

**APPROVAL OF AUTHORIZATION FOR OPERATOR AGREEMENT
FOR MEADOW BROOK MUSIC FESTIVAL**
A Recommendation

1. **Division and Department:** Finance and Administration Division
2. **Introduction:** Meadow Brook Music Festival (MBMF), Oakland University's (University) outdoor summer amphitheater, has been managed by Palace Sports & Entertainment (PS&E) since 1996. During that time, PS&E has overseen all aspects of the facility, including entertainment bookings, rentals, advertising, staffing, concessions, parking, and grounds. The agreement was renewed in 2014 for an additional ten years, with an expiration date of December 31, 2024. In October, 2017, the agreement was transferred from PS&E to 313 Presents, LLC ("313"). In January, 2021, an amendment was approved to defer the balance of the 2020 MBMF lease payment (\$125,000) to the end of the lease term.

Discussions occurred from May through December, 2024 between the Senior Vice President, Finance and Administration, and 313 regarding an additional 10-year renewal of the current agreement. The Senior Vice President of Finance and Administration focused on expanding academic and student opportunities through the 313 partnership after engaging key stakeholders from the College of Arts and Sciences as well as Student Affairs.

Academic and Student opportunities in the proposed agreement include:

- \$15,000 annual gift from 313 to the University's Arts Department
- Consulting services provided to the University, upon mutual agreement, to share expertise, facilitate introductions, etc. to help the University replace theater equipment, expand Arts Department capabilities, etc.
- Student Internship opportunities with 313
- Student seasonal employment opportunities with 313
- Brand marketing to maximize the University's brand visibility and drive student engagement via 313 events.

Financial highlights of PS&E's proposal include:

- \$225,000 prepaid rent inclusive of deferred rent from the current agreement
- \$175,000 annual rent for the first five years of the agreement, increasing to \$185,000 for each of years 6-10 of the agreement.
- Annual leasehold improvements and/or capital improvements to the MBMF with annual reports to the University outlining such improvements.
- Ten-year lease renewal

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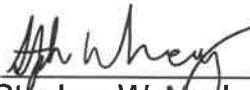
Board approval is required for a ten-year lease of the MBMF by 313 Presents.

3. **Previous Board Action:** On December 12, 1996, the Board of Trustees (Board) approved a ten-year lease agreement between the University and PS&E for the management of MBMF, with an option to extend the lease term for an additional five years through September 30, 2011. On September 28, 2010, the Board approved an amendment to the lease which extended the agreement through September, 30 2014. On October 22, 2014, the Board approved the authorization for the Vice President of Finance & Administration to negotiate and execute a ten-year Operator Agreement with MBMF contingent on the review and approval of the Office of the Vice President for Legal Affairs and General Counsel.
4. **Budget Implications:** Terms of the proposal include a one-time \$225,000 upfront payment, annual rent payments of \$175,000 in Years 1-5 and \$185,000 in Years 6-10.
5. **Educational Implications:** A \$15,000 annual gift will enable the Arts Department to support academic initiatives beyond general fund availability. Formal internships and seasonal employment will provide students with opportunities to learn about the sports and entertainment industry.
6. **Personnel Implications:** None.
7. **University Reviews/Approvals:** This agenda was formulated by the Senior Business Manager for Finance and Administration and reviewed by the Senior Vice President for Finance and Administration and President.
8. **Recommendation:**
RESOLVED, that the Senior Vice President for Finance and Administration be authorized to negotiate and execute a ten-year Lease Agreement, with the potential for appropriate extensions, for Meadow Brook Music Festival with 313 Presents; and, be it further

RESOLVED, that the agreement be reviewed and approved by the Office of 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 and policies of the Vice President for Legal Affairs and General Counsel.
9. **Attachments:** None.

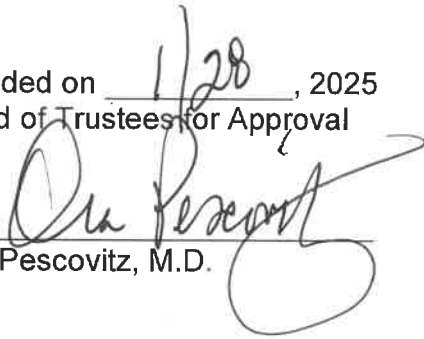
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Submitted to the President
on 1/27/2025, 2025 by



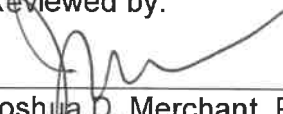
Stephen W. Mackey
Senior Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on 1/28, 2025
to the Board of Trustees for Approval



Ora Hirsch Pescovitz, M.D.
President

Reviewed by:



Joshua D. Merchant, Ph.D.
Chief of Staff and
Secretary to the Board of Trustees