University of Michigan
Rec. Sports & Univ. Unions
Facility Improvements Student Fee Study

Executive Summary
February 13th 2012

Preliminary & Advisory / Draft

BRAILSFORD & DUNLAVEY
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Work Plan

Plan Development

2003 Recreational Sports Study

2010 University Unions Master Plan

2011 Recreational Sports Strategic Facilities Planning Study
Work Plan
Understanding Demand

What is knowable?

- Market and Submarket Size & Composition
- Supply Inventory & Characteristics
- Supply Performance
- Current Behavior by Demographic Characteristics
- Preference Schedules by Submarket
- Aversion Schedules by Submarket
- Projected Patron Flow Given Unconstrained Conditions
- Degree and Nature of Support By Submarket

B&D’s Predictive Analytics Have Been Developed and Refined Over 20 Years While Planning 350 Campus Recreation & Union Projects.
### Work Plan

#### Schedule

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<th>Phase I: Mobilization and Familiarization</th>
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<th>December</th>
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<td>- Review Documentation &amp; Data Materials</td>
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Work Plan

Student Engagement Process

2003: Recreational Sports Study
- Survey: 780 respondents
- Focus Groups: 5+ conducted

2010: University Unions Master Plan
- Focus Groups: 57 participants
- Survey: 1,348 respondents

2011 Recreational Sports – Strategic Facility Planning Study
- Focus Groups: 100+ participants
- Survey: 1,513 respondents

2012 Facility Improvements Fee Study
- Focus Groups: 85 participants
- Facility Demand Survey: 2,935 (1,837 students & 1,098 faculty / staff)
- Fee Tolerance Survey: 1,537 total student respondents
Agenda

- Work Plan
- Strategic Visioning
- Summary of Project Findings
- Recommendations
- Next Steps
Strategic Visioning Results

- Educational Outcomes
- Enrollment Management
- Campus / University Community
- Financial Performance

- Priority Order of Facilities & Project Concept
- Target Market & Facility Location
- Architectural & Construction Quality
- Institutional Will & Operating Paradigm
Priority Order of Facilities & Project Concept

Recreational Sports:
- A comprehensive facility for all forms of recreational sports is important.
  - Self-directed fitness activities should be treated as the highest priority and sized accordingly.
  - Student leadership opportunities should be supported with a robust offering of intramural and club sport facilities

University Unions:
- To support the 1,200+ student organizations, organization support spaces should be treated as a first priority with respect to both size and location.
- Drop-in spaces, like study spaces and lounges, should also be sized to meet a substantial portion of demand.
- Administrative spaces typically found in a “Student Services Building” are not a priority.
Target Market & Facility Location

Recreational Sports:

- All students (undergrad and grad) are the primary audience.
- University employees are an important second priority, but alumni and community use should be limited.
- Facilities should be distributed around campus to maximize convenience of / participation in self-directed fitness; however, intramural and club sports venues can be centralized or concentrated in a single location.

University Unions:

- Students and student organizations are the highest priority.
- Faculty and staff an important secondary user group; alumni are a tertiary priority.
- Community and visitor use is a lower priority.
- Facilities should be distributed to closely associate with housing and other demand drivers.
Strategic Visioning Results

Architectural & Construction Quality

Recreational Sports and University Unions:

• Renovations to the Heritage buildings should preserve the existing character.

• Architecturally, new construction on North Campus should be contextual with / similar to other North Campus facilities.

• Sustainability is a high priority on campus and should be incorporated into both new construction and renovation projects, where applicable.

• All University buildings should comply with campus design standards.

• Systems and materials should be highly durable to ensure low maintenance costs.
Strategic Visioning Results

Institutional Will & Operating Paradigm

Recreational Sports and University Unions:

• To maximize the benefit of these facilities and associated programs for students, fees should be inclusive so that students are not charged numerous program, activity and service fees.

• The University should use its balance sheet to maximize debt per student fee dollar through employing a debt coverage ratio of 1.1 to 1.

• A high level of service and maintenance should be budgeted for and maintained to avoid material deferred maintenance.
Agenda

- Work Plan
- Strategic Visioning
- Summary of Project Findings
- Recommendations
- Next Steps
Summary of Project Findings

1. Current facilities (quantity and quality) are well below University of Michigan & national standards.
2. Recreational Sports and University Unions improvements are a priority to the entire campus community.
3. Improved facilities would reinforce student life strategic objectives.
4. Improvements to Central Campus facilities will have the largest impact.
5. North campus improvements are essential to improve utilization, student engagement and to realize the vision outlined in the NC Master Plan.
6. Students support immediate implementation.
7. Implementation pace is directly related to affordability.
Summary of Project Findings

1. Current facilities (quality and quantity) are well below University of Michigan & national standards.

Recreation

- 48% of students & 41% of faculty/staff believe current recreation facilities are unsatisfactory or very unsatisfactory compared to other universities.
- U-M currently has 6 SF per student as compared with 10 SF at comparable institutions.
- Recreation facilities have never had major renovations and $51M (2012 dollars) in infrastructure deficiencies have been identified.
- Peer institutions that have built or renovated facilities in the last 15 years have done so with student fees ranging from $112 - $397 per year.

Unions

- The Unions facilities are deficient in student organization space, lounge space, infrastructure, etc.
- Unions facilities have not been renovated in 17 years, and $57M (2012 dollars) in infrastructure deficiencies have been identified.
- Peer institutions that have built or renovated facilities in the last 15 years have done so with student fees ranging from $172 - $424 per year.
Summary of Project Findings

Benchmark Analysis – In-State Tuition & Fees

Cornell*
Notre Dame*
Emory*
Stanford*
Yale*
Duke*
Northwestern*
Princeton*
Penn State
Michigan
Illinois
UCLA
Minnesota
Michigan State
Virginia
UC Berkeley
Ohio State
Maryland
Indiana
Purdue
Iowa
Washington
Wisconsin
North Carolina

* Do not differentiate between in-state and out-of-state tuition
** Annual Tuition and Fees based on a Fall and Spring semester
** All Data from Common Data Sets

Average = $20,601
Summary of Project Findings

2. Recreational Sports and University Unions improvements are a priority to the entire campus community.

Recreation
- A majority of respondents believe improved recreational sports facilities are a priority.
  - 93% of students
  - 90% of faculty / staff

Unions
- Respondents also believe that improved union facilities are a priority.
  - 78% of students
  - 79% of faculty / staff
Summary of Project Findings

3. Improved facilities would reinforce student life strategic objectives.

- Over 80% of all student respondents on survey #1 report that improved facilities would:
  - Provide healthy lifestyle options: 94%
  - Reduce stress: 92%
  - Better meet their needs: 89%
  - Retain more students: 86%
  - Improve the quality of life: 84%
  - Enhance the campus community: 83%
  - Increase time students spend on campus: 81%
Summary of Project Findings

4. Improvements to Central Campus facilities will have the greatest potential impact.

Recreation
- Most students (64%) prefer Recreational Sports facility improvements on Central Campus
- Utilization of Recreation facilities on Central Campus will increase by 24% with the proposed improvements

Unions
- Most students (69%) prefer Unions facility improvements on Central Campus
- Utilization of Unions facilities on Central Campus will increase by 42% with the proposed improvements
Summary of Project Findings

5. Improvements to North Campus are essential to improve utilization, student engagement and to realize the vision outlined in the NC Master Plan.
   - Many respondents were not familiar with the NCRB (51%) or Pierpont Commons (40%).
   - A hybrid rec and union facility will efficiently maximize utilization, create vibrancy, and achieve NC Master Plan goals.
Summary of Project Findings

6. Students support immediate implementation.

- 87% of survey respondents feel that Recreational Sports and University Unions facility improvements are a priority.
- 67% of survey respondents would support a student fee to fund improvements.
Summary of Project Findings

7. Implementation pace is directly related to affordability.

Cost Per Square Foot

- 2012 dollars = $325
- 2017 dollars = $400
- 2022 dollars = $475

For a college-market project estimated to cost $166/SF (index average cost in 2000), adjusted to Ann Arbor market and escalated using RS Means data.
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Recommended Project Concept

Phase I: Highest Student Impact
- CCRB Renovation & Expansion
- Michigan Union Renovation
- NCRB & Pierpont Commons Minor Improvements

Phase II: Historic Infrastructure
- IM Sports Building Renovation
- Michigan League Renovation
- Outdoor Rec Fields Improvements

Phase III: North Campus Revitalization
- Demo Pierpont Commons
- New Hybrid Rec/Union

Preliminary & Advisory
Recommended Project Concept

Phase I (~$200M)

- **Central Campus Recreation Center (CCRB)**
  - Full renovation & expansion
    - More weight & cardio, multi-purpose space and a new building entrance
    - Improved pool, elevators, locker rooms, way finding, lighting, ventilation

- **Michigan Union**
  - Full renovation
    - Restoration of historic character
    - New student life spaces

- **North Campus Recreation Center (NCRB)**
  - Light Renovation
    - More weight & cardio, new entry, improved locker rooms

- **Pierpont Commons**
  - Renovation of dining and common areas
Recommended Project Concept

Phase II (~100M)

- Intramural Sports (IM) Building
  - Full Renovation
    - Restoration of historic character
    - Improved pool, locker rooms, equipment, elevator, ventilation

- Michigan League
  - Full Renovation
    - Restoration of historic character
    - New furnishings, windows, finishes

- Outdoor Fields
  - Renovation
    - Additional synthetic turf fields
    - Storage and support spaces
**Recommended Project Concept**

**Phase III (~100M)**

- **New North Campus Hybrid Union/Rec Building**
  - Demolition of existing Pierpont Commons
  - New hybrid building that includes dining, student life spaces, retail, lounges, weights, cardio, multi-purpose space, etc.
  - NCRB would remain for programs, events, large group rec spaces (pool, gyms)
Recommended Project Concept

Survey Analysis – Fee Tolerance

• 87% of respondents feel that Recreational Sports and University Unions facility improvements are a priority.

• 67% of survey respondents would support a student fee of at least $100 to fund improvements.
  ▪ 58% of respondents are supportive of a fee of $150 - $200 / semester
    • 56% of on-campus students / 60% of off-campus students
    • 55% of graduate students / 66% of business and law students
    • 55% of north campus residents / 58% of central campus

▪ Those not supportive (33%) indicated the following reasons as to why:
  • 21% believe students should not pay fees (8%*)
  • 20% can not afford the fee (7%*)
  • 16% believe it is not worth the price (6%*)
  • 16% are satisfied with existing facilities (6%*)
  • 11% would not use Recreational Sports facilities (4%*)
  • 6% would not use University Union facilities (3%*)

*All survey respondents
Agenda

- Work Plan
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Next Steps

- Project Documentation
- Finalize Funding Strategy: Student Fee, Alt. Revenue, Alt. Funding, etc.
- Initiate Approvals Process
- Integrate with Master Plan
- Concept Development (Phase I): Detailed Programming, Phasing / Renovation

2015-2020

- CCRB Renovation & Expansion
- Michigan Union Renovation
- NCRB & Pierpont Commons Minor Improvements

Phase I:
Highest Student Impact

2020-2025

- IM Sports Building Renovation
- Michigan League Renovation
- Outdoor Rec Fields Improvements

Phase II:
Historic Infrastructure

2025-2030

- Demo Pierpont Commons
- New Hybrid Rec/Union

Phase III: North Campus Revitalization
University of Michigan
Rec. Sports & Univ. Unions
Facility Improvements Student Fee Study

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February 13th 2012