and will bring attention to the other assets OU has to offer.

On March 1, 2017, OU issued an RFP for this purpose. On April 6, 2017, OU received one proposal, from Auburnfly LLC, with final bid clarifications continuing through September 2017. Auburnfly LLC's proposal includes a concept that combines experiences from both types of aerial adventure parks and the representation that it can create an experience that can be enjoyed as a purely recreational activity, while also offering the right setting to produce an exceptional experience for those seeking a comprehensive team building experience.

**Approval of Lease Agreement for Construction and  
Operation of a High Ropes Adventure/Challenge Course  
Oakland University  
Board of Trustees Formal Session  
February 5, 2018  
Page 2**

Therefore, pursuant to the Board of Trustee's Policy and Procedures for Disposal, Acquisition, Lease, and Other Transfer of Real Property Interests, the Administration seeks authority to enter into a lease agreement with Auburnfly LLC that will likely include:

- The lease of 3 to 5 acres within a 9.1 acre site in a section of mature hardwood trees located in the northeast quadrant of OU's campus, as more fully depicted on Attachments A and B.
- Parking for the aerial adventure park will be permitted on the adjacent grass field directly to the East of the facility.
- Auburnfly will be responsible for the design, construction, year round operation, maintenance, safety, and management of the aerial adventure park and adjacent parking area, and sales of equipment and apparel; all aspects being subject to OU's prior approval and in compliance with applicable federal and state requirements and industry standards for safety.
- Auburnfly will be required to maintain its own insurance and be responsible for the entire cost of damages, claims and other liabilities.
- The aerial adventure park will be required to operate within OU's vision, mission and institutional values, as well as accommodate OU's students, programs and events.
- The aerial adventure park will be aesthetically and functionally integrated into the surrounding environment and will be constructed in a manner that has negligible environmental impact, and in a manner for potential removal at the end of the lease term.
- The term of the lease will be for nine years with OU's option to renew the lease for two additional two-year periods.
- Annual rental payments will be based upon Auburnfly's gross receipts: 5% of the first \$500,000 of gross receipts; 7% of the next \$500,000 of gross receipts; and 9% of all gross receipts beyond \$1,000,000.

If approved by the Board of Trustees, the Administration will strive to open the aerial adventure park in the summer of 2018.

**Approval of Lease Agreement for Construction and  
Operation of a High Ropes Adventure/Challenge Course  
Oakland University  
Board of Trustees Formal Session  
February 5, 2018  
Page 3**

3. **Previous Board Action:** None.
4. **Budget Implications:** Upon commencement of operations, the Administration estimates the aerial adventure course to generate approximately \$35,000 in rent for OU in the first year of operation, \$62,000 in the second year, \$80,000 in the third year, \$100,000 in the fourth year, and \$120,000 in the fifth year, with rents to stabilize or increase during the final years of the lease.
5. **Educational Implications:** The aerial adventure course will enhance student life by providing students and student organizations learning opportunities anchored in experiential education. In this unique setting, student engagement will occur that leads to students learning effective communication, team building, and problem-solving skills, as well as having fun.
6. **Personnel Implications:** None. Administrative oversight of the course will be integrated into Recreation and Well-Being.
7. **University Reviews/Approvals:** This proposal was reviewed and approved by the Taskforce, the Chief Operating Officer, the Vice President for Student Affairs and Chief Diversity Officer.
8. **Recommendation:**

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer to negotiate and execute a lease with Auburnfly, LLC upon the terms and conditions referenced in this Agendum item; and, be it further

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer and his respective designees to perform all acts and deeds and execute and deliver all contracts, instruments and documents that are necessary, expedient and proper in connection with the lease; and, be it further

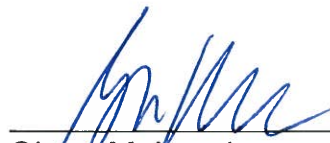
RESOLVED, that the lease and all other contracts, instruments and documents shall be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and shall be in compliance with the law and University policies and regulations, and shall conform to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

**Approval of Lease Agreement for Construction and  
Operation of a High Ropes Adventure/Challenge Course  
Oakland University  
Board of Trustees Formal Session  
February 5, 2018  
Page 4**


**9. Attachments:**

- A. OU Campus Site Map
- B. Legal Description-Adventure Challenge Course Boundaries

Submitted to the President  
on 1/31/18, 2018 by

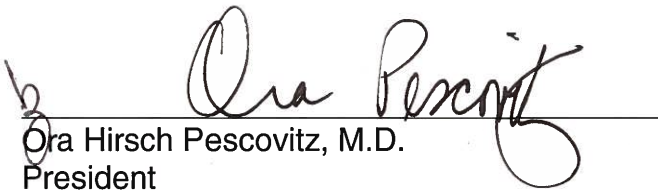


Glenn McIntosh  
Vice President for Student Affairs and  
Chief Diversity Officer

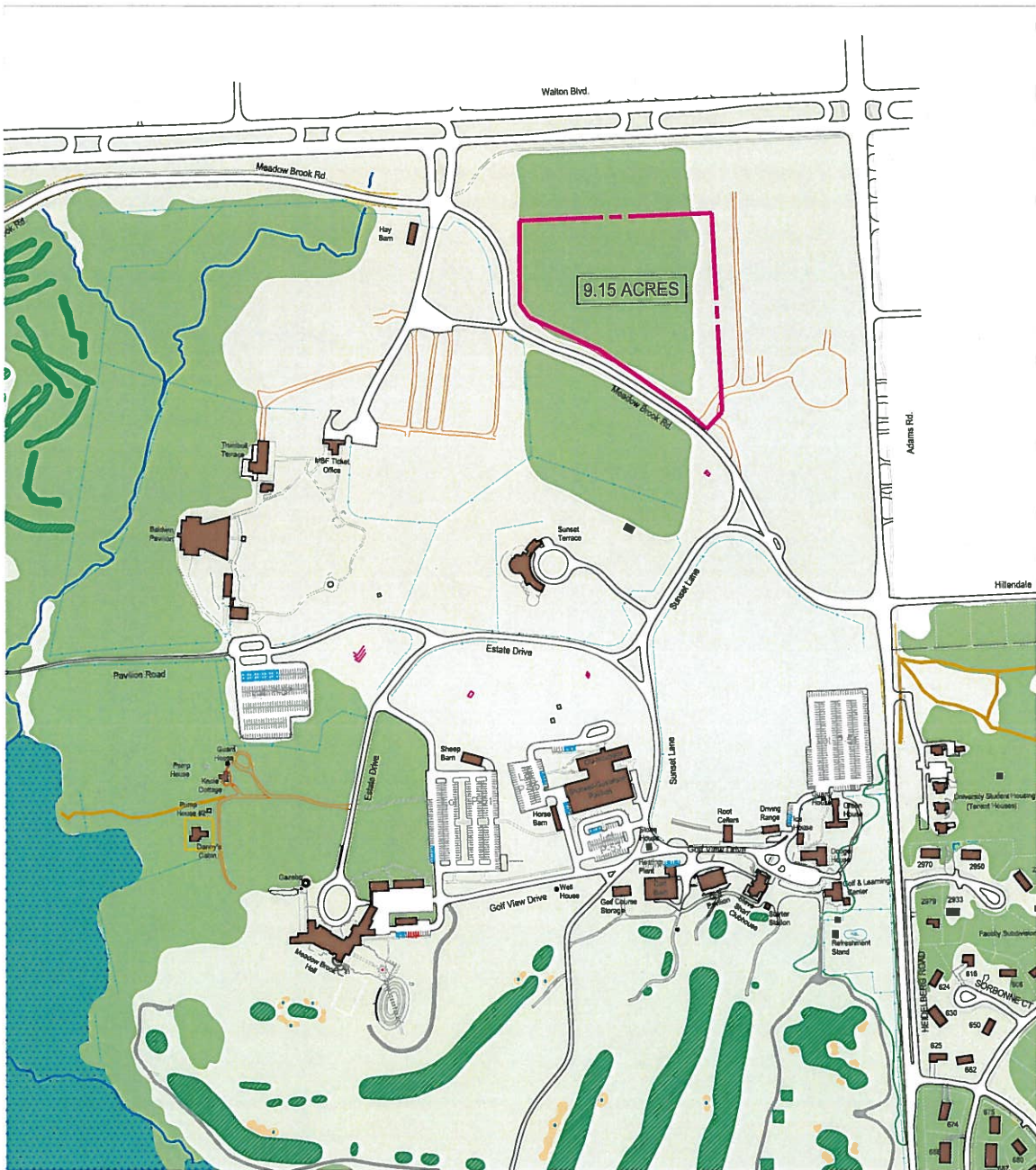


Scott Kunselman  
Chief Operating Officer

Recommended on 2/1, 2018  
to the Board for Approval by



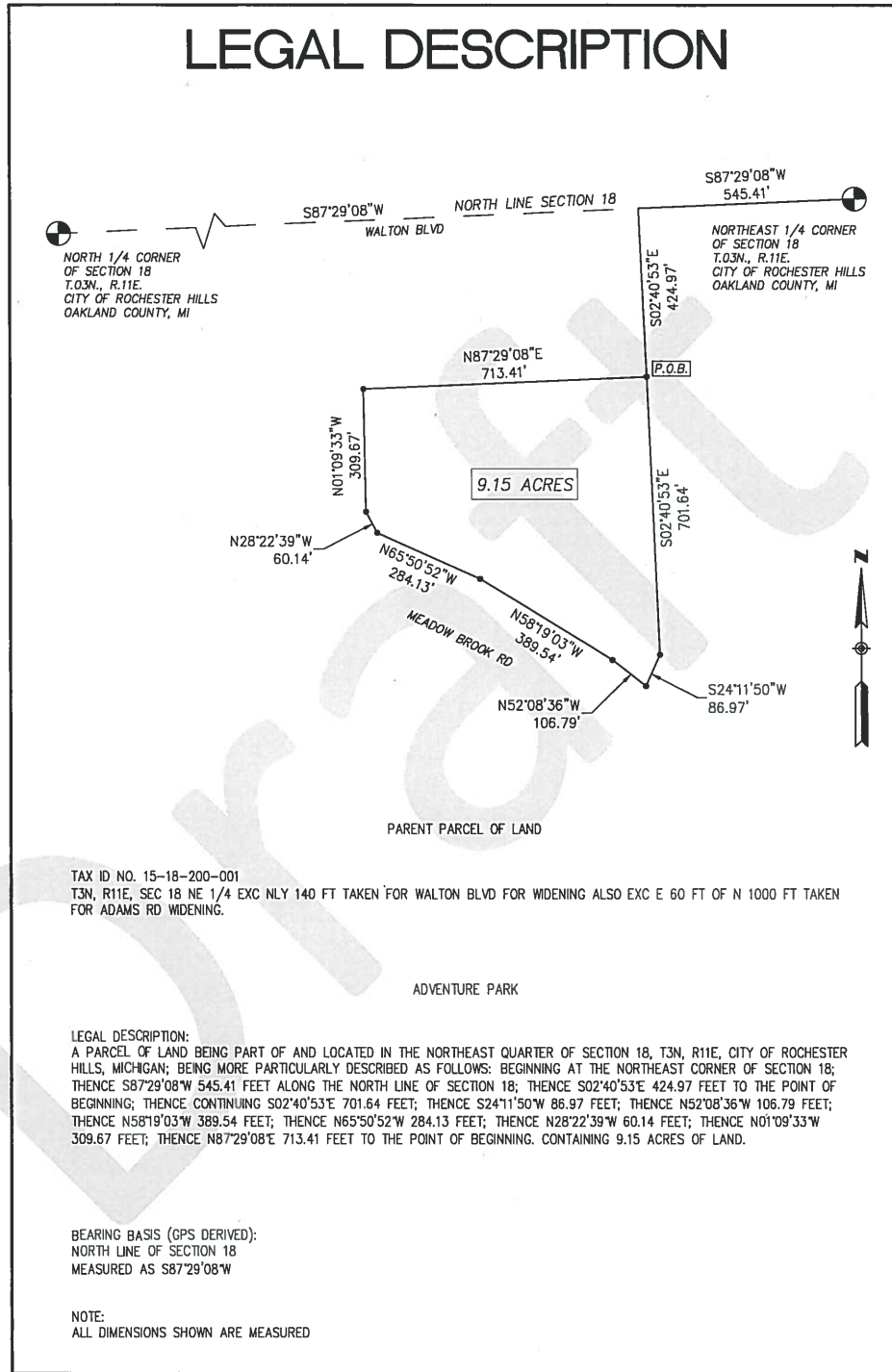
Ora Hirsch Pescovitz, M.D.  
President



Oakland University  
Adventure Park Site Location



# LEGAL DESCRIPTION



TAX ID NO. 15-18-200-001  
 T3N, R11E, SEC 18 NE 1/4 EXC NLY 140 FT TAKEN FOR WALTON BLVD FOR WIDENING ALSO EXC E 60 FT OF N 1000 FT TAKEN FOR ADAMS RD WIDENING.


ADVENTURE PARK

LEGAL DESCRIPTION:  
 A PARCEL OF LAND BEING PART OF AND LOCATED IN THE NORTHEAST QUARTER OF SECTION 18, T3N, R11E, CITY OF ROCHESTER HILLS, MICHIGAN; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF SECTION 18; THENCE S87°29'08"W 545.41 FEET ALONG THE NORTH LINE OF SECTION 18; THENCE S02°40'53"E 424.97 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S02°40'53"E 701.64 FEET; THENCE S24°11'50"W 86.97 FEET; THENCE N52°08'36"W 106.79 FEET; THENCE N58°19'03"W 389.54 FEET; THENCE N65°50'52"W 284.13 FEET; THENCE N28°22'39"W 60.14 FEET; THENCE N01°09'33"W 309.67 FEET; THENCE N87°29'08"E 713.41 FEET TO THE POINT OF BEGINNING. CONTAINING 9.15 ACRES OF LAND.

BEARING BASIS (GPS DERIVED):  
 NORTH LINE OF SECTION 18  
 MEASURED AS S87°29'08"W

NOTE:  
 ALL DIMENSIONS SHOWN ARE MEASURED

Plotted: Jan 3, 2018, 4:15 PM by user: 793 - Saved: 1/3/2018 by user: 793  
 C:\SM\SM17139\DWG\LEGAL.dwg

 <b>SPALDING DeDECKER</b> Engineers   Surveyors	DRAWN: J. MCINTYRE	DATE: 01-03-18
	CHECKED: G. PLATZ	DATE: 01-03-18
905 South Blvd. East Rochester Hills, MI 48307 Phone: (248) 844-5400 Fax: (248) 844-5404 www.sda-eng.com	MANAGER: G. PLATZ	SCALE: 1" = 300'
	JOB No. SM17-139	SHEET: 1 OF 1
SECTION 18 TOWN 03 NORTH RANGE 11 EAST ROCHESTER HILLS OAKLAND COUNTY, MI		



# High Ropes Adventure/Challenge Course

## What is a high ropes course?

- Aerial adventure parks are high ropes and zipline obstacle courses suspended in the trees
- Relying on a natural setting, aerial adventure parks contain multiple “runs” with various obstacles spanning multiple degrees of difficulty
- Two major categories of aerial adventure parks are:
  - “Pay-to-play” parks directed toward purely recreational purposes
  - Experiential parks focused on team building, education, & therapy
- The OU course combines both experiences



# How does this benefit students?



## Strategic Goal #1 - Student Success

The park will enhance student life:

- Provide students experiential learning opportunities
- Offer students discounts, employment, and intern opportunities
- Leads to learning effective communication, team building, and problem-solving skills, as well as having fun

# How does this benefit OU?



## Strategic Goal #3 - Community engagement

The park will connect us with our community:

- Offer team building experiences for company outings
- Provide recreational opportunities for the general public
- Improve awareness of the University and what it has to offer

# Who is Auburnfly LLC?

## Auburnfly LLC:

- A national aerial adventure park operator based in Southeast Michigan, founded in 2014
- Owns and operates parks in West Bloomfield, Grand Rapids, and Raleigh, North Carolina
- Each park has courses of varying difficulty for all ages
- Each park is constructed and operated to national Association of Challenge Course Technology (ACCT) standards to ensure safety and quality of experience for patrons

# Auburnfly LLC Background



- Auburnfly LLC has partnered with several public organizations to improve their site utilization by driving additional activity from otherwise unused land
- The parks have increased visibility within the community, improved awareness and engagement
- Focus on safety, has given the parks a perfect operating safety record
  - Fully insured, hold liability insurance in compliance with University Standards
  - Staff are required to pass a five (5) day training program

# OU Course Proposal



- Auburnfly LLC is offering a mutually beneficial and sustainable partnership opportunity, including improving our site utilization by driving additional revenue from otherwise unused land
- Responsible for all costs associated with the design, build, maintenance, operation, and management of the park
- Create a safe environment, designed to challenge ages 4+ and all fitness levels, emotionally and physically, to find their own limits

OAKLAND  
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# What standards will they follow?



Auburnfly LLC has partnered with industry design and construction leaders – Experiential Systems, Inc. (ESI). ESI has and provides the following:

- Over 150 years of combined experience in the experiential/adventure field
- Construction meets the written standards of:
  - ANSI/ACCT Challenge Course and Zip Line Standards
  - American Society for Testing and Materials- International (ASTM) F-24.60 Aerial Adventure parks and Zip Lines, National Association of Amusement Ride Safety Officials (NAARSO)
  - Climbing Wall Association (CWA)
  - All applicable local and federal building codes





