Program Highlights and Overview

Our mission is to provide living, dining and academic support services to facilitate a successful transition to the UC Davis Community.

Further, as a self-supporting entity, our values include fiscal responsibility which is demonstrated by a strong commitment to the appropriate stewardship of students’ funds. In addition, we partner with campus resources such as fire, police, and facilities services to meet our goals.
Sources of Funds

Total in 2013–14: $75,265,807

- Regular Session: $71,437,590
- Conference Services: $3,381,720
- Sales and Services: $446,497

Conference Services includes Summer Session, guests and groups.
Sales and Services includes late fees, damage charges, and late check out; additional meal blocks; and commissions from retail.
Sources of Funds

Regular Session: $71,437,590

- Room and board fees for residence halls: $60,721,952
- Room fees for student housing apartments: $5,715,007
- Rent from family housing apartments: $5,000,631
Use of Funds

**Operations:** $58,099,172 (77%)

- **Salaries and benefits:** $19,180,533
- **Supplies and expenses:** $3,977,241
- **Student programs:** $666,692
- **Maintenance and repair:** $2,240,578
- **Utilities:** $2,176,842
- **Recharges:** $5,979,253
- **Meal Plan (board cost):** $23,878,033
Use of Funds

**2013–14 Reserves:** $17,166,635 (23%)

- **Major Maintenance:** $6,033,500
- **Debt Service:** $10,028,720
- **Capital Projects:** $1,104,415

*STUDENT HOUSING RATES*
Rate Process

- 10-year business plan: Capital investments are scheduled with equity contributions and debt service projections to include future payments in long range plan.

- Assumptions made regarding future operating costs to escalate at an average of 3%; as we get closer to the next budget year, assumptions are updated based on known metrics.

- Revenues are based on occupancy planning as new buildings are opened and older buildings are retired or offline. Escalations included with assumptions regarding future rate increases.

- Major maintenance expenditures are on a five-year plan, which is updated as projects are expanded or work load is determined.

- Housing completes 34 major maintenance projects annually. Housing’s non-expenditures projects will go through Campus Facilities, IET and Fire departments.
Changes to Financial planning and Budgets

- Past practice has been to provide 25% equity on all capital projects; this is being reevaluated based on the cost of debt and goal of minimizing future room and board increases.
  - Philosophy of taxing current residents for future construction, shifting towards taxing future residents for past construction (debt model)

- Shifting from conservative budget model, as outlined by UCOP Housing System, to understanding and incorporating UC Davis campus goals and objectives
Comparisons and Analyses

- Since 1975, Student Housing has conducted a City of Davis Housing Vacancy Survey.
  - Survey transitioned to Real Estate Services and a third party vendor in 2013–14.
  - Important statistical data regarding the local student rental market, which provides over 9,000 beds to UC Davis students (in 2010)
  - The 2013 *Unit Lease* Vacancy Rate was 1.9% and 3.5% for *Bed Leased* units.

- The West Village student housing project, which opened in 2010, is now the largest provider of student apartments in the City of Davis.
  - Supplies much needed student housing in a market that has favored landlords since the 1990s
  - Resulted in lower rents for older projects in Davis and created competition for Student Housing
## STUDENT HOUSING RATES

<table>
<thead>
<tr>
<th>Vacancy Survey - Summary of average 2 bedroom, unfurnished rents in Davis, CA</th>
<th>No. of responses in 2013</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-Bedroom unfurnished *</td>
<td>3,765</td>
<td>$1,275</td>
<td>$1,307</td>
<td>$1,260</td>
<td>$1,237</td>
<td>$1,226</td>
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<tr>
<td>Orchard /Solano Park rents over same time period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-Bedroom unfurnished</td>
<td>370</td>
<td>$906</td>
<td>$888</td>
<td>$838</td>
<td>$790</td>
<td>$760</td>
</tr>
<tr>
<td>% below average in market</td>
<td></td>
<td>71%</td>
<td>68%</td>
<td>67%</td>
<td>64%</td>
<td>62%</td>
</tr>
</tbody>
</table>

* 2-Bedroom units make up 46% of the Davis market
Initial Redevelopment Options

- In 2009, evaluated replacement family/grad housing with university funds versus third party development;
  - third party chosen to utilize housing reserves for new freshman housing in line with 2020 plan.
  - UCD has history of third party housing providing affordable options for students (Russell Park, The Atriums, Primero Grove)

- RFP in spring 2013 to redevelop Orchard Park – programmatic goal was to provide affordable housing in new construction
  - Units for families with lower rent cost subsidized by at market units
  - Maximize land use to strategically meet green space needs while providing revenue stream to subsidize family units