Student Family Housing Redevelopment Committee – Meeting Minutes Summary

Date: 12-02-2014   Time: 1:00PM – 2:30PM PST

Participants: Marilyn Derby (Project Manager), Brittany Derieg (Project Assistant), Professor Michael Rios, Chair of Graduate Student Association Erica Vonasek, Graduate Student Assistant to the Dean and Chancellor Angel Hinzo, Graduate Student Representatives Cutcha Risling Baldy, Carlos Colman Meixner, Gordon Rees, and Paul Johnson, and Undergraduate Student Representative Ryan Reynolds.

Student Family Housing – University Comparison

Surveyed Fall of 2014
This section outlines general housing policies, guidelines, and goals for student family housing at seven comparable four-year universities.

- University of Wisconsin, Madison
- University of Florida
- Iowa State University
- University of Colorado, Boulder
- University of Michigan
- University of Minnesota, Twin Cities
- Ohio State University

Seven comparable university housing divisions were surveyed to collect information about their available student family housing. Basic information was first collected, such as the number of units, variety of units, availability of childcare, etc. Each housing division was also asked to comment on sliding scales for rent, their goals for affordability, creative funding strategies they may have employed or considered, and whether they foresaw the demand for housing for students with families increasing or decreasing relative to overall demand. The results are summarized below.

<table>
<thead>
<tr>
<th>University</th>
<th>Number of units available for students w/families</th>
<th>Number of graduate &amp; professional students</th>
<th>Affordability goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>UW - Madison</td>
<td>1235</td>
<td>9,203/ 2,701</td>
<td>“Aim for less than market”</td>
</tr>
<tr>
<td>U of Florida</td>
<td>980</td>
<td>16,272</td>
<td>Subsidized by undergrad rental rates: 15%</td>
</tr>
<tr>
<td>Iowa State U</td>
<td>186</td>
<td>4,950/ 592</td>
<td>Low rent due to age of facilities, not policy</td>
</tr>
<tr>
<td>UC - Boulder</td>
<td>814</td>
<td>5,721</td>
<td>“Aim for less than market” + Not self-sufficient</td>
</tr>
<tr>
<td>UM – Ann Arbor</td>
<td>800</td>
<td>15,427</td>
<td>At market rate</td>
</tr>
<tr>
<td>UM – Twin Cities</td>
<td>660</td>
<td>17,077</td>
<td>Co-Op Model; slightly lower than market</td>
</tr>
<tr>
<td>UC Davis</td>
<td>276</td>
<td>6,644</td>
<td>Aim to be 15% below market rate</td>
</tr>
</tbody>
</table>
**University of Wisconsin, Madison**

**Eagle Heights**
Eagle Heights features unfurnished apartments for UW-Madison graduate students, students with families, postdoctoral researchers, academic staff, and faculty. Most of the apartment buildings are two stories, with a few three-story facilities. Eagle Heights buildings are not equipped with elevators, but residents may request ground floor apartments. A number of apartments are also equipped to meet special housing accommodations.

**University Houses**
Like Eagle Heights, the 20 acre apartment community offers easy bike or bus access to UW-Madison's campus, numerous picnic and playground areas, a central community center in Eagle Heights, and one of the oldest community gardens in the United States.

The campus aims to keep all student rents under market rate, but has no set percentage that they aim for. They do not have a sliding scale for rent prices based on student or faculty income, though they limit rent increases to 2% each year, slightly below market inflation.

**University of Florida**
As of fall 2013, they are no longer a HUD property (government housing vouchers no longer accepted). They pay back approximately 5.5% of their annual income back to the University as administrative overhead. Rent increases 3.5% a year to cope with increasing expenses.

Graduate Student Family Housing is subsidized by undergraduate rental rates, enough to keep housing slightly below market. They keep costs down by keeping all maintenance and construction in-house. There is no sliding scale for rental rates.

**Iowa State**

**Schilletter (SV) Village Apartments**
SV is typically available to any student who is married or in a domestic partner relationship and/or has custody/visitation rights for dependent children; the student’s spouse/domestic partner and/or dependent children. If the demand for family housing is low, single students may also be accommodated in this area.

**Apartment Types**
First and second floor apartments are available.
All SV apartments are air-conditioned.
Apartments include: two bedrooms, a full bathroom, living room and a kitchen with stovetop, oven, and a refrigerator.
All SV apartments are unfurnished.
Each building has a substantial shared basement with private, lockable storage.
Basement connections allow each family to install their own washer and dryer.
Iowa State is unique in that it does not have any designated housing for graduate students in general, but does have 186 units for students with families. They are all townhouse style, and are rented below market rate, though this is due to the age of the facilities and not because of any creative funding strategies. There are no sliding scales or subsidization of rental rates.

University of Colorado Boulder
The apartment living options provide a variety of neighborhoods for CU students and their families. Rental rates are set by the University Reagents, and Student Housing is not a self-sufficient auxiliary service. There is a significant wait list each year, and they aim for lower than market rate, but do not guarantee it for each of the properties below. There is no sliding scale or subsidization of rental rates.

Graduate & Family Housing Options
Offering furnished and unfurnished one-and two-bedroom apartments and unfurnished studio and three-bedroom apartments. One bedroom (unfurnished) starts at $983.

University of Michigan, Ann Arbor
Northwood is a vibrant apartment community, housing hundreds of families and graduate students on the University of Michigan’s North Campus. Comprised of 21 buildings in five beautiful and interconnected areas, Northwood is owned and operated by the University and includes nearly 1100 apartments.

Currently, University Housing is offering housing to single graduate students, students with families, and postdoctoral research fellows with families. Faculty, staff and other non-students with a University of Michigan affiliation are eligible for University Housing, though at higher rates than for students. Non-student affiliates pay approximately 20% higher rental rates, which subsidize student rates. However, student rents are still around market rate. This is because very few non-students live in University Housing—only 30 units. There is no sliding scale for rents dependent upon income. Utilities are included in rent, as is parking and internet. There is no application fee and no security deposit.

University of Minnesota – Twin Cities
Housing & Residential Life offers two Family Student Housing Properties for students who are married, partnered, and/or have children. Both properties are owned by the University but are independently managed as cooperatives. The contracted cooperatives are resident owned and operated companies that are independent from the University.

Commonwealth Terrace Cooperative (CTC), the first of the two, is a resident-directed management corporation with professional management and staff offering quality housing at affordable prices to University of Minnesota students and their families, married/domestic partnered couples, single graduate students, post doctoral fellows and eligible research associates.

The mission of Commonwealth Terrace Cooperative is to maintain a safe, affordable housing community for University of Minnesota students and their families, where volunteerism, learning, leadership, trust and cross-cultural experiences drive a sustainable co-op culture.
Living cooperatively at CTC means that all residents are responsible for annual and seasonal tasks such as the fire extinguisher exchange, snow shoveling around their apartment, and maintaining cleanliness (internal/external) for annual inspections.

**What is the structure of the cooperative?**
A member-elected volunteer Board of Directors hires a professional General Manager, who, in turn hires staff to manage the day-to-day operation of the cooperative. The Board of Directors, along with volunteer-based committees, and the Management Team work collaboratively to build upon the co-op’s foundation and maintain its mission, vision and values.

The members of the Board of Directors are students, elected by students, and are voted in annually. They vote on rent increases, major maintenance schedules, and the policies which govern their cooperative. There are no “RAs” instead there are volunteer “ward managers” who are responsible for the care of their sets of apartments.

If a resident elects to be a stockholder in the cooperative there are required cleaning duties on a rotating basis, usually for one hour every 5 - 6 weeks. A resident who elects to be a non-stockholder pays a monthly 10% service charge.

According to the CTC, rental rates in the co-op community are only slightly lower than market rate, however students report high satisfaction with the model and they have been practicing it successfully since 1970.

**Student Family Housing – Other UC Comparison**
*Surveyed Fall of 2014*

- UC Santa Barbara
- UC San Diego
- UC Berkeley
- UC San Francisco
- University of South Carolina

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<tr>
<td>UC Santa Barbara</td>
<td>592</td>
<td>3000</td>
<td>20 – 25% below market</td>
</tr>
<tr>
<td>UC San Diego</td>
<td></td>
<td></td>
<td>work with a student/staff advisory who reviews level of service &amp; recommends rates</td>
</tr>
<tr>
<td>UC Berkeley</td>
<td></td>
<td></td>
<td>aim for 20% below market rates, currently 30% below market rates</td>
</tr>
<tr>
<td>UC San Francisco</td>
<td>388</td>
<td></td>
<td>currently 40 – 50% below market rate</td>
</tr>
<tr>
<td>U of S. Carolina</td>
<td></td>
<td></td>
<td>plan to discontinue housing for families</td>
</tr>
<tr>
<td><strong>UC Davis</strong></td>
<td><strong>276</strong></td>
<td><strong>6,644</strong></td>
<td><strong>aim to be 15% below market rate</strong></td>
</tr>
</tbody>
</table>
**UC Santa Barbara**
UCSB has 592 apartments (168 one-bedroom and 422 two-bedroom units) for families in two communities: West Campus was built in mid 1960s and Storke was built in phases in the mid 1980s. They usually have a small waiting list. Currently about 10% of the residents are undergrads and they have a few extra units for visiting scholars. UCSB has 3000 grad students and has no plans to increase.

When setting rates each year, they are sensitive to the market (about 20 – 25% below market for comparable units). Leases are a bit more flexible (no first and last month’s rent). Utilities are included in rent. Each year rents typically increase about 3% because expenses increase each year. They have a 20-year rate model. So they have planned their rates for the next 20 years but sometimes need to make adjustments. The Chancellor set up a campus advisory group that includes representatives from the Graduate Division as well as students from GSAC.

UCSB does not have any subsidies, housing scholarships, or other forms of financial assistance for students in housing. They have different types of apartments with different rates but there is no sliding scale.

**UC Berkeley**
For the last 5 years rate increases have tracked with overall housing increases. This has averages less than 1.5% per year for the last 5.

Separate from family housing they have about 250 single grad apartments. There is no specific metric on affordability for this class. All families live in the village. The general approach is to keep rates at least 20% below local market. In the last few years, Berkeley rents have increased by over 5% per year so they are now about 30%+ below market. In previous projects they have used the 20% factor when developing the financial feasibility.

Undergrad families have Financial aid assistance; grads get departmental funding. Currently they allocate $60k/year to the Village and administer that on a highest need basis for rent reductions. There is a limit per family and the selection criteria is done in collaboration with the Financial Aid office.

No variability in pricing for similar units - pricing is by unit size.

**UC San Francisco**
UCSF prioritizes students, postdocs and medical residents/fellows equally. Therefore, these units are not necessarily "student" housing.

They only house 30% of our applicants every year. Future demand is expected to rise, as campus housing prices are about 40%-50% below market rates. The worse the prices get in San Francisco, the more demand is placed on UCSF for lower cost housing. The campus’ Long Range Development Plan includes housing expansion to accommodate large numbers of students/postdocs/residents/fellows/faculty, but the expansion will not realistically be enough to ever meet demand. They plan to double bedspace around 2019-20.
Prices are tied to a "per square foot" range. Also, some of the older buildings are cheaper than newer ones, and amenities (like internet, parking, etc.) vary between properties.

To keep prices as low as possible for student families - all the usual smart budgeting things. Keeping a small & efficient staff; no residential life program; purchasing cost effective equipment & energies; reducing the time during apartment turnover; keeping occupancy over 99% year-round. Student housing is absolutely expected to be self-sufficient.

**University of South Carolina**
Rates are set based on the cost to run the facilities. In the last several years, they have had limited rental rate increases (from 0% to 3.0%), but their operating deficit has been growing – and this is without any debt service on the facilities. Because of the aging facilities and a clientele who cannot afford it if they were to renovate or demolish/rebuild, they are getting out of graduate/family housing. By 2016, they will not accommodate this group any longer.

Their goal in rate setting was just trying to cover their operating expenses. They have gotten push-back from some of the residents when they have raised rent in the last several years – specifically because their stipends have not increased in many years. Most students are international, and they cannot work an additional job to make ends meet because of their visa conditions.

**UC San Diego**
Students with children, by policy, go to the top of the waiting list for housing - single students and couples go on by date of application and related preferences of housing options

Students with children typically wait from 1-3 months depending on time of year, availability of the unit type(s) they preference – single grad/prof students and couples wait anywhere from a year to two plus years depending on their preferences of housing options.

Student with children may stay in residence as long as they maintain their student eligibility so it could be up to seven years in some cases - single grad/prof students and couples have a two year limit in residence and then they have to move out - very, very few exceptions to this campus policy on housing.

Pricing of units is by unit type not by type of residents - if it is say $800 a month, its $800 a month to a family or couple OR $800 a month split by two single graduate professional or $400 per resident in a typical 2bd/1bath.

Recommendation from UCSD Staff:
- Never set up a program that requires alternative funding to exist. Once you do, it’s only a matter of time before the alternative funding dries up no matter where it’s coming from – it always will - just look at our state and the way it is run as proof of my core value. Artificially funding the true of cost of the project or the rates to the customer instead of delivering a project that is designed to be financially success guarantees the campus trouble down the road and by design, housing programs should never be a financial problem for the campus - that's bad business.
They plan to increase the number of apartments available to students. They have a project advancing currently for a combination of single occupant apartments to meet the extremely high demand from single grad/professional students and a combination of 1-2-3 bedroom units for students with children and additional faculty transitional housing.

With regard to rate setting, they have always been charged to work with a student/staff advisory group who reviews level of service and recommends rates. They set rates for two (2) years to match up with the two year limitation policy. They don’t have a definition of affordable – the students guide this by applying to live with them (noting the size of their current waitlist.)

They have a variety of unit types, sizes, ages, amenities - each type is a set rate – doesn’t matter if they are students with children or single grad/professional student – there are no special rates or sliding scales.

Questions Asked of Universities During Comparison

1. How many total units do you have that are intended for students with families? How does this compare to the demand, and expected future demand? Do you plan to increase the number of apartments?

2. How are rates set each year?

3. How does your department define affordable housing for graduate students? With families? Is it as a percentage of the going market rate or is it related in any way to their known salaries?

4. Do students have access to subsidies, housing scholarships, or other forms of financial assistance?

5. Are there a variety of housing prices available for students with families (e.g., sliding scale for similar units)?

6. In order to keep prices as low as possible for student families, what kind of creative funding strategies has your institution used?

7. Is student housing at your institution expected to be self-sufficient? How does the rest of the institution help (or hinder) housing’s ability to keep rates low for student families? Does student housing contribute funds to the institution beyond an administrative overhead charge to cover services such as campus police, IT services, etc.?

8. Is there someone who is an expert at creative funding options for university housing with whom you would recommend we speak—not necessarily within your university, but anyone in the field that is knowledgeable about financing strategies to keep the rental rates as low as possible?
Discussion
Different campuses have different relationships with students. For example, Rice University’s Housing Program is entirely run by students—they hire and fire student staff, they set housing policies, they run the budget, etc. At some universities, this is seen as an educational opportunity. Students meet with campus groups and work out compromises that speak to both the needs of the campus and of the students.

- If Orchard and Solano Park were to be run by the community, then both student and non-student residents would be able to contribute to the management of their community. This model would serve as an educational opportunity for both groups.

Action Items

- Look into how having the parks student run (making the parks an educational experience) would affect the possibility of receiving donations or sponsorships.
- Set the new meeting times/days for Winter Quarter.
- Finish arranging the focus groups with housing staff, international students, youth, and potentially students with disabilities.
- Set up a set of questions and discussion topics for each of the above discussion groups.
- We may have a group of undergraduate students from Landscape Architecture join with several members of the committee to develop a community engagement plan through Winter Quarter. A meeting with Sheryl-Ann (the professor of the LDA class) and the committee should be arranged in early January.
- Community Workshop: Need to explore options for locations that will allow for multiple stations, each dedicated to discussing one aspect of the committee’s progress. For example, one station would be dedicated to discussing quality of life issues, one for issues relating to facilities, and one to affordability. The first twenty minutes of the workshop should be set aside for a summary of what the committee has accomplished and learned so far.