UNIVERSITY OF OREGON

Memorandum

To: Interested University of Oregon Community Members

From: Linda P. Brady, Senior Vice President and Provost

Date: March 26, 2008

Subject: Strategic Housing Plan Consultant's Report

This Strategic Housing Plan was prepared by consultants Anderson Strickler, LCC under my direction and working with an appointed Housing Strategic Planning Group.

The report includes housing objectives, a comprehensive housing analysis (existing conditions and market study) and a proposed implementation plan.

While this report will support the university's efforts to improve student housing, it represents the consultant's response to our goals and their opinions about how we might achieve those goals.

Next steps will involve addressing the questions raised at the conclusion of the consultant's report and fine tuning their recommendations to meet our specific needs and constraints. The university plans to continue to solicit broad input as it builds on this report to develop a strategy for implementation during spring term 2008.

UNIVERSITY OF OREGON

Housing Strategic Plan Phase 2

University of Oregon

Acknowledgements

ASL would like to thank the members of the Housing Strategic Plan Group , and particularly Dennis Howard and Chris Ramey, co-chairs, for their assistance and feedback during the process leading up to this report. ASL gratefully acknowledges the patient assistance of Mike Eyster, Allen Gidley, and Nancy Wright of University Housing, This report would not have been possible without the assistance and guidance of Christine Thompson, whose help we thankfully recognize. Finally, ASL also would like to thank the many students who participated in focus groups, student surveys, and guided ASL around UO's campus.

Housing Strategic Planning Group

appointed by Linda Brady, Senior Vice President and Provost

Dennis Howard, *co-chair*—Head of Marketing & Knight Professor, Warsaw Sports Marketing Center, College of Business/Enrollment Management Council

Chris Ramey, *co-chair*—Senior Director & Architect, University Planning

Carole Daly—Senior Director of Development Operations/Campus Planning Committee Chair

Mike Eyster—Interim VP Student Affairs/Director of Housing/Enrollment Management Council

Laura Hubbard—Assoc VP Budget & Finance/Enrollment Management Council

Sandy Schoonover—Director of Residential Life, University Housing

Magid Shirzadegan—Director of International Student & Scholar Services, International Programs/ Enrollment Management Council

Priscilla Southwell—Assoc Dean & Professor Social Sciences/Deans' Working Group

Karen Sprague—Vice Provost Undergraduate Studies/Enrollment Management Council

Keith Bassett—Residence Hall Association, student president (PPPM)

Sean Landry—Graduate/professional student representative (Architecture)

Richie Weinman—City of Eugene, Department of Housing and Neighborhood Development

UO Staff—Christine Thompson, University Planning

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EXECUTIVE SUMMARY

Overview

The Chancellor and OUS Board asked the University of Oregon to develop a long-range housing plan in conjunction with their approval of the sale of Westmoreland. In response to this request, the university initiated a two-phased housing strategic planning process to develop a plan that will direct the university's housing-related activities through the next decade, including recommendations regarding the amount and type of new housing stock. The goals of the plan are to: 1) support and enhance the university's character as a residential university and 2) support and enhance the university's enrollment management goals.

Progress

As part of Phase 1, an appointed Housing Strategic Planning Group identified broad objectives and measurable goals using AAU institutions (more specifically the university's eight peer institutions as defined by OUS) as primary benchmarks. OUS was given a progress update in January 2007, and broad university input was gathered before initiating Phase 2.

During Phase 2 an expanded Housing Strategic Planning Group with broad representation from students, faculty, staff, administration, and the community worked with professional consultants Anderson Strickler, LLC to refine the **housing objectives**, conduct a comprehensive **housing analysis** (existing conditions /market study), and develop an **implementation plan**. Extensive input was gathered via key stakeholder interviews, thirteen student focus groups, a web-based survey that received 3,154 responses, and an analysis of 12 peer institutions.

Housing Objectives

Twenty-six housing objectives were established to meet the primary goals stated above.

The first group of objectives is designed **to support and enhance our character as a residential university** by encouraging full-time students to live on or close to campus. The second group of objectives is designed **to support and enhance our enrollment management goals** by providing adequate and flexible housing choices that meet the needs of our unique mix of students and are competitive with our peers. The final group of objectives addresses other campus planning issues to **ensure housing development is linked to UO's broader campus goals**.

Some of the key measurable goals designed to address these objectives include:

- house at least 25% of **undergraduates** on campus to meet the "primarily residential" Carnegie classification (22% in 2006–07);
- continue to house on campus at least 85% of new **freshmen**;
- house on campus at least 15% of **sophomores, juniors, and seniors** (5.5% in 2006–07);
- house in UO-owned housing 11% of **graduate** students (8% in 2006–07); and
- provide a mix of housing types and related programs to meet the needs of UO's unique student mix.

The recommended implementation plan addresses all of the objectives.

Housing Analysis

Existing Conditions—UO currently has 3,501 beds in eight residence halls with nearly a million square feet, and 447 apartment units (four apartment complexes and seventy-seven houses) with almost 350,000 square feet. Occupancy was 98% in fall 2006. The facility analysis found that although UO has maintained the residence halls and apartments exceptionally well, the residence halls would require a large investment just to address current standards. Except for the Living Learning Center completed in 2006, all the residence halls were built within a ten-year growth period that ended over forty years ago.

Market Study—An analysis of university and non-university-owned facilities demonstrated that: 1) that UO has a large—almost 2,400-bed—unmet demand for housing. At present these students are not interested in living in UO housing because the expected unit types or amenities are not available. 2) UO housing must change to meet the needs of undergraduates other than freshmen, who

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indicate significant interest in remaining on campus if they can have a more independent residential lifestyle. 3) UO housing should include suites, which students want and peer institutions already have, and which would fill the gap between the sufficient supply of UO-owned traditional housing and the adequate supply of off-campus market apartments. 4) Students want more living space and amenities. 5) International students, non-resident students, and students from underrepresented groups share similar preferences with the greater student population.

Student Learning and Space Program Analysis—In general UO has developed an excellent array of residential learning communities with the FIGs and several outstanding academic activities like the Community Conversations, which compare very favorably to the best residential learning initiatives at other universities. In addition the Living Learning Center's integration of academic and social spaces is consistent with other institutions. What is missing is the residentially located learning centers found at other comparable institutions. UO needs to address this space and resource issue to support the next steps in developing integrated student learning programming in the UO residential environment.

Implementation Plan

Ideal Space Program—The planning team established an ideal space program, which strives to achieve a balance between meeting the housing objectives and responding to the market study. It resolves the UO's unique standing among its peers for not offering suite- or apartment-style housing to undergraduates by increasing the mix of unit types (and quantity) to meet student demand in general and to encourage other classes (in particular sophomores) to live on campus.

Unit Ideal Space Program

Unit Type/Occupancy	Existing	Ideal	Change	Ideal %
Traditional Doubles	2,726	1,648	-1,078	30.1%
Traditional Singles	303	348	45	6.3%
Semi-Suite (Dbls/Sgls)	472	952	480	17.4%
Suite (Dbls/Sgls)	0	2,083	2,083	38.0%
Apartments	447	447	0	8.2%
Total	3,948	5,478	1,530	100.0%

Financial Plan—Several scenarios using an established financial model were evaluated to determine how to best implement the ideal space program and meet other housing objectives such as student-learning integration. Significant new construction will be required to replace existing traditional double-bedroom residence halls with private-style units and better integrated student-learning spaces.

The preferred financial plan demonstrates that it is possible to achieve the ideal space program with its increased capacity from 3,948 beds to 5,478 beds. The plan takes place within a ten-year timeframe, with a Cycle 1 cost of $40–60 million and total development cost of $448 million that is self-funded by housing rates that increase 3% annually. The plan includes renovating about one-third of the existing beds (1,388), replacing about two-thirds (2,069), constructing about 1,600 new beds, and creating opportunities for student learning.

Next Steps

After obtaining initial feedback from key campus constituencies, Provost Brady will present a report to the Chancellor and OUS Board (October 2007). Following this report, the provost will solicit broader university feedback before moving ahead with implementation and the first phase of construction. As implementation moves forward, the following issues identified during Phase 2 will be considered: cost, delivery strategy, project phasing, student learning integration, and market capacity.

SUMMARY

Introduction

The University of Oregon is a major public research university and a member of the Association of American Universities (AAU). The university's position as a residential university is a key factor in achieving its academic mission. For that reason, providing sufficient, appropriate, and high quality student housing is an essential part of a "residential university." The university is committed to strengthening connections between residential life and academic life.

Before moving forward with student housing initiatives it is essential that we understand what it means to be a residential university and the role housing plays in sustaining the university's standing as a major research university and member of the AAU. Not meeting student housing needs will adversely impact the enrollment goals.

Some short-term improvements to existing student housing should move forward even as decisions are being made about more substantial future housing initiatives. University Housing's planned efforts are summarized in Attachment 1. Since this list predates this report's recommendations, every effort is being made to ensure short-term improvements will not constrain possible future options.

Housing Strategic Plan Goal

> **To determine how housing can best support and enhance the university's academic mission and Enrollment Management Goals now and through the next decade.**

Methodology

The Chancellor and OUS Board asked the University of Oregon to develop a long-range housing plan in conjunction with their approval of the sale of Westmoreland. In response to this request, the university initiated a two-phased housing strategic planning process to develop a plan that will direct the university's housing-related activities through the next decade, including recommendations regarding the amount and type of new housing stock.

During Phase 1, an appointed Housing Strategic Planning Group identified broad objectives and measurable goals linked directly to the university's academic mission: 10 related to the broad University Goal of improving UO's character as a Residential University, 10 to Enrollment Management, and six to other goals.

The University of Oregon (UO) retained Anderson Strickler, LLC (ASL) in the spring of 2007 to prepare Phase 2 of the Housing Strategic Plan. An expanded Housing Strategic Planning Group with broad representation from students, faculty, staff, administration, and the community worked with ASL to:

- refine the **housing objectives**;
- conduct a comprehensive **housing analysis** (existing conditions and market study); and
- develop an **implementation plan**.

Extensive input was gathered during Phase 2 via key stakeholder interviews, thirteen student focus groups, a web-based survey that received 3,154 responses, and an analysis of twelve peer institutions.

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The market study included a kickoff session with the Housing Strategic Planning Group, a request for and review of data from UO, interviews with key stakeholders, thirteen focus groups with students, a Web-based survey of students that received 3,154 responses, and an analysis of 12 peer institutions. (For more information, refer to the description of the Market Analysis methodology on page 15.)

The existing conditions analysis addressed University-owned facilities, non- University-owned facilities, and space use and programs. For University-owned facilities, ASL helped identify the scope for UO and Soderstrom Architects, PC for a facilities assessment of UO residence halls, apartments, and houses. For the non-University-owned analysis, ASL conducted an off-campus market analysis to gather data on where students live if not in UO-owned housing. ASL's teammate, Dr. Gene Luna, conducted an assessment of space use, programs, and student learning opportunities.

Following the market study and existing conditions portions of the work and feedback from UO, ASL and the Planning Group developed an ideal program for housing, closely based on the housing objectives Phase 1 developed. The ideal program informed several scenarios to test in a financial model; refinement of the Group's selected option led to the final financial plan presented in this report

Why Now?

This strategic and comprehensive planning approach that links housing objectives directly to the university's academic mission is long overdue (refer to Attachment 1 for additional information about the two-phase strategic planning approach).

As noted in the 2000 Vision Assessment of Student Housing prepared by ASL "The cornerstone of any process to develop a strategic plan is ongoing input from faculty leaders, student leaders, and administrators to develop a consensus on the objectives of the program and the commitment of requisite resources." It is essential that we move forward with planning efforts now because:

The University of Oregon is, and desires to remain, a residential university. The ability to provide sufficient, appropriate, and high quality student housing is essential to maintaining the character of the university and a high-quality student learning environment.

1. There are strong linkages between the academic success of residents and their residential experiences. We are committed to continuing to **strengthen connections** between residential life and student learning.
2. **Changing demographics**, including increasing racial, ethnic, and socio-economic diversity both within the State of Oregon and nationwide, will result in a more competitive student recruitment environment. The planning process for student housing must take these changes into account.
3. We believe that student housing must support the university's **Enrollment Management Goals**.
4. There are strong and longstanding programs in place that ensure quality facility maintenance. However, on-campus housing facilities are inadequate and outdated, and improving the **residential infrastructure** requires substantial financial investment.
5. The university is a member of AAU and is committed to **maintaining our AAU status**. Our modest size provides unique opportunities for student/faculty interaction when compared to larger AAU institutions, yet it also presents challenges for maintaining desired graduate, especially doctorate, enrollment.

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6. **Financial opportunities** have been created by the sale of Westmoreland Family Housing.
7. The University of Oregon has been asked by the **Chancellor and OUS Board** to develop a long-range housing plan in conjunction with their approval of the sale of Westmoreland.

Open Issues to Consider

The process of developing a strategic plan for student housing frequently raises questions that are more appropriately addressed in a later phase of planning or that should be considered on an ongoing basis. While these questions and issues may not be fully resolved at this time, it is important that they be documented for future consideration. The Housing Strategic Planning Group member's comments on the recommended implementation plan are documented in Attachment 4.

Anderson Strickler does not necessarily endorse all of these comments; however, we will summarize the major issues raised (as well as others) that need more detailed studies as the implementation plan unfolds.

Maintenance of the Plan

The strategic plan for student housing provides a snapshot of the housing system and the University's vision of what the residence halls should be at completion. Because it covers a ten to fifteen year planning horizon, the assumptions that underlie the plan are subject to change due to both controllable and uncontrollable circumstances. If the University of Oregon is to realize its housing objectives while meeting the market demands it is essential that the plan be reviewed and updated prior to the commencement of each phase of development, if not more frequently. This review should incorporate actual operating and capital budgets, lessons-learned from completed projects, and any changes in the ideal program of development as reflected by updated market analyses or changes to the objectives.

Project Phasing

The recommended phasing of projects is a product of a number of considerations including (1) the condition of the existing buildings, (2) financial feasibility, (3) maintaining consistent system capacity, and (4) the near-term objective of providing new and improved unit types to both first-year and upper division residents. Project phasing, however, is flexible and can be modified subject to the foregoing constraints. Existing student learning programs within particular halls and prior investments in capital improvements are not primary considerations. Academic programming may have to be relocated temporarily to accommodate renovation or new construction. Likewise, sunk costs in existing buildings are not sound reasons for making decisions about future capital investments.

Dining and Parking

The implementation plan does not consider the programmatic requirements of dining and parking; however, the development budgets for both on- and off-campus projects do consider the cost of surface parking as specified by the University. ASL recommends that the University conduct a similar strategic planning study for food service that considers the type and timing of the improvements to student housing. This dining study may require adjustments to the housing plan to achieve a financially sustainable plan for both housing and dining; however, the integration of these two plans is necessary.

Building Programs and Budgets

Building programs for the strategic plan have been developed at a high level with the primary objective of providing sufficient gross building area—and associated operating and development budgets—to accommodate living units, common residential areas, student learning support spaces, building services, and circulation. The final distribution of spaces within a particular building will be determined in detail during the programming phase of each specific project. Considerable flexibility in programming each project exists while maintaining financial feasibility so long as the gross building areas and total development budget targets are achieved.

Assignments

The development program affords maximum flexibility in assignments. Many of the new beds are specified as suite-style units. While this unit type is targeted for upper-class undergraduates, it is also appealing to—though not ideal for—first-year students. Graduate students have also expressed interest in suite-style housing as long as it has single-occupancy bedrooms. Suites provide a much-needed option for retaining upper-class students as well as short-term assignment options for first-year and graduate students and integrating students by class standing. With more options available for graduate students, more units in the existing apartments can be made available for students with families.

Student Learning Support

The recommended plan considers the University's objective of providing adequate space for student learning support and programming. These spaces can be provided in renovated halls by reprogramming under-utilized common areas and new common spaces created by removing 10% of the existing beds. More significantly, the implementation plan includes four (4) separate Student Learning overlay projects of 6,500 square feet each to provide programming similar to that found in the new Living Learning Center. These projects may be standalone facilities, but they are more likely to be incorporated into planned new construction.

Westmoreland

In the fall of 2006, the university sold its Westmoreland family housing complex to a private party reducing the number of university-owned graduate family housing units by 406 and leaving 470 units under university ownership. In the year preceding the sale 230 students (178 graduates and 52 undergraduates) who lived in the complex were expected to return. Vacancies in other university-owned housing were available for all of these with the exception of 23 two-adult units and 66 single graduate units. The market research and the ideal space program call for an addition of 188 graduate student beds in configurations that will be attractive to the graduates who used to reside in the Westmoreland complex.

Delivery Strategy

Although not explicitly stated objectives of the University, financial viability and sustainability are necessary requirements of the plan. To achieve financial feasibility without raising student room rates higher than necessary, the plan assumes that the new upper division housing will be constructed at the "edge" of campus in partnership with the private sector. Potential benefits to a public-private partnership include:

▪   Lower cost of construction from less restrictive procurement requirements

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- Minimized impact on the University's balance sheet, credit rating, and debt-to-expenditures ratio
- Expedited project delivery

The public-private approach should not be confused with privately developed and owned student housing such as Duck's Village. There are other approaches to the development and management of student housing than are represented by the two ends of the spectrum: Duck' s Village and on-campus housing. The partnering approach widely used by colleges and universities involves the ownership of the housing by a foundation of the university or unaffiliated non-profit corporation on leased University land. Management of the housing may be by a third party or UO Housing. Properly structured, this approach optimizes the balance between University control of the student experience and the financial impact on the institution.

Commitment to Success

To achieve its objectives for student housing, which are truly transformative, the University must adopt a new paradigm for the management of campus-sponsored housing and its residents. Aspirations for student success are not limited to first-year students; therefore, the University must be closely involved in the programming and oversight of upper-class residents regardless of prior experiences such as Duck's Village. The legacy of student housing must change if the vision for student housing is to be realized. The attitudes of today's students and University administrators alike must and will evolve with the successful implementation of the plan.

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HOUSING OBJECTIVES

Overview

Our strategic planning approach originates from a campus-wide perspective. The intent is to ensure that we identify the full breadth of housing objectives for the university and that we develop a plan to implement all of those objectives. This section identifies long-term housing objectives, which were established by:

- clarifying what it means to be a **residential university**,
- exploring ways student housing can support defined **enrollment management goals**, and
- **identifying** other key objectives **of student housing.**

UO's Housing Strategic Plan Phase 1 concluded with the establishment of 26 housing objectives, 10 of which relate to the broad University Goal of improving UO's character as a Residential University, 10 to Enrollment Management, and six to other goals; they were neither prioritized nor weighted in importance. During Phase 2, the housing objectives were refined, resulting in the objectives described below and in the table at the end of this section of this report, starting on page 10. Attachment 1 contains additional information on objectives from Phase 1.

Many 0bjectives are quantifiable, and are assigned specific "measurable goals," while others are broader and have more subjective measurable goals. The objectives take the perspective that the responsibility for a residential university is not just that of UO Housing, but also has significant roles for academic, planning, and enrollment management input. The Plan addresses the needs of these residential stakeholders, incorporating Student Learning spaces, following Campus Plan precepts, and accommodating and supporting desired changes in enrollment. In addition, some housing objectives extend beyond campus boundaries–beyond housing located on campus. Therefore, in some instances the private residential market may play a stronger role than the university in meeting housing objectives.

The 10-year plan recommended in this report meets or exceeds those objectives that are relevant to the scope of this study while accounting for the market study findings and existing conditions. As will be discussed in this section and in a more detailed analysis in Attachment 1, not all goals can be specifically addressed within the scope of this assignment; however, the recommendations in this study in no way prevent the achievement of all objectives. Some objectives, for instance, can only be addressed specifically at later stages of planning or through a broader participation of the UO community.

This section describes how the 10-year plan addresses the more significant goals. While some goals are very specific in nature, others are more subjective; therefore, the plan seeks to be flexible and capable of modification over time as views and interpretations evolve. The 10-year plan is merely a framework for programmatic and capital improvements to the UO student housing system that will guide more detailed planning and eventual development of housing over the next 10 to 15 years.

As we stated in the 2000 Vision Assessment of Student Housing and as reiterated in the Phase 1 report, the cornerstone of any strategic planning process is ongoing input from faculty leaders, student leaders, and administrators to develop a consensus on the objectives of the program and the commitment of requisite resources. We firmly believe that such ongoing input will continue to be required in future phases of implementation. Thus, we recommend that the University establish a standing committee

with broad representation—including from the off-campus community and private residential market—to oversee plan implementation and the realization of all objectives.

Benchmarks

The performance of Association of American Universities (AAU) institutions is the primary benchmark against which the UO judges its performance. More specifically, the UO's performance is compared to its eight peer institutions identified by OUS and listed in Attachment 2 (all of which are AAU members). Additional institutions that represent the UO's primary competition for undergraduates and graduates also are considered where appropriate.

The Carnegie Classification system is used to establish benchmarks for comparison purposes.

Residential University Characteristics

UO's first set of housing objectives reflect the desire for UO to develop its character as a residential university.

The Phase 1 report stated that: The university is, and desires to remain a residential university for several reasons. It enhances the academic experience by extending learning beyond traditional classroom hours and locations. Learning occurs in multiple settings. It promotes interaction among faculty and students. It builds community, enabling connections among students and with society, and a commitment to civic engagement. It enhances the physical design of the campus, especially related to transportation and sustainability. It attracts the kinds of students we want, based on our Enrollment Management Goals.

The overall key characteristic of a residential university is learning beyond class time. A residential university is a place where every student is connected to the campus more deeply than simply going to class; it provides a compelling reason for students, faculty, and staff to stay on campus for social and student learning experiences.

This vital campus community is designed to educate a student for life and for a profession. It is created by the following residential university characteristics:

1. Full-time students close by
2. Strong connections to the university for all classes (Freshmen, Sophomores, etc.)
3. A diverse community that is welcoming to all
4. Places and programs that support interactions outside the classroom
5. An inviting size and feel—students feel at home
6. A supportive and safe surrounding neighborhood
7. Strong campus definition—you know when you are there

The objectives call for UO to increase housing occupancy to meet Carnegie "Primarily Residential" criteria and match peers in terms of the percentages of 1) freshmen and 2) sophomores, juniors, and seniors who live in UO-sponsored housing. The Plan increases the number of beds of UO-sponsored housing to meet these goals under the most expansive enrollment growth scenario.

The objectives also call for housing to serve graduate students and students from underrepresented groups; the Plan accommodates the demand from both groups. To maintain the residential character of the campus, Phase 1 also calls for housing to further several goals—scale, edge policies, character and quality, and student learning center—of the UO *Campus Plan*; the Plan consists of component projects that can be programmed and designed in consistency with these goals. Finally, there are academic objectives, covering student learning programming and gathering spaces in housing; the Plan builds on the recent success of the LLC to provide student learning spaces serving all students who live on campus.

Specifically, at completion the Plan will:

- Provide beds for at least 25% of the undergraduates on campus, which results in a "primarily residential" campus as defined by the Carnegie Foundation
- Situate new University housing within a 10-minute walk of campus, subject to the availability of suitable development sites for housing
- Create a mix of unit types (new and renovated units) that appeals to all undergraduates, as confirmed by the student survey, thus strengthening the connection of freshmen and upper-class students to campus
- Provide apartment and suite-style beds that appeal to graduate students
- Support a International students, non-resident students, and students from underrepresented groups whose preferences closely mirror those of the overall student body
- Support interaction outside the classroom by providing student learning programming and dedicated spaces similar to those provided in the Living-Learning Center
- Emulate the campus character by creating halls that respect the planning guidelines in the *Campus Plan* and create human-scaled buildings and student communities
- Foster a supportive and safe surrounding neighborhood by building upper-class housing at the edge of campus that links existing on-campus and off-campus housing

Enrollment Management Goals

The plan itemizes objectives related to various enrollment cohorts—non-resident students, graduate students, students from underrepresented, and international students—in UO-sponsored housing or non-UO-sponsored housing.

The Phase 1 report stated that in broad terms, housing can be and should be used as a recruiting tool to attract and retain the kinds of students we want, based on our Enrollment Management Goals. The availability, affordability, and quality of student housing do influence student and family decisions on the choice of a college or university—particularly for undergraduates. Enrollment Management Goals address the following:

1. Overall Enrollment Size
2. Non-resident Student Enrollment
3. Retention
4. Graduate Student Enrollment
5. Student Diversity Enrollment
6. International Student Enrollment

The Plan provides capacity in UO housing to meet the Enrollment Management Goals, as supported by the market research showing that the groups shared the same preferences and same demand for housing as the overall student population. Other objectives relate to the mix of housing and its flexibility; the Plan includes suite-style housing, in response to student preferences, that fills a gap in the housing UO offers and that can serve students of all class levels.

Specifically, at completion the Plan will:

- Provide an ideal housing program reflecting the preferences of students as expressed in the student survey
- Create suite-style units that appeal to both undergraduate and graduate students, although not ideally suited for first-year students
- Result in a housing system that meets both the objectives of the University and the market demands of students
- Retain a larger percentage of upper-class students—as supported by the student survey—by creating new unit types that support a more independent style of living
- Satisfy the demand for graduate student housing in apartments and suite-style units
- Meet the on-campus housing demands of a students from underrepresented groups including international students by providing the type and number of beds derived from the student survey and demand analysis

Other University Objectives

Several other objectives directly tie the Plan to the *Campus Plan* with respect to campus edge and transition areas, transportation policies, sustainability, and possible future site usage; these goals can all be met as projects are programmed and designed. Facilitating housing for visiting scholars and faculty, and students of excellence, were also objectives; the plan does not specifically address their needs, especially in the first cycle, but later cycles may be able to satisfy these groups. Lastly, the group included affordability as an objective; while the Plan significantly increases rates, making housing less affordable, students will perceive the new housing as a better value for their money, just as they do now with the LLC.

The expanded housing objectives in this section embrace concepts that are outside the scope of a student housing study per se. Site and design issues affecting neighborhood development, transportation, and sustainability are more appropriately considered by planners, architects, and consultants with expertise in these disciplines. Housing for faculty and visiting scholars must be studied at a level comparable to this study on student housing.

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| Measurable Goals | Existing Population (Fall 2006) | Projected Housing Needs | | Phase II Recommendations |
		Current Enrollment Scenario (20,388)	EMC Maximum Enrollment Scenario (23,000)	
Residential University				
A. Mix of housing opportunities for all — Addressed by B-I.				
B. Majority of all students live within easy walk of campus — House at least 25% of the undergraduates on campus to meet the "primarily residential" Carnegie classification.	3,536 22% of 15,931 admitted undergraduates	3,983 25% of 15,931 admitted undergraduates	4,265 25% of 17,059 admitted undergraduates	The Ideal Space Program has 4,799 undergrads, 534 more than required to meet this objective. The survey analysis would support either, but more beds are needed to meet the combined 85% first-time freshmen goal © and 15% goal for other undergraduates (D) than are needed to meet this 25% objective. Nevertheless, the level of demand is higher than the Ideal Space Program, reflecting some conservatism and providing some flexibility in terms of providing some housing that is more appropriate for students but less in demand.
Facilitate housing for current % of all students who live within easy walk on/off campus (on or off campus, private or university-operated).	47% by extrapolating from ASL survey (19% in UO and 28% non-UO)	Same: 9,587 (3,854 in UO and 5,733 non-UO)	10,815 47% of 23,000	
C. Strong freshman connections to campus — Continue to house at least 85% of the freshmen in on-campus housing designed to strengthen their connection to the university as a top priority. (*Definition: "FR" are first-time, degree-seeking freshmen only.*)	2,874 87% of 3,298 admitted first-time FR	2,803 85% of 3,298 admitted first-time FR	2,720 85% of 3,200 admitted first-time FR	2,720 beds in Ideal Space Program; supported by demand analysis. A 5% decrease in the number of first time freshmen living on campus due to a 3% decrease in enrollment under the 23,000-student scenario, with a two-point decrease in the percentage housed from today's level.
D. Strong sophomore, junior, and senior connections to campus — House at least 15% of the upperclassmen in on-campus housing that is designed to meet their needs. (*Definition: "upperclassmen" include returning degree-seeking freshmen with fewer than 45 credit hours, SOs, JRs, and SRs.*)	662 5% of 12,633 admitted returning FR, SO, JR, & SR	1,895 15% of 12,633 admitted returning FR, SO, JR, & SR	2,079 15% of 13,859 admitted returning FR, SO, JR, & SR	2,079 beds in Ideal Space Program; supported by demand analysis. Despite the comparatively weak sophomore interest in living on campus, more than enough—27%—are interested in housing to compensate for below-average (12%) interest by Seniors (see Figure 10 on page 36).
E. Strong graduate student connections to campus — Refer to Q.				
F. Support a diverse group of students — Refer to R and S.				
G. Support interactions outside the classroom — Integrate student learning programming into housing working with student learning leadership.				The Student Learning and Space Program Analysis by Dr Gene Luna (see Attachment 5) fully addresses student learning linkages and space issues. The financial plan includes Student Learning Overlays to provide the necessary space to accommodate programs to improve this area of student life in UO housing.
Provide spaces that foster interactions in on-campus housing.				
H. Integrate housing into human-scale campus design — Address Campus Plan policies.				Flexible financial model allows project scale to vary by site. During the design stage, new construction can made divisible by the appropriate living-groups size. A larger group size is appropriate for upper-division students, so a new hall's intended residents' class level should inform the living group size during programming and design.
Integrate appropriate living group size.				
I. Use housing to help link to/enhance surrounding neighborhood and campus — Address UO campus edge policies, especially in East Campus.				Multiple sites for needed for new housing provide several opportunities to improve the East Campus Area in keeping with the 2003 Development Policy.
J. Emulate the university's character and quality — Address Campus Plan policies.				Financial model is flexible; character/quality can vary by site. Quality should take into account student residents' perceptions, which may prefer "residential" quality at lower cost to "institutional" high-cost rooms.
K. Precedence to a strong student learning center — Address Campus Plan policies.				Most system growth—especially non-freshman beds—can have some additional separation from the student learning core of campus without sacrificing the accomplishment of this objective. Increased upper class retention in UO housing brings these students closer to the core than their current widespread housing.
Link to student learning mission (See G).				

	Measurable Goals	Existing Population (Fall 2006)	Projected Housing Needs		Phase II Recommendations
			Current Enrollment Scenario (20,388)	EMC Maximum Enrollment Scenario (23,000)	
Enrollment Management					
L. Account for desired student population and mix	Plan for a student population of about 21,000 (and a max. of 23,000) when determining future housing needs on/off campus.				The recommended housing plan—based on the ideal program—provides a considerable increase of 1,530 beds in UO-sponsored housing. While this is not enough beds to house the entire 2,612-student enrollment increase if UO realizes the 23,000 enrollment scenario, at most, market housing would have to absorb 705 beds of additional demand. With over 50,000 rental housing units in the Eugene-Springfield metropolitan area, this represents less than 2% of the market, and with about 300 rental units added yearly, about two and a third years of the market's growth at the current rate. The recommended program also increases housing opportunities with the variety of unit types, providing housing opportunities where there were none for students who prefer to live in a unit type that is not currently available.
M. Flexible to changes in class enrollment levels	Make on-campus housing flexible for various housing types and uses.				The measurable goal for this objective is a design directive to make housing flexible by having it convertible to "various housing types and uses." The planned housing is far more flexible than the existing traditional-style halls: ▪ Single-occupancy suites—appropriate for everyone from a freshman to a graduate student—appropriately serve more user types than traditional double-occupancy rooms. ▪ When projects reach the design stage, their programs may include some housing type flexibility. To the extent that designers can make new structures easy for UO to reconfigure to a different unit type as part of a life-cycle renovation after 20 or 30 years, flexibility is sensible. Shorter-term flexibility—movable walls, rough-in for future kitchens, etc.—places the cost on current residents who, not benefiting from the flexibility, see no increase in value for the additional cost. Naturally, outside funding sources could change this calculus. Flexibility need not be a facility design issue. The simplest way to change the use of a building is with residence life programming, which can make a building appropriate for residents at a given class level. Sophomores are much more motivated to move off campus to avoid their perceived level of rules and regulations than they are by having to live with another person.
N. Competitive housing and related programs for desired non-resident freshman enrollment	House at least 85% desired non-resident freshmen enrollment on campus. Provide features and programs that are competitive with our peers.	1,086 housed	896 85% of 1,055	723 85% of 850 (850=EMC 23,000 scenario goal)	As with students from underrepresented groups and international students, he Ideal Program class level counts subsume non-resident freshmen. For freshmen, the primary increase in appeal is not unit type, although many may be assigned semi-suites, but space, as new bedrooms will be larger and in halls with LLC-like common and academic spaces. Non-residents will be attracted to UO housing by the improved unit mix options, while more nearby non-UO housing will be made available as the UO system capacity expands.
O. Available housing for desired total non-resident enrollment	Facilitate housing for desired non-resident enrollment (same % as existing) on/off campus, private or university-operated. Housing features and programs should be competitive with our peers.	6,322 enrolled 31% of 20,388	6,322 31% of 20,388	7,132 31% of 23,000	
P. Support retention efforts	To be completed once retention goals are established.				The plan supports retention by improving academic linkages for resident students and by increasing the retention in housing, and thus exposure to such linkages, for sophomores and upper division students.

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Measurable Goals	Existing Population (Fall 2006)	Projected Housing Needs		Phase II Recommendations
		Current Enrollment Scenario (20,388)	EMC Maximum Enrollment Scenario (23,000)	
Q. Competitive housing for desired graduate student enrollment — Facilitate housing for desired graduate enrollment (20% of all students) on/off campus, private or university-operated.	3,180 enrolled 16% of 20,388 318 live in UO housing (10% of grads)	4,078 20% of 20,388 408 in UO housing (with same 10% of grads)	4,600 20% of 23,000 460 in UO housing (with same 10% of grads)	The ideal program includes up to 679 beds for graduate students, enough for 15% of the 4,600 enrolled under the 23,000-bed scenario. Although peers offer a variety of graduate housing options, UO houses a higher percentage of graduate students than five peers and lower than only two, both of which (UCSB and UCSD) are in costly California. Adding some new graduate housing, kept affordable with suite configurations, in housing devoted solely to graduate students, will fill a gap in what UO can offer.
R. Competitive on campus housing and related programs for desired enrollment diversity — Provide capacity on campus to house at least 85% of desired freshman enrollment of underrepresented groups. (scenario: students of color represent 18% of all freshmen)	464 housed	505 85% of 18% of 3,298	490 85% of 15% of 3,200	Students from underrepresented groups prefer the same types of units—and demand it in about the same proportion—as do others. If UO housing offered a variety of unit types, students from underrepresented groups share similar unit type preferences as White non-international students. Overall, students from underrepresented groups will be attracted to UO housing by the improved unit mix options, while more nearby non-UO housing will be made available as the UO system capacity expands. Sophomores, juniors, and seniors from underrepresented groups actually show somewhat higher levels of interest than White students do in improved UO-owned unit type offerings.
Provide capacity on campus to house at least 15% of desired upperclassman enrollment of underrepresented groups. (scenario: students of color represent 18% of all upper classmen)	110 housed	316 15% of 18% of 11,707	346 15% of 18% of 12,815	
S. Available housing for desired enrollment diversity — Facilitate housing for desired enrollment of underrepresented groups on/off campus, private or university-operated. (scenario: students of color represent 18% of all students) on/off campus.	2,871 enrolled 14% of 20,388	3,670 18% of 20,388	4,140 18% of 23,000	
T. Competitive housing and related programs for desired international freshman enrollment — Provide capacity on campus to house at least 85% of the desired international freshman enrollment. (scenario: 10% of all freshmen)	106 housed	280 85% of 10% of 3,298	272 85% of 10% of 3,200	Demand analysis showed international students have a higher interest in living on campus than average, given improved unit options. Programmatically, however, international students not interested in living in UO residence halls, unlike any other group, expressed desire for assistance in arranging housing upon their arrival in the US.
U. Available housing for desired total international student enrollment — Facilitate housing for desired international enrollment (scenario: 10% of all students) on/off campus, private or university-operated	1,173 enrolled 6% of 20,388	2,039 10% of 20,388	2,300 10% of 23,000	International students above the freshman level expressed above-average demand for new UO housing, so the percentage housed in UO housing should improve as new units come online. Those wishing to live in off-campus housing, especially transfers for whom time tends to be limited, would benefit most from housing location assistance.

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	Measurable Goals	Existing Population (Fall 2006)	Projected Housing Needs		Phase II Recommendations
			Current Enrollment Scenario (20,388)	EMC Maximum Enrollment Scenario (23,000)	
Additional Housing Objectives					
V. A placeholder for future academic needs	Identify and purchase lands desired for future academic needs and consider using as housing until needed.				While UO will later finalize specific sites for proposed housing, the plan's flexibility allows UO to develop housing on sites that later would serve other, perhaps academic, needs. The plan, however, does not include additional costs for this objective. If housing can remain as housing for the term of its financing, these costs may be minimal, but more costly less space-efficient designs would harm financial performance.
W. Enhance campus/neighborhood transition areas	Address Campus Plan, particularly East Campus policies.				The edge projects—comprising of 1,530 beds—will provide UO with the perfect opportunity to have a buffer that harmonizes with both the campus and adjacent neighborhoods. Access to neighborhood attractions may be appealing on the west side of campus, while on the east side, new housing could ease the transition between the campus and the residential area.
X. Enhance campus transportation policies	Address Campus Plan, in particular Transportation Plan policies.				By drawing students to UO housing—either core or edge—the plan reduces the need for commuting from greater distances and similarly may reduce the need for parking near the core of campus.
Y. Enhance sustainability policies	Address Campus Plan, in particular Sustainable Development Plan policies.				Although UO's Sustainable Development Plan (part of the Campus Plan) may favor renovation of existing buildings over demolition and replacement with new, the Campus Plan acknowledges the need to demolish buildings that cannot adapt to programmatic change. ASL's financial analysis of alternative approaches to realizing the desired program proved that it is not feasible for UO to renovate and reconfigure existing residence halls designed and built long before today's Campus Plan. The housing plan uses costs of construction and design that should allow for new halls to follow precepts of sustainable design as did the LEED silver-level LLC.
Z. Available housing for visiting scholars and faculty	Facilitate housing for visiting scholars and faculty on/off campus.	TBD	TBD	TBD	Eugene does not pose the same difficulties to visiting scholars and faculty as some cities (e.g., rapidly growing California communities with high rents and low vacancy), but UO could renovate and designate some of the East Campus homes for this group. Without some special attraction, most would still likely choose a market property, but convenience may be an overarching priority for enough to make such a program worthwhile.
Post Phase I Additional Housing Objectives					
AA. Affordability					The plan does not improve affordability if measured by bottom line costs. From a perspective of value, however, when they selected preferred units with proposed rates in the description, students indicated that they could afford the rates and that they perceived them to be an improved value.
AB. Students of Excellence					The survey did not capture student-of-excellence status, but the plan's student-learning linkages would make UO housing more attractive to serious students who visit or consider UO. UO may also be able to provide more attractive housing for the Honors Hall, and help attract students of excellence to UO over other colleges and universities.

HOUSING ANALYSIS

The housing analysis consists of a summary of UO's existing housing, a market analysis (needs assessment), a student learning and space program analysis, and an existing facility assessment.

Existing Housing

UO's current housing system consists of 3,501 beds in eight residence halls, constructed from 1948 to 2006, with nearly a million square feet of space, and 447 units built from 1910 to 2001, rented by the bed in four apartment complexes and 77 houses, with almost 350,000 square feet. Occupancy was 98% in fall 2006.

Although UO Housing offers some 13 differently priced residence hall options, the vast majority of units were originally designed for double occupancy, share a community bathroom, and offer no cooking facilities. Apartment offerings vary from modern efficiency apartments to aged three- or four-bedroom single-family homes in the East Campus area.

Hall	Year Open	Marketable Beds	Predominant Type	GSF	GSF/ Marketable Bed	NSF/ Typical BR
Barnhart	1966	432	semi-suites	123,719	286	264
Bean	1962	576	traditional	154,025	267	147
Carson	1948	282	traditional	96,174	341	154
Earl	1954	316	traditional	79,099	250	138
Hamilton	1961	780	traditional	216,849	278	139
LLC	2006	387	traditional	120,628	313	212
Riley	1963	115	traditional	38,594	336	163
Walton	1957	613	traditional	161,454	263	139
Total		3,501		990,542	283	164

Table 1: UO Residence Halls

UO offers apartments to graduate students, students with families, and some undergraduates, as Table 2 shows. The East Campus Houses are situated in several blocks owned by UO contiguous to the main campus. Spencer View is located in Eugene a mile from campus to the southwest; Graduate Village, Moon Lee, and Agate Apartments all are located peripherally on campus.

	Units	Year Open	GSF
East Campus Houses	77	1910-1950	varies
Graduate Village	72	2001	41,612
Moon Lee	6	1994	4,879
Agate	20	1993	13,562
Spencer View	272	1997	282,431
Total	447		342,484

Table 2: UO Houses and Apartments

Market Analysis

Summary of Findings

The market analysis consisted of the needs assessment and non-University-owned facilities analysis. The key findings were:

- UO has a large—almost 2,400-bed—unmet demand for housing. At present, these students are not interested in living in UO housing because its offerings do not include either the unit types or the amenities that these students expect.
- UO housing should include suites, which students want, peer institutions already have, and which would fill the gap between the sufficient supply of UO-owned traditional housing and the adequate supply of off-campus market apartments.
- UO Housing must change to meet the needs of sophomores, who indicate significant interest in remaining on campus if they can progress to a more independent residential lifestyle.
- Not only do they perceive living with freshmen as distracting, sophomores desire more privacy and independence than traditional double-occupancy rooms afford.
- UO Housing residents desire more private space, value larger bedrooms and assign a high value to sound insulation that would improve their privacy.
- Residents desire housing with enhanced common areas and amenities, with more attractive lounges, designated study spaces, game rooms and unrestricted-access community kitchens.
- International students, non-resident students, and students from underrepresented groups share similar preferences with the greater student population.
- Residents have many opinions of UO-owned housing, from the least favorite Bean Hall to the most popular LLC. Living on campus is convenient and has social and developmental advantages, but for most it includes small rooms, community bathrooms, and restrictive rules and regulations.
- The off-campus apartment market offers many options; most students move off campus after freshman year following campus culture. Many believe housing is less expensive off campus, but find it more expensive the closer to campus it is located; popular off-campus options include Duck's Village, Chase Village, and Campus Commons.
- Students want more amenities: more living space, private bedrooms, private or semi-private bathrooms, sound insulation, sinks in the bedrooms, larger windows, moveable furniture, community kitchens, healthier food options, better laundry facilities, and more common areas.

Methodology

Kickoff Session/Interviews

During the initial trip to campus in April 2007, members of the ASL team met with the Housing Strategic Plan group, as well as the co-chairmen separately, to understand better the impetus behind UO's embarking on the strategic planning process for student housing. The team later met with UO Housing's Director of Facilities and Capital Improvements and toured residence halls, apartments, and the East Campus houses. The team met with the Provost and the Vice President for Finance and Administration and discussed their expectations for Phase 2 of the plan, and discussed financial background considerations with the Associate Vice President for Finance and Administration.

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Focus Groups

ASL conducted 11 focus groups with UO students and two with prospective students and parents on April 16 and 17, 2007. Twenty-seven freshmen, 18 sophomores, 16 juniors, 15 seniors, 11 graduate students, three "others," six prospective students, and two parents participated. Sixty participants lived in UO housing and 30 participants lived off-campus in non-UO housing; fifty-nine participants were female and 39 were male. Attachment 2 contains notes from each of the focus group sessions.

Student Survey

ASL designed a Web-based survey for students, posted it online from May 11 to May 21, 2004, and received 3,154 responses. The survey collected respondents' demographic information, current residential situation and commuting, preferences for new housing, opinions on the role and importance of housing, and suggestions for improvements to UO housing. ASL used the survey results in conjunction with UO enrollment data to analyze student demand for housing, particularly from those students who currently live in non-UO housing. Attachment 2 contains tabulations of the survey responses.

Peer Institution Analysis

The peer institution analysis compared UO to 13 peer institutions. ASL collected data by reviewing peer Websites, followed up by emails and phone calls to verify data. Since many housing directors did not have time to respond fully, ASL based its analysis on existing data and information. Attachment 2 contains tables summarizing the data collected from the UO peer institutions.

Off-Campus Market Analysis

ASL reviewed the most popular apartment complexes mentioned by focus group participants and survey respondents, and divided them into two groups: market and stadium. Market housing is distributed throughout Eugene and may appeal to non-student renters as well as students; stadium housing is that group of five apartment complexes located northeast of the UO campus, to the east of Autzen stadium. ASL also reviewed locally published market studies and interviewed officials with local government departments familiar with the housing market near UO's campus. Attachment 2 contains a table summarizing the data collected on market apartments, an analysis of commuting time and distance, and several maps indicating the location and density of non-UO housing near the campus.

Findings

UO has a large unmet incremental demand for housing. ASL projects that UO has 2,365 students who would prefer to live in UO housing, but currently do not. This potential demand—equivalent to 62% of the current housing occupancy—supports the objective that UO could increase the percentage of students in UO housing from the current level of 19% to about 30%.

Fall 2006	Full-time Off-Campus	Definitely Interested		Might Be Interested		
Class	Enrollment	*Capture Rate*	*50% Closure*	*Capture Rate*	*25% Closure*	Potential Demand
Freshman	1,167	16%	94	50%	146	240
Sophomore	2,812	15%	214	44%	311	525
Junior	3,207	12%	190	43%	342	532
Senior	4,099	11%	231	40%	410	641
Graduate student	2,341	16%	184	42%	244	427
Total	13,626		913		1,452	2,365

Table 3: Incremental Demand for Housing, Fall 2006

At present, UO does not have the ability to meet its potential demand, because its offerings do not include either the unit types or the amenities that these students expect.

UO housing should include suites. Students believe UO is missing a set of options that fall between traditional housing and apartment housing. The University has sufficient traditional housing and the off-campus market offers apartments. Between the two ends of the range, there are unit types that would encourage more non-freshmen to remain on campus longer and provide additional options to freshmen.

Semi-suites (i.e., two double rooms sharing a bathroom) attract students with the semi-private bathroom but raise concerns of loss of community by eliminating the need for community baths. Such housing would be appropriate for freshmen, but of limited interest to sophomores.

Suites, in which two double bedrooms or four single bedrooms share two bathrooms and a living room, are more attractive than semi-suite housing. A living space within the unit allows students to entertain outside of their bedroom. Kitchenettes would make the units even more attractive, although common kitchens suffice for many residents. Suite-style housing encourages participants to live on campus beyond the first year, with upperclassmen especially interested in private bedrooms. Price would play a major factor in whether or not a student would elect to live on campus in a suite or off-campus in an apartment. Even with a substantial discount for traditional units, as Table 4 shows, only 25% of the demand is for traditional-style units.

Unit Type	Room & Board/AY	Preference of Non-UO-Housed Interested Students	Incremental Demand
Traditional Double, Renovated	$9,990	4%	93
Traditional Single, Renovated	$11,440	10%	226
Modern Traditional Double (Like LLC)	$12,020	11%	271
Two-Double-Bedroom Semi-Suite	$12,790	10%	242
Two-Single-Bedroom Semi-Suite	$14,530	20%	482
Two-Double-Bedroom Suite	$14,340	16%	383
Four-Single-Bedroom Suite	$15,780	28%	668
Total		100%	2,365

Table 4: Unit Preference of Incremental Demand

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UO lags behind peers in unit types offered to students. Although an inventory of aging residence halls designed with traditional double-occupancy bedrooms and community baths is not uncommon, UO stands out among its peers for not offering suite- or apartment-style housing to undergraduates. As Figure 1 shows, a quarter of the beds at UO peers consist of suite or apartment beds. ASL did not find evidence of a reversal of this trend—of "the pendulum swinging back." Rather, the trend away from traditional halls is, if anything, increasing: of 12 current or planned projects opening in fall 2006 or later at peer institutions, only two, representing 16% of the beds, consist of traditional-style units.
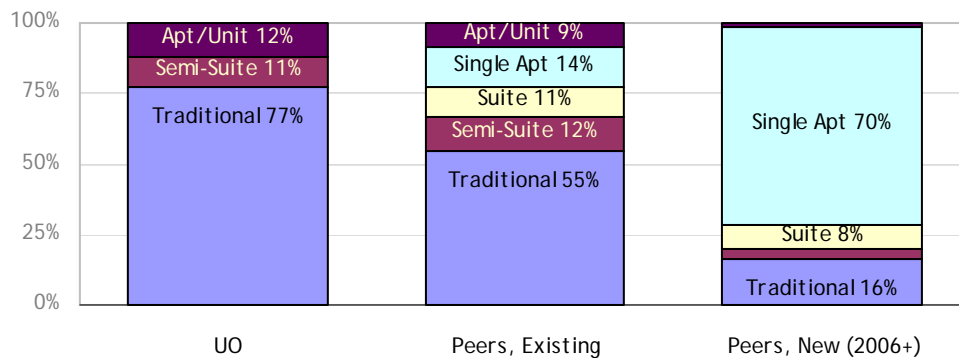

Figure 1: Housing Unit Type Distribution for UO and Peers

UO Housing must change to meet the needs of sophomores. New suite-style buildings will successfully retain sophomores in UO housing only if they offer a different environment from the freshman experience. Sophomores generally move off campus because UO does not offer them a different residential experience, but they indicate significant interest in remaining on campus if they can progress to a more independent residential lifestyle. Currently, less than 10% of sophomores live on campus, but nearly 60% of those who live in non-UO housing indicated a definite or 50/50 interest in living in UO housing. Of the eight peers who provided information, the lowest percentage of sophomores living on campus was 15%, the highest 80%, and the median was 24%, as Figure 2 shows.
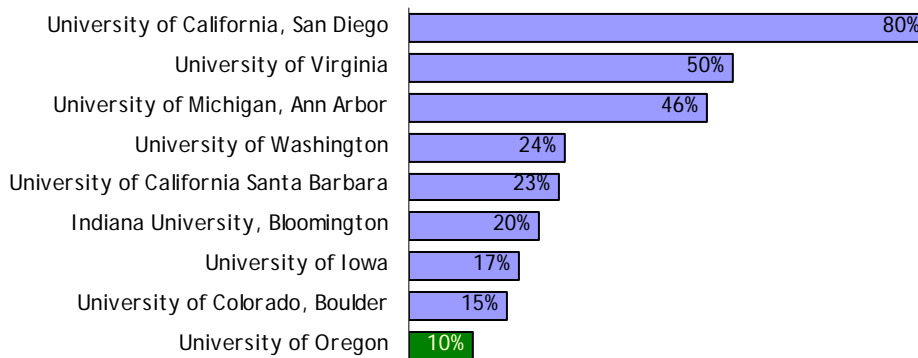

Figure 2: Percentage of Sophomores Living On Campus at UO and Peers

Not only do they perceive living with freshmen as distracting, sophomores desire more privacy and independence than traditional double-occupancy rooms afford. With UO's current residence hall units

comprised mostly of traditional double bedrooms, making distinctions based on the age and maturity of residents would be ineffective. As UO implements a mix of unit types in new halls, however, Housing will be able to limit the availability of each hall/unit type to those groups they are designed to serve. Figure 3 shows students' opinion on which style of housing is appropriate for each class level; 44% of survey respondents who live in UO housing, and 45% of those who live in non-UO housing, believe that the most appropriate housing for sophomores is either a semi-suite or a suite.
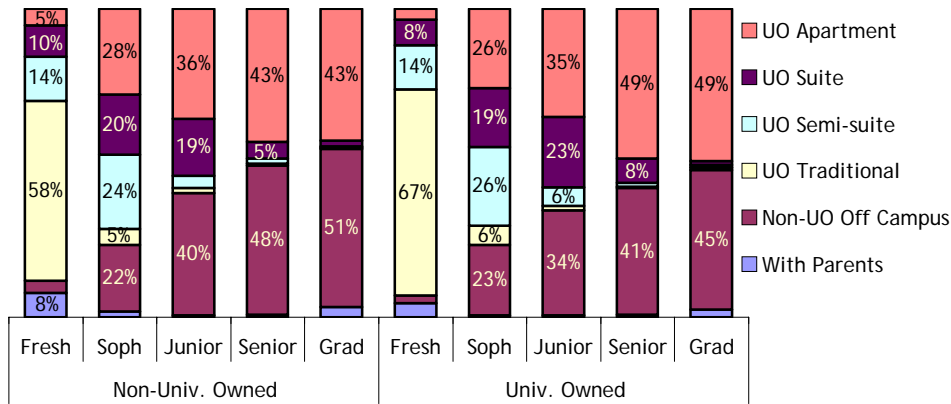

Figure 3: UO and Non-UO Housing Residents' Opinion of Appropriate Housing by Class Level

ASL's survey results contrasted with focus group participants who suggested that they would be (or would have been) more interested in remaining in UO housing if separate non-freshman housing were available. Focus group participants emphasized this as a factor that had the potential to induce them to change their mind about moving to non-UO housing for sophomore year. In response to a survey question asking for participants to indicate the effect of certain changes on their having staid in UO housing for sophomore year, the importance of separation from freshmen ranked below several factors relating to the physical environment of the housing. As Figure 4 shows, having a kitchen, living area, and bathroom in a unit with a larger bedroom and a private bedroom have greater appeal.
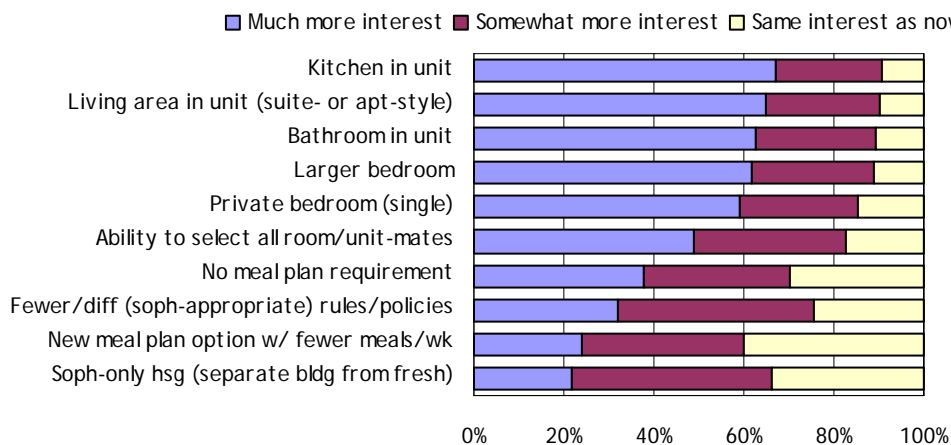

Figure 4: Effect of Housing Changes on Interest for Sophomore Year

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UO Housing residents desire more private space. Not only would sophomores appreciate improved facilities, both residents of UO housing and others value larger bedrooms most highly. Non-UO housing residents assign high value to sound insulation that would improve their privacy.

Weighted Score
(*Most Important=5, 2nd=4, 3rd=3, 4th=2, 5th=1*)
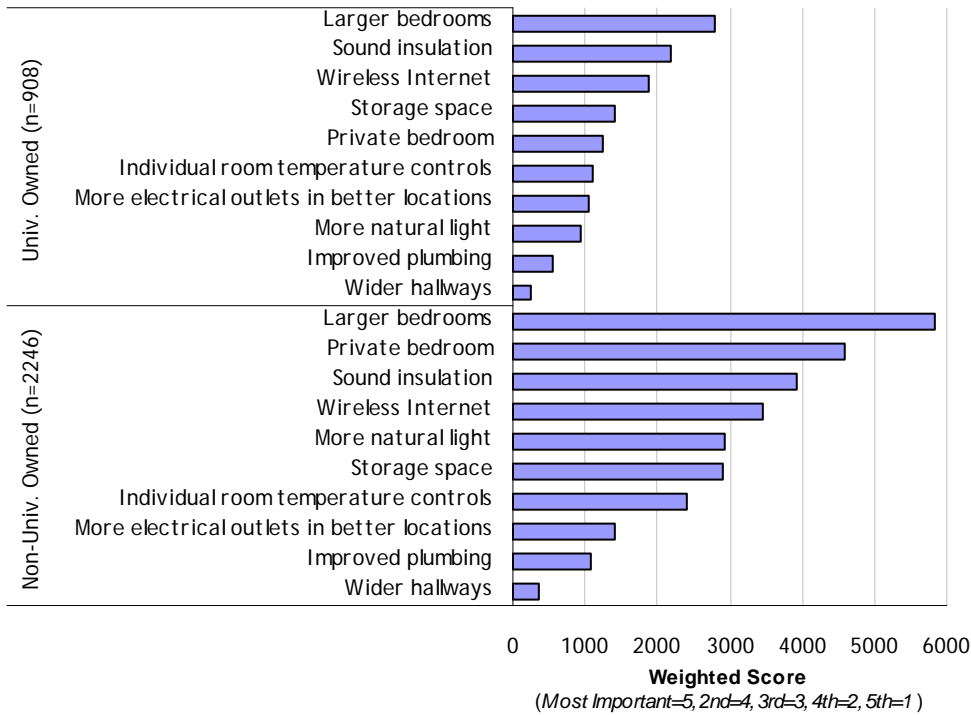
Figure 5: Survey Respondents' Desired Facility Improvements

Residents desire housing with enhanced common areas and amenities. Though focus group participants reported that the lounges in the LLC are well used, this was not the case in a number of the other halls. Lounges that are more attractive should be located further from food service (reducing odors), have better and more comfortable furniture, have more tables in study areas, and have larger televisions with DVD players. Designated study spaces relieve tension between those who want to use undesignated lounges for social purposes and those who want to use them for studying. Students would also like to have game rooms and unrestricted-access community kitchens, although even microwaves and toaster ovens in lounges would be an improvement. As Figure 6 shows, game rooms are the most desired common area, although of moderate interest overall.

Figure 6: UO Housing Residents' Desired Improvements

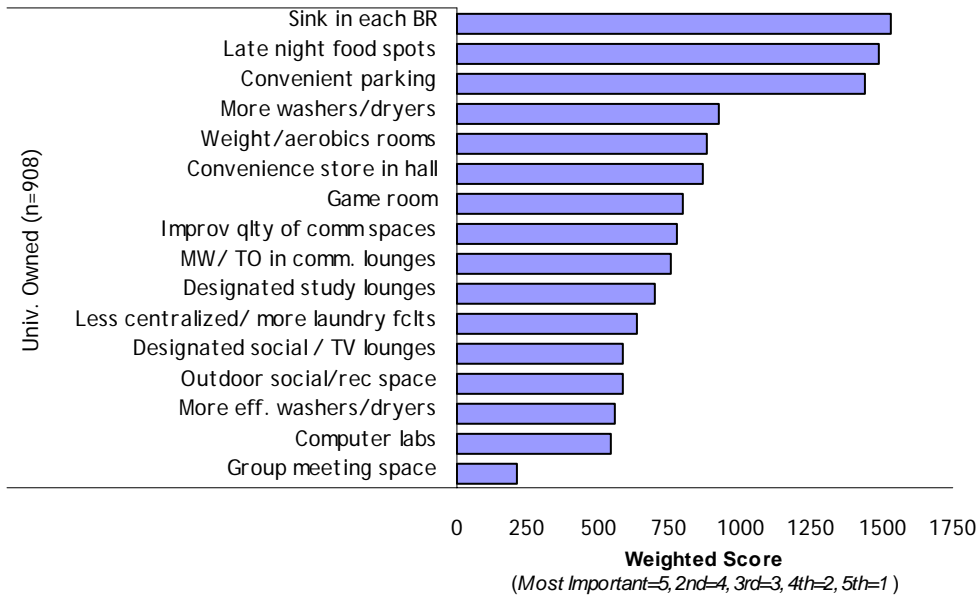**Updating UO Housing meets the needs of UO's priority groups.** The Phase 1 analysis designated particular objectives for helping members of various constituencies reach parity in terms of representation in UO housing. Three such constituencies are international students, non-resident students, and students from underrepresented groups.[1] ASL found that, in general, members of these groups share similar preferences with non-member students. Typically, they do not desire or require special treatment or accommodation to compensate for inherent shortfalls in interest in UO housing.

Since UO tracks international students along with ethnicity, Figure 7 shows the level of interest in new housing of current non-UO-housed white, underrepresented groups, and international students by class level. Proportionally, students from underrepresented groups show more interest in housing than do white students at every class level. International freshmen and graduate students show slightly less definite interest but much more 50/50 interest, which, by ASL's normal methodology[2], equates to higher demand.

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[1] ASL considered "students from underrepresented groups" to include all students who were American Indian; Asian, Pacific Islander; Black, Non-Hispanic; Hispanic, or Multi-Ethnic.

[2] To reflect conservative assumptions about the translation of interest as expressed on a survey to actual demand, ASL reduces demand to 50% of those who say they are definitely interested and 25% of those who indicate they might be interested with a 50/50 chance. The demand percentage for international freshmen, therefore, would be 25.5% = (13% x 50%) + (75% x 25%).
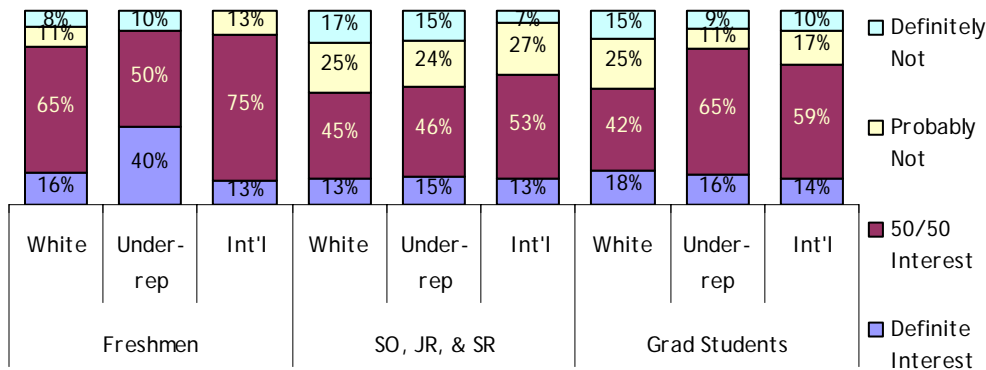
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Figure 7: Interest in New UO Housing by non-UO-Housed International Students and Students from Underrepresented Groups

Using the same analytical approach, Figure 8 shows that non-resident freshmen show somewhat higher demand for the new UO housing and that sophomore, junior, and senior non-residents show only marginally less interest, although ASL's demand methodology suggests 17% would live on campus, which exceeds the Phase 1 objective of 15%.
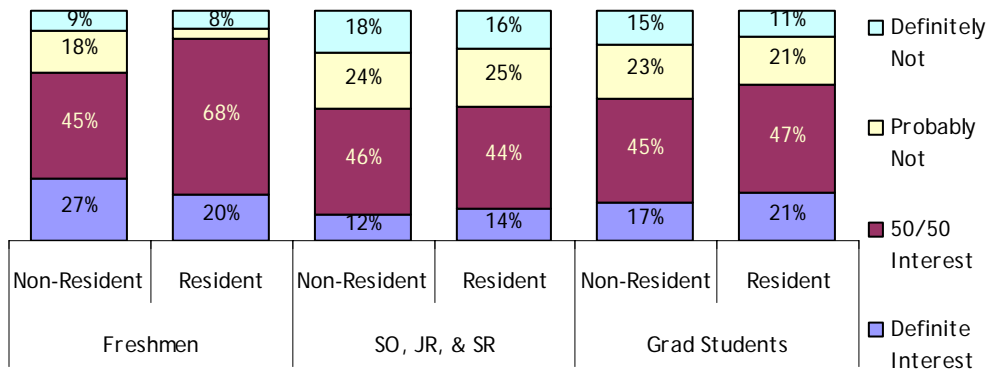
Figure 8: Interest in New UO Housing by Non-UO-Housed Non-Resident Students

The current UO Housing system evokes a range of opinions. UO no longer appears on the Princeton Review "Dorms Like Dungeons" list, but not all residents have the same experience in UO housing. In terms of the relative popularity of the halls, Bean Hall is at the bottom of the list and the LLC is at the top, as Figure 9 shows. Focus group participants stated that Bean has less living space than other halls, narrow hallways, poor lighting, cracked ceilings, and thin walls; these attributes make the hall seem like a "prison." Conversely, the LLC is the most popular because it is new, is centrally located, and has larger rooms with more storage space, high ceilings, wireless Internet, attractive common areas (both indoors and outdoors), moveable furniture, walls between the showers (as opposed to just curtains in other halls), and dining as well as classroom facilities within the building. Some participants expressed the opinion that either LLC residents should pay more or residents of other halls should pay less given the wide gap in quality between the facilities.

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Figure 9: Student Satisfaction with Residence Halls

Students living in Spencer View are generally satisfied with their experience. They enjoy reasonable rent, attractive and well-maintained buildings, and a quiet living environment with other graduate students and/or families. They also enjoy the ability to live with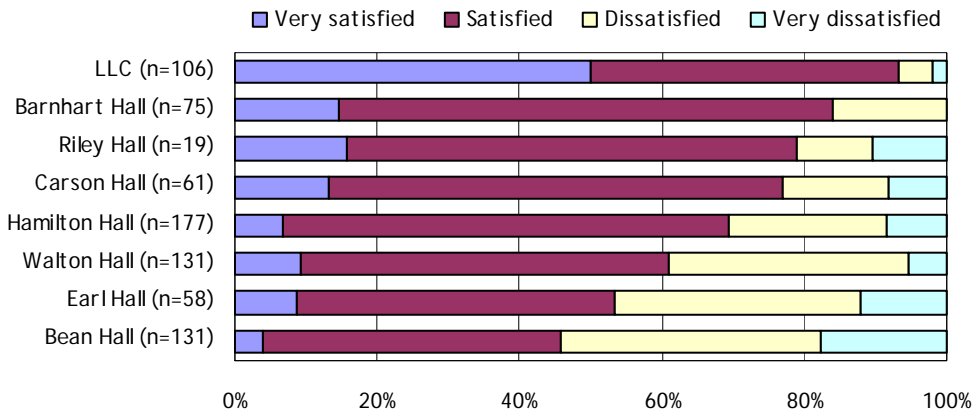 students from other countries, open space, community room, Internet service, proximity to a bus route, location in a good school district, access to childcare, relative proximity to campus, and the ability to have a month-to-month lease. Some of the disadvantages noted were rules against having pets; car break-ins; mold problems; a decrease in the number of community activities; poor sound insulation; insufficient number, quality, and location of washers and dryers; and yearly rent increases.

Focus group participants noted a number of advantages to living on campus. Many advantages were related to convenience: proximity to classes and other campus services (e.g., the recreation center, the library), availability of food service, no need to deal with the hassles of commuting, all costs included in one bill, no need to clean bathrooms and common areas, access to transportation options, and the ease of arranging housing (particularly for those coming from other countries). Other noted advantages were social and developmental: the ability to meet other students, the opportunity to transition from living at home to living on one's own, the ability to be involved in campus activities, the community atmosphere, and the ease of seeking help with class work from other students.

Negative aspects of living on campus include small rooms, the age of the housing, community bathrooms, restrictive rules and regulations, poor sound insulation, lack of common area kitchens, plumbing issues (e.g., noise, lack of hot water, lack of water pressure), oversubscribed and inconveniently located laundry facilities, and a lack of weekend activities and activities between the halls.

The off-campus apartment market offers many options. Many students move into non-UO housing off campus after their freshman year since that appears to be the campus culture. In addition, many believe that off-campus housing is less expensive than campus housing. This causes a "push and pull" dynamic with students being "pushed" from campus because they do not see many non-freshmen alternatives and being "pulled" by what they perceive as less expensive housing with fewer regulations, private bedrooms, more space, and the ability to prepare their own meals.

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Despite the belief that housing is less expensive off campus, housing is not always easy to find and is more expensive the closer to campus it is located. Popular non-UO options include Duck's Village, Chase Village, and Campus Commons (referred to collectively by some participants as the "sophomore halls") as well as small apartment buildings and houses near campus. Close to campus is generally considered a five block or a 10- to 15-minute walk. Some students move as far as Springfield to find less expensive housing. A number of students stated that the University should do more to help students locate suitable housing off campus. Some students indicated that off-campus landlords do not always treat students well.

Units available in the market offer at least 240 net square feet per person, and much larger units are available. With few exceptions, units oriented towards students are even larger than are market units. Units in the market range from $425 for a studio to $1,500 for a four-bedroom apartment. Unit rents in the student-oriented housing communities tend to fall within narrow ranges. On a square foot basis, the most expensive housing in the market costs nearly three times as much as the least expensive. Student-oriented properties do not range as widely; the most expensive rent on a square foot basis is not even double that of the least expensive rent. Few market apartments have utilities included in their rents. Almost two-thirds, however, accommodate student renters by offering lease terms of nine months. Student-oriented properties, however, offer both nine-month and full-year terms, and only one of five stadium properties charges a premium for the shorter-term lease.

Students want more amenities. When designing new housing, the University should consider a variety of unit and community amenities. Unit amenities should include more living space in the unit, private bedrooms, private or semi-private bathrooms, better sound insulation, sinks in the bedrooms, more electrical outlets, wireless Internet, larger windows with screens, moveable furniture, micro-fridges, and more functional furniture.

Community amenities should include kitchens, dining services with more healthy food options, better laundry facilities (free and located on each floor), nicer and more common areas, game rooms, classrooms, vacuums available, and exercise rooms.

In addition, students would prefer that the meal plan be optional in new housing and that there be fewer rules and regulations. Having returning students housed separately from freshmen would also be of interest.

Students like the idea of living on campus. Although 71% of survey respondents live in non-UO housing off-campus, of these 85% rent their housing. About a third of those who do not rent— homeowners and those who live with parents—would consider living in UO housing. The overwhelming majority—93%—of respondents believe it is very important to offer housing to freshmen, and almost as many believe it is important to offer housing to international students. Less than a quarter—22%— believe it very important to house sophomores. Although most students either did not visit UO housing before deciding to attend or were not influenced by their visit, respondents were more than twice as likely to be negatively impacted as positively impacted by the quality of UO housing.

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Student Learning and Space Program Analysis

Methodology

ASL teamed with Dr. Gene Luna, Associate Vice President for Student Affairs at the University of South Carolina, for this analysis. In addition to participating in some of ASL's meetings and interviews during the needs assessment workshop site visit, Dr. Luna conducted research on UO's peer institutions, toured UO's residence halls and other campus buildings, interviewed in person or by phone several other UO stakeholders, and reviewed promotional materials for, and reports on, UO's current initiatives. Attachment 5 contains the full version of Dr. Luna's analysis.

Summary of Findings:

Developing fully integrated academic programming in the residential environment at UO is severely challenged by the age, design, and resources necessary to accomplish this in most of the current residence halls. The recently constructed LLC was a major step in transforming UO's student housing into true living and learning communities. The re-allocation of public space in the Earl International House was also a positive move in this new direction. However, without significant investment in both new construction and extensive renovations in the ground floor lobbies of some of the older halls, it is unlikely for UO to match the space allocations of their benchmark institutions and UO thus will be programmatically limited.

The Housing staff at UO has been creatively collaborating with several different academic and student affairs partners to develop a fairly robust array of academic programming even with their facility limitations. Programs such as the Campus Conversations and the 20 residentially based Freshman Interest Groups are evidence of this success. The area not yet developed as fully as at some of UO's benchmark institutions is the provision of academic support services. Finding dedicated space to have regularly scheduled tutors, advising sessions, and academic success presentations, along with various other resources, is the challenge facing UO's future in fully integrating student success programs in the residential environment.

It may be worthwhile for UO to consider the programs and services that might be offered in re-designed lounges that could be used to offer academic support services for U of O students. One of the challenges of where to place these enhanced residential services will continue to be the popularity or lack thereof of the various older residence halls on campus, based on the room size, location, related amenities, and the need for informal gathering spaces such as lounges and parlors.

The creation of a Sophomore Year Experience is a potential educational approach that, given an appropriate residential home, might attract an increasing number of these students to live on campus, particularly once data shows it makes a difference in sophomores' academic performance. Research about the impact that living on campus has on students is critical to changing the culture. UO needs to address this space and resource issue to support the next steps in developing integrated academic programming in the UO residential environment.

Findings

Space Use

This study primarily analyzes the public, non-revenue producing spaces available for programs and services designed for residential students at UO. It also considers whether current functional use is consistent with best practices at the UO benchmark universities and other institutions.

Findings underscore the value of the LLC's design and functional use. Consistent with other institutions, the LLC was designed as a residence about which comfortable accommodations are integrated with student learning and social spaces. The sustainable design ensures the learning and social spaces are well lit naturally and located along pathways that allow students and others to see and be seen. Inviting nooks are interspersed with larger gathering areas for both formal and informal study and instruction. Student learning spaces are well equipped with appropriate instructional technology, good climate control and indoor air quality, along with comfortable furnishings. This type of design is consistent with best practices at universities who are transforming their residence hall inventory through renovation, demolition, and new construction.

In examining the type of public and student learning spaces being designed into new residence halls at other universities, including many in the UO benchmark list, one finds they may include classrooms, faculty offices, study rooms, tutoring rooms, multi-media technology labs, libraries, academic success centers, as well as more socially-oriented gathering spaces. The LLC at UO has an excellent arrangement of these spaces for both formal and informal intellectual activity and opportunities for faculty and student interactions. The classrooms encourage formal instruction during the day and less formal learning during the evenings. The proximity of dining space encourages—and adjacent alcoves foster—more intimate conversations between students and with faculty. The central location invites students, faculty, and staff to participate in activities there regardless of whether the live, teach, or work at the LLC.

In UO's other more dated residence halls, the amount and designated use of such public and student learning space is varied and not as well designed as the LLC. While several halls have large lobbies and adjacent lounges, some of considerable size, the spaces are not as well developed or suitable for significant re-allocation for student learning use. Yet there are some of these spaces in which UO might host intentional academic initiatives if the space were re-designed, opened to view, and up-fitted with appropriate furniture and technology. The space re-design in UO's Earl International House is a good example of how UO can re-allocate and design space for student learning purposes. In addition to classrooms being developed though, UO might consider space designated and designed for academic support services similar to those developed at Indiana University and the University of Michigan, among others.

Classrooms and adjacent dining venues support formal academic activity and informal conversations. However, the lack of adequately located space for development of academic support centers and the various academic activities such spaces support is a limiting factor for UO's expansion of integrated academic programming. Where there are large lounges off the pathways from lobbies and adjacent dining, as there are in Hamilton, there are expressed concerns that converting them to such designated academic use will be a detriment to community development for the students living in the hall and exacerbate the already negative perception of the hall. Residents do need their own gathering spaces on their

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floors and lobbies to promote a sense of community, particularly if their rooms are too small for more than two or three people to comfortably meet, talk, and discuss personal and academic issues.

The residence hall space currently occupied by Public Safety may be suitable for academic support spaces for functions such as academic advising, tutoring, and other services currently offered at UO's Learning Center. While there is sufficient space on the ground levels of Walton and Hamilton to gain enough square footage to support relocating academic advising and the learning center, to continue to provide lounge space for the residents would require converting first floor residence rooms to academic programming use.

UO will need to consider the need for student beds versus integrated student learning programming space in determining if this is an appropriate approach. There will also be considerable cost to open these first floor residence wings to make them visible and viable as an inviting space for students to come for academic activities and support services. If done, UO would be able to create one or two student learning centers comparable to those developed at Indiana University and the University of Michigan. UO should keep in mind, though, that the result would still be an older building with small rooms and community baths for the residents above. A key decision is whether it is better to demolish and rebuild on these ideal locations and gain better space for both students' rooms and floors along with ground level student learning and gathering space that is attractive to the students UO wants to recruit in the future.

In their current configuration, the older less popular residence halls on UO's campus are clearly detriments to the development of a vibrant living and learning environment. If students are not comfortable and appreciative of their campus home, they are much less likely to engage in any programs or services being offered in their halls. This can be changed, but it will take considerable capital investment to accomplish and to have the student culture shift so that a significant number of students, particularly upper class students, choose on-campus living. To achieve the percentage of upper level students Phase 1 objectives call for, UO will need to build more suite-style halls on campus.

Program

The UO Housing and Dining Services staff has made considerable progress the past several years in developing more academically oriented opportunities for the students living on campus. They have accomplished this often in collaborative partnership with other academic and student affairs departments for the academic needs of the students they serve.

In viewing the development of residential learning communities or freshman interest groups (FIGs), the University compares favorably with most of the universities in the UO benchmark list. With UO's 21 or so of these student learning communities, only the University of Michigan, Indiana University, and the University of Puget Sound report more of these learning communities. However, the most important aspect is not so much about how many communities, but perhaps how many students are served and what impact their involvement with a residential learning community has on their academic success and persistence towards graduation.

University Housing at UO is also well advanced in their approach to sustainability. The vast array of initiatives that model good environmental stewardship in Housing's operational practices is admirable.

These initiatives also are educational opportunities with housing residents. Already, UO housing staff engage students to discuss and decide on a variety of sustainable practices. Community Conversations have been developed around environmental themes. The sustainability approach in University Housing is clearly among "best practices" among UO's benchmark institutions and among colleges and universities nationally.

Other universities who are focusing on increasing the academic nature of the residential environment are adding classrooms and academic services in their halls. Often one finds that campuses provide an array of tutoring, writing labs, advising programs, or focused interventions for all students and specific interventions for students in some level of academic distress. Indiana University, for example, has re-allocated space to create three Academic Support Centers open from 7 PM-11 PM Sunday through Thursday. In these Centers, students find tutoring, computer/media labs, academic advising, writing assistance, and test preparation workshops. Additionally, IU has developed six residentially based libraries.

At the University of Michigan, each residence hall has a professional academic advisor and peer advisor for each community. They have re-allocated public spaces to create 12 Community Learning Centers (CLCs) that offer tutoring on specific difficult 100 and 200 level courses. Librarians have hours on duty in the CLCs to support the growing undergraduate research initiatives. These CLCs are also designed to provide nooks for private and group study, yet are large enough to offer group workshops on a variety of academic issues such as writing, working with databases, etc.

At the University of Virginia, there are three residential colleges with first year students living in and around upper class students and faculty mentors. Interestingly, their second residential college struggled somewhat in its first several years because of its location on campus, which was less attractive to students. However, they have taken an approach to first year housing by developing a First Year Experience that involves all students, without using learning communities or theme halls. Each first year residence has a Graduate Advisor who serves as their link to academic resources.

It may be worthwhile for UO to consider the programs and services that might be offered in re-designed lounges that could be used to offer academic support services for U of O students. One of the challenges of where to place these enhanced residential services will continue to be the popularity or lack thereof of the various older residence halls on campus, based on the room size, location, related amenities, and the need for informal gathering spaces such as lounges and parlors.

The Community Conversation Panels that UO developed each of the past five years are excellent academic discussions that are unique in their number and broad based topic areas. The fact that they grew initially from collaborations with the Honors College may be indicative of how the Honors College might further help lead other residentially based initiatives, particularly if they had a more consolidated residential home. The Leadership for the 21st Century is also an outstanding sustained initiative for 100 first-year U of O students.

The development of the Faculty in Residence program in 1998 appeared to have a promising future at UO. Whether that program can or should be revived in some fashion to provide residential students ongoing engagement with professors outside the classroom should be reexamined. Many universities

have found that having a faculty member associated with a residential community can reap benefits for the students, including attracting other faculty members to participate in various programs at the residence hall.

In considering the issue of attracting more sophomores and other upper class students to live on campus, their view of the "real estate" values of location and amenities may take precedence over programmatic offerings. However, Oregon State University has joined a growing number of college and universities who are focusing specifically on the academic and social needs of sophomores. The creation of the Sophomore Year Experience is a potential educational approach that, given an appropriate residential home, might attract an increasing number of these students to live on campus, particularly once data shows it makes a difference in sophomores' academic performance.

Lastly, research about the impact that living on campus has on students is critical to changing the culture. If students and their parents see clear data that indicates staying on campus advantages their ultimate success at UO and it is coupled with an improving inventory of residence hall facilities, then inevitably there will be an increased demand for student housing.

In general, UO has developed an excellent array of residential learning communities with the FIGs and several outstanding academic activities like the Community Conversations. These initiatives compare very favorably with the best residential learning initiatives at other universities. What is missing is the residentially located learning centers found at IU and UM among others. UO needs to address this space and resource issue to support the next steps in developing integrated academic programming in the UO residential environment.

Facility Assessment

Methodology

ASL helped develop a scope for an update of a previous Facility Assessment to be conducted by Soderstrom Architects. A facility assessment is necessary to understand the condition of housing facilities; in turn, understand facility conditions is necessary to determine the feasibility of renovating or reconfiguring a building and, ultimately, determining the appropriate disposition for each.

According to Soderstrom, the purpose and methodology of the study was:

> ...to review the current condition of the eight residence complexes (Living Learning Center, Bean, Carson, Earl, Hamilton, Riley, Barnhart and Walton), the four apartment complexes (Agate, Moon Lee, East Campus Graduate Village and Spencer View) and the 60 individual houses owned by the University on the east side of the campus. Using these reviews and the facility assessment completed in 2002, (UO Facility Residence Hall Facility Assessment dated June 1, 2001, revised June 28, 2002 by Soderstrom Architects) a summary of deferred maintenance items and expected maintenance items was established for each facility.

> [Soderstrom] reviewed the mechanical and electrical systems, the exterior skin, the interior finishes, and the structural frame. This work did not include review of steam and chilled water production and distribution systems nor the capacity of the central

utilities plant that serves the campus. No destructive testing was done. No review was made of the campus infrastructure between buildings. We have been advised that sewer lines have been failing outside of the buildings. A fair portion of infrastructure serving the housing facilities would have been installed when the facilities were built, so the life span of the utilities infrastructure may be approximately the same as that of systems within the buildings. The methodology involved the following:

- Walk through of all central spaces and examples of repetitive spaces.
- Review of existing drawings.
- Review of Housing Services and Facility Services repair records.
- Interviews with selected Housing Services maintenance staff.
- Review of maintenance database.
- Review of past consultant reports.
- Review of deferred maintenance work completed since 2002.

Assessing the cost of several items was beyond the scope of Soderstrom's report; these include:

1. ADA compliance: Up to 25% of any renovation project's budget must address accessibility if a building is not compliant. Depending on the current accessibility, this could up to an additional third to the cost.
2. Seismic protection: UO might need to correct deficiencies in the seismic protection systems in residence halls; the cost could vary widely depending on a building's current system and how much work would be required to bring it closer to compliance with today's standards.
3. Hazardous materials abatement: Primarily asbestos, hazardous materials may be encountered in demolition as part of a of a renovation project or during razing of a structure. Since much of the offending material is currently concealed, the cost of abatement or remediation is unknown.
4. Life Safety: Although Soderstrom revealed no indication that any building is unsafe, full-coverage sprinkler systems are not universally present and full—or even major—renovations could require installation of a system of the type that would be required with new construction today.

Attachment 6 contains the full Soderstrom Facilities Assessment.

Findings

Soderstrom's analysis of the facility condition found that although UO has maintained the residence halls and apartments exceptionally well, they would require a large investment just to address current issues. Costs of major renovations would approach those of new construction. Except for the LLC completed last year, all of the residence halls were built within a 10 year growth period which ended over 40 years ago.

Structurally. none of the residence halls except LLC meet current seismic code requirements; Carson's deficiencies are the most extensive. Most halls have reasonably well designed lateral systems and, while not presenting an imminent danger to occupants, they do not meet today's code requirements; major renovations would trigger upgrades to current code.

The apartment complexes, because of their recent construction, all meet current seismic standards. The individual east campus houses, most of which are about 70 years old, do not. Without a detailed analy-

sis of each house, removing finishes to view the structural connections, one cannot say categorically what the level of seismic risk is. All we can say is that they do not meet current code. In terms of prioritizing risks, however, the residence halls, because of their larger numbers of tenants should be the highest priority.

Architecturally, the residence halls' exterior skin and interior finishes can last many more years, but electrical or telephone conduit mounted visibly on walls or ceilings contributes to the look of an old, worn facility. Aluminum and steel windows can continue to be maintained, albeit at high expense. Carson, Barnhart, Riley, LLC, and Graduate Village have elevators; other halls might require them with significant renovations.

The mechanical and electrical systems are typically functional despite having lasted beyond their expected life. The repair or replacement of condensate return and domestic hot and cold water piping systems are the most significant deferred maintenance projects. Only LLC, Carson, and Barnhart have full fire sprinkler systems; except for Riley, the remaining buildings are large enough that if built or significantly renovated today, current code would require sprinklers.

Soderstrom's report summarized the findings as follows:

> The residence halls were built well with durable, institutional quality materials. Ranging in age from 59 years (Carson Hall) to 1 year old (LLC) they are all in relatively good shape, due in large part to the University's organized and effective maintenance program. However, except for the LLC completed last year, all of the residence halls were built within a 10 year growth period which ended over 40 years ago.

> The apartments are built of less durable wood framing, with asphalt shingle and metal roofing, and vinyl, wood and cement board siding. These have all been built within the last 14 years.

> The single family houses are much older, some nearly 100 years old. They are wood framed with wood siding and asphalt shingle roofing.

> Structural

> Because they are over 40 years old, none of the residence halls except LLC meet current seismic code requirements. The seismic assessment done 15 years ago by John Herrick, structural engineer, remains the most definitive description of the seismic deficiencies. It identified Bean and Carson as the buildings with the most serious concerns. Bean has since been upgraded, but due to the nature of the deficiencies at Carson, it is not practical to upgrade it. The other residence halls have reasonably well designed lateral systems and, while functionally safe, they do not meet today's code requirements. Major renovations would trigger upgrades to current code of any portions renovated.

> The apartment complexes, because of their recent construction, all meet current seismic standards. The individual east campus houses, most of which are about 70 years old, do not. Without a detailed analysis of each house, removing finishes to view the structural connections, one cannot say categorically what the level of seismic

risk is. All we can say is that they do not meet current code. In terms of prioritizing risks, however, the residence halls, because of their larger numbers of tenants should be the highest priority.

Architectural

With continued maintenance, repair and replacement, the exterior skin and interior finishes can last many more years. As part of ongoing maintenance, periodically roofs need to be repaired or replaced, brick sealed, plaster, concrete, and steel repainted. The same is true for interior materials. The action that causes the interiors to look most dated is surface applied solutions to changing needs. Electrical or telephone conduit mounted visibly on walls or ceilings contributes to the look of an old, worn facility. Remodels that do not blend with the original design and materials also give this impression.

The aluminum and steel windows can continue to be maintained even though repairs are more costly than they once were. Parts are not always available and sometimes must be custom made. The steel windows in Carson, Earl and Walton are drafty and all of the residence hall rooms have single glazing. Adding weather stripping is not feasible since there is no way to hold it in place effectively in the existing frames.

Only Carson, Barnhart, Riley, Living Learning and the Graduate Village have elevators which serve students. All of these are relatively new elevators, with those in the older buildings having been replaced within the last five years. There should be no near term issues with elevators. The other residence halls have service elevators for the kitchen and storage areas running from the basements to the ground floor. All of these have also been replaced within the last 10 years.

Mechanical/Electrical

Even though all systems in the residence halls are in relatively good condition (considering their age and service life), older systems cannot be assumed to have acceptable reliability for long-term operation, and upgrade or replacement should be considered. The methodology used to identify upgrade packages and priorities is described in both the Appendix and individual sections for each complex. Briefly, the methodology is to use commonly accepted life spans for systems, apply them to the initial installation date and suggest that these systems ought to be replaced after reaching their commonly accepted life span.

This does not mean that the systems definitely will fail at their 'end-of-life' date, just that the probabilities are higher and higher as time goes on. The ongoing maintenance burden is likely to become increasingly heavy and it may be less expensive and disruptive to replace the system in a planned way rather than react to system failures.

Regarding specific systems, repair or replacement of condensate return and domestic hot and cold water piping systems are the most significant deferred maintenance projects.

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Only three of the eight residence halls (LLC, Carson and Barnhart) have full fire sprinkler systems. Except for Riley, these buildings are large enough that if built to-day or significantly renovated, current code would require sprinklers. None of the apartment buildings are large enough to need sprinklers, although Agate does have one.

Following, Table 5 details Soderstrom's summary of the deferred and expected maintenance through 2017:

Facility	Estimated Cost	Cost/Bed	Cost/SF
Barnhart	$3,268,886	$7,264	$26.59
Bean	$1,701,861	$2,260	$11.78
Carson	$1,170,240	$3,462	$12.45
Earl	$1,676,231	$4,901	$19.91
Hamilton	$3,303,576	$3,961	$16.19
LLC	$0	$0	$0
Riley	$567,618	$3,593	$8.42
Walton	$3,119,197	$4,791	$19.85
Graduate Village	$118,300	$1,643	$2.84
Agate	$204,123	$3,266	$15.05
Moon Lee	$34,738	$2,481	$7.12
Spencer View	$1,026,153	$1,500	$3.63

Table 5: Deferred and Expected Maintenance Through 2017

Soderstrom's assessment indicates that UO Housing has maintained its buildings extraordinarily well. Nevertheless, seven of the eight residence halls could not remain in service indefinitely without "major remodels"—complete systems replacement and upgrade projects. The total development cost of such projects would greatly exceed the construction costs in Table 5, as major remodels would replace old systems that are still functioning, and add ADA, life safety, seismic, and hazardous materials costs. Furthermore, the costs above exclude soft costs such as design, permits, fees, marketing, financing, or furnishings, which may add another 33% to the cost.

IMPLEMENTATION PLAN

With the needs assessment and existing conditions analyses complete, ASL developed preliminary recommendations for UO to meet its housing objectives subject to the constraints of market and facility-based realities. ASL uses a financial model as a framework for developing and testing various solutions. The financial plan—the final task in the process of developing recommendations—has several components; each reflects extensive institutional and Planning Group feedback.

The recommended implementation plan strives to achieve a balance among many factors in meeting the objectives. The plan synthesizes the data and information gathered in the Housing Analysis phase of the process to yield:

- an ideal space program,
- development budgets,
- phasing and renewal considerations,
- financial concepts, and
- a financial plan (including a delivery strategy).

The University has tentatively approved an initial series of projects (Cycle 1) with a total cost not to exceed $60 million.

Ideal Space Program

Summary

Based on information gathered in the Housing Analysis phase, the planning team developed an ideal program for the housing system to meet the objectives. The ideal program represents the quantitative goals and objectives for several elements of the housing: class level of residents, unit type, and bedroom occupancy. It also addresses the student learning program space needs. This ideal program is especially useful as a benchmark for comparing scenarios in the financial model. The Strategic Plan has many qualitative objectives that do not relate to a quantitative description of the ideal program.

Unit Type/Occupancy	Existing	Ideal	Change	Ideal %
Traditional Doubles	2,726	1,648	-1,078	30%
Traditional Singles	303	348	45	6%
Semi-Suite Doubles	387	857	470	16%
Semi-Suite Singles	85	95	10	2%
Suite Doubles	0	513	513	9%
Suite Singles	0	1,570	1,570	29%
Apartments	447	447	0	8%
Total	3,948	5,478	1,530	100%

Table 6: Existing and Ideal Building Programs[3]

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[3] This table and the others in this document include the LLC in the existing housing inventory. Since the LLC came online after the most recent year for which complete financial data was available from housing, the financial model in Attachment 3 treats the LLC as new construction to facilitate budget comparisons for FY 2006–07.

Table 6 summarizes the existing and ideal building programs. The challenge for achieving the objectives of the housing program and the ideal program focuses on determining how to replace the traditional double bedroom units with a more private style of unit. An analysis of the reconfiguration potential of these units—most of which are very small—led to the conclusion that it would be more cost effective to build new beds than to renovate and reconfigure existing units. Significant new beds are required to provide a greater variety of unit types that are in demand by students in general and that cater to the needs of upper-class graduate students in particular.

Class Distribution

At the U of O, interest in living in UO-housing varies significantly from one class level to the next:

Freshmen: Phase 1 established an objective of 2,720 first-time freshmen living in UO housing. This figure is based on the 23,000-student enrollment scenario, with 15% of the first-time freshman enrollment of 3,200 living in UO housing. ASL's demand analysis supports this objective.

Most freshmen expressed that traditional double bedrooms are appropriate for first-year students, although many freshmen would prefer a unit that supports a more independent living style. ASL recommends an approach that a) gradually decreases the number of traditional style rooms and replace them with semi-suites, and b) substantially improves the traditional halls that remain to increase their appeal. Adding student learning support spaces, increasing and distributing social gathering areas, and improving and expanding community bathrooms are a few of the changes that can make traditional halls more functional and more appealing. Eventually, the system should provide a mix of traditional and semi-suite units and double- and single-bedrooms. Ideally, it is more important for freshmen to live close to the core of campus.

Sophomores, Juniors, and Seniors: Phase 1 set the goal of 15% of sophomores, juniors, and seniors living in UO housing in the 23,000-student enrollment scenario; with 13,859 students including second-year freshmen, this would result in 2,079 beds. The ASL demand analysis also supports this objective.

ASL's analysis noted that the drop in residency in UO housing from the first year to the sophomore year was higher than the rate—about half—that ASL finds to be typical. In fall 2006, 343 sophomores lived in UO Housing, and ASL found that under the 23,000-student enrollment scenario, as many as 561 more sophomores, or 904 total, would live on campus with the right unit mix. Although the 27% that lived on campus would be above both the 15% sophomore, junior, and senior goal and the 25% undergraduate goal, it falls short of the minimum end of the expected range. Compensating for this shortfall, however, were significant levels of interest in improved housing by juniors and seniors, as Figure 10 shows.
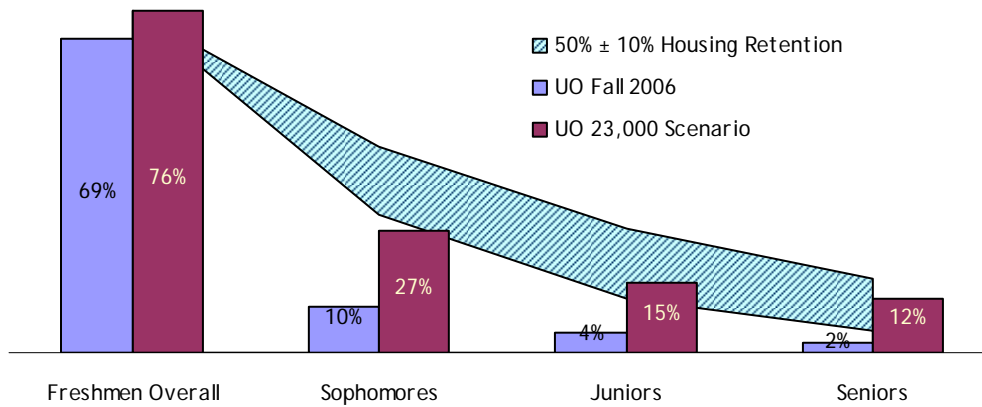
Figure 10: UO and Typical On-Campus Residence by Class Level

We observe that the UO culture is that it is more or less expected that sophomores will move out of UO housing. To overcome this obstacle and retain a significant number of sophomores in the housing system at UO, full suites are necessary. A small number more sophomores may remain in university-owned housing if offered a private bedroom, but a larger number would remain if offered a suite. Ideally, units with kitchenettes would allow some separation from dining services while maintaining the meal plan subscription, preferably at a lower level than currently offered. Offering units that are attractive to sophomores would also retain a higher percentage of juniors and seniors in UO housing.

Graduate Students: Phase 1 did not set a numerical or percentage goal for graduate residents of UO housing. It did provide, however, a forecast of 4,600 graduate students enrolled (20% of enrollment) in the 23,000-student enrollment scenario. Currently, UO houses 318 graduate students out of 3,180 enrolled, or 10%. ASL recommends planning for up to 679 graduate student beds in apartments and residence halls. This would equal 15% of all 4,600 graduates assuming a 23,000-enrollment scenario.

ASL found that UO housing's 447 apartment-style units met the needs of students with families and single graduate students preferring an apartment; 54% of UO-housed graduate students live at Spencer View, 22% in the East Campus Graduate Village Apartments, 16% in East Campus Houses, and the remainder in residence halls, Agate Apartments, or Moon Lee Apartments. ASL also found, however, that about 232 single graduate students would live in a residence hall with a graduate-student-only environment. Additional beds in residence halls for graduate students will accommodate more graduate students as graduate student enrollment grows and could contribute to the UO goal of attracting more graduate students, increase the percentage housed at UO vis-à-vis peer institutions, and possibly free up some UO apartments for students with families.

Class Distribution Summary: Based on the above, Table 7 summarizes the ideal distribution of students in UO housing by class level.

Classification	Residents
Freshmen (*first-time*)	2,720
Sophomore, Junior, or Senior (*includes returning freshmen*)	2,079
Graduate (*maximum*)	679
Total	5,478

Table 7: Ideal Class Distribution

Unit Distribution

The allocation of the 5,478 bed spaces between unit types is shown in the two tables below. The result is a transformation of a system dominated by a single unit type to one with a wide range of options. While planning for the predominant preference in each class level, we must acknowledge the inevitable interchangeability among unit types; that is, some seniors may prefer an economical on-campus double; some freshman will prefer a suite. Despite student preferences, the UO assignment process should steer residents to unit types appropriate to their class standing.

Bedroom Occupancy: Few students prefer having a roommate, although most will accept it for the first year. ASL recommends a goal of housing 10% of freshmen, 75% of sophomores, juniors, and seniors, and all non-apartment graduate students in single occupancy bedrooms. ASL recommends no change in the number of apartments, which already provide the capacity to serve the demands of graduate students and families. Based on these ratios, the ideal bedroom occupancy should be as shown in Table 8.

Occupancy	Existing	Ideal	Change	Ideal %
Singles	388	2,013	1,625	37%
Doubles	3,113	3,018	-95	55%
Apartments/Houses (By-the-Unit)	447	447	0	8%
Total	3,948	5,478	1,530	100%

Table 8: Ideal Bedroom Occupancy

Unit Types: Although students generally prefer suites, they also desire variety and options. ASL recommends a) keeping enough traditional units to house 65% of the freshmen and 10% of sophomores, juniors, and seniors; b) providing semi-suites to house the remaining 35% of freshmen; and c) providing suites for the remaining 90% of sophomores, juniors, and seniors and all graduate students who do not live in apartments. This distribution results in the ideal unit types shown in Table 9.

Unit Type	Existing	Ideal	Change	Ideal %
Traditional	3,029	2,131	-898	39%
Semi-Suites	472	1,030	558	19%
Suites	0	1,870	1,870	34%
Apartments/Houses	447	447	0	8%
Total	3,948	5,478	1,530	100%

Table 9: Ideal Unit Types

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Student Learning Program Spaces

In addition to improving the number and quality of living units on the UO campus, the program also calls for the expansion of living-learning programs initiated by the delivery of the Living Learning Center last year. Program elements called Student Learning Overlays will be shown as separate projects in the development plan; however, it is envisioned that these spaces will be built in conjunction with other housing facilities being delivered at the same time. The final size and makeup of these spaces must be determined in the pre-development phase of the project and reflect the then-current demand for student learning support and program linkages.

Budget Development

Housing facilities must have the operating and development budgets to accommodate living units, common residential areas, student learning support spaces, building services, and circulation. Considerable flexibility in programming each project exists while maintaining financial feasibility so long as the gross building areas and total development budget targets are achieved. The final distribution of spaces and budget will be an important part of the programming phase of each specific project.

Background

The creation of all-inclusive development budgets is one of the most difficult—but important—tasks in creating a viable strategic plan. Based on our experience, even the most detailed facility condition assessments fall short of predicting a scope and cost of renovations upon which everyone can agree. Indeed, there are often wide-ranging opinions on the appropriate level of renovation for a particular building at some variable point well into the future. In addition, vague requirements or incomplete policies addressing life-safety issues, seismic upgrades, hazardous materials abatement, and ADA requirements complicate the task. Reconfiguration costs and capital improvement costs (e.g., adding air conditioning) often push the cost of renovation beyond the point of financial feasibility.

The decision to replace an existing residence hall does not always rest solely on financial parameters. Historical significance, a scarcity of building sites, sentiment, irreplaceable functionality, naming restrictions, and a host of other issues can weigh heavily. Conversely, an otherwise acceptable facility may be a candidate for replacement because of structural or architectural constraints that limit its current or potential functionality.

With one exception, the residence halls at the University of Oregon are over 40 years old. Besides operating beyond the useful life of many of the systems, the small bedrooms in many of the halls strengthen the argument for replacement. Replacement of student housing within the architectural core of campus, however, is not a decision easily made. While the Living/Learning Center is a wonderful example of an architecturally significant and innovative housing facility, it is not a viable template for future housing, which must be financially self-sustaining.

The realities of replacing the existing residence halls with facilities that are affordable to students, the quality of new housing will likely be lower than will be acceptable for on-campus housing. For this reason alone, the final plan will require the renovation and/or reconfiguration of the some of the existing halls. On almost every campus ASL has worked, existing facilities must be renovated and improved as part of the final development plan. The vast majority of these halls fall into the category of mid-century

dormitories that must be renovated, improved, and reconfigured to meet the needs of entering freshmen.

Reconfiguration is usually only financially competitive when the existing rooms are small and major renovation of systems is required. It is also imperative that the reconfigured plan result in a reasonable gross area per bed and minimize construction costs to keep rents at marketable levels. The conversion of three small double rooms into two double rooms sharing a bath and common entry reduces the occupancy by 33% (compared to 50% for a conversion to singles), but allows a rental premium for the improved unit configuration.

Most universities cannot justify significant reconfigurations because of bed loss, cost, and/or inefficient units. In such cases, existing dormitory-style housing can be significantly improved by significant renovations to systems plus the improvement and expansion of well-designed common areas and bathrooms. The impact of small units can be mitigated by well-designed, moveable furniture, and access to convenient common spaces important to residents (e.g., kitchens, study rooms).

Methodology

The cost of new construction often serves as a benchmark against which the cost of renovations is compared. Many administrators use the cost of renovation as a percentage of replacement cost as a marker for determining whether a residence hall should be renovated or replaced. Unless a university can provide very clear guidance on renovation costs, ASL typically uses the percent of replacement value to establish budgets at various levels of renovation. Rather than agonize over every cost that goes into a renovation budget, we establish a tiered budget structure based on qualitatively defined levels of renovation and improvement. With input from the university, we then assign the appropriate level to each building, leaving the determination of work scope to the point in time when the project will be undertaken. The success of this approach rests with the understanding that we have earmarked sufficient funds to renovate a facility at some point in the future. In essence, we are allocating the housing system debt capacity in a rationally to optimize the improvements for the system as a whole.

Cost of Construction

Based on the facilities assessment by Soderstrom and research that ASL recently conducted for the University of Washington housing master plan, we recommend the following tiered scope for construction budgets for new construction, renovations, and configur**ations:**

Level	%CRV	$/GSF	Life Cycle	Scope of Work (Cumulative)
New On Campus	100%	$220	50 yrs	New on-campus construction near the campus edge (CRV)
Full Plus	85%	$185	30 yrs	Upgrades (e.g., windows, AC), minor reconfiguration
Full Reno	75%	$165	25 yrs	Full system replacement
Limited Reno	50%	$110	20 yrs	Selective system replacement, code compliance
Life-Safety	25%	$55	15 yrs	Life-safety upgrades: sprinklers,
Cosmetic	15%	$35	10 yrs	New finishes: paint, carpet, etc.
New Edge		$175	40 yrs	New on-campus construction near the campus edge

Table 10: Construction and Renovation Budget Structure

The $200/gsf for new construction is for projects built in or near the campus core. Depending on the location of sites for new halls—also referred to as Edge sites, since they may be in an area like the East Campus Area, with ready access to food service— it may be possible to deliver the projects without some of the costly markups (e.g., prevailing wages) associated with a project subject to state procurement requirements. To the extent that state statutes permit, some form of a public/private partnership could realize construction costs more in the range of $165 to $175/gsf[4].

Development Budgets

The construction cost is the basis for building the development budgets. In addition to the cost of construction, the financial model will add costs for land and infrastructure, soft costs, contingency, and financing. These costs, which vary by type of project, are determined as shown in Table 11.

Project Type	Construction ($ per sf)	Land & Infrastructure ($ per sf)	Permits & Fees (% of above)	Furniture & Fixtures (per bed)	Design & Soft Costs (% of above)	Development Cost (% of above)	Project Contingency (% of above)
New Core	$220.00	$0.00	1.0%	$2,500	8.0%	3.0%	5.0%
Renovate	$0.00	$0.00	1.0%	$2,000	9.0%	3.0%	10.0%
Demolish	$20.00	$0.00	1.0%	$0	6.0%	3.0%	10.0%
New Edge	$175.00	$17.50	1.0%	$2,500	6.0%	3.0%	5.0%

Table 11: Development Budget Markups

Construction costs are expressed in 2007 dollars, as are the development costs. Total development budgets are also escalated to the mid-point of construction, which will vary with project phasing.

Phasing and Renewal Considerations

The work necessary for the University's housing to meet the expectations of 21st century students cannot be achieved overnight. While the housing is being revitalized, however, it must continue to serve thousands of students each term. When deciding the priority and order of projects, ASL considers:

Marketable Capacity: The need to accommodate growth and the need to maintain a certain number of beds online are best met with constant growth from year to year rather than with large swings in capacity.

Building Condition: Since maintaining buildings in poor condition is expensive and their attractiveness tends to be poor, the plan attempts to address those in the worst condition first.

Unit Types: The importance of the demand for certain unit types may influence projects' placement in the phasing sequence.

Debt Capacity: The ability of the housing system to take on additional debt may force projects to be deferred until debt capacity can be created.

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[4] For a more comprehensive discussion on delivery options, see Campus Housing Construction, The Association of College and University Housing Officers-International, 2003, pp. 59-74.

Unless there is unused marketable capacity in the existing halls, the first project in a plan that calls for taking existing halls off line for renovation must create space for residents displaced from these halls. ASL recommends a project consisting entirely of suites, with a mix of double-and single-bedroom units for the initial swing space. Although the LLC was conceived initially to serve as swing space, the window of opportunity for that purpose passed as demand filled all available beds. New swing space is required to avoid regressing to pre-LLC overall capacity levels.

Options for Existing Halls

A number of options exist for the renewal of the existing residence halls that will ultimately influence the phasing of the projects:

- **Maintain As-Is:** Doing nothing is the simplest option with no change in usage from the currently accepted marketable capacity. (Low or no project cost; 0% bed loss; no revenue increase potential)
- **Rent Doubles as Singles:** Convert from double- to single-occupancy bedrooms. (Low project cost; 50% bed loss; high revenue increase potential)
- **Renovate and Reduce Density:** Lower density by converting some bedrooms to common areas such as laundries, study rooms, and common kitchens. (Medium project cost; bed loss percentage could vary widely, but 5% to 10% is typical; minimal revenue increase potential.)
- **Renovate/Reconfigure as Semi-Suites:** Convert two or three bedrooms into a semi-suite. (High project cost; 25% bed loss, since some beds can be recouped by reclaiming community bathrooms; high revenue increase potential)
- **Replace with New Semi-Suites or Suites:** Replace with a new building. (Highest project cost; some bed loss; high revenue increase potential) Note that the new building option does <u>not</u> include replacement of the existing food service spaces.

Since many of the existing traditional halls are burdened with very small bedrooms, replacement of these facilities is the optimum solution. While reconfiguration and renting doubles as singles are possible options for overcoming this deficiency, neither of these options is financially feasible. Reconfiguration is very expensive considering the condition of the buildings and the structural limitation imposed by the structures. Renting doubles as singles results in a too great a loss of income to support the needed renovations.

Financial Concepts

Overview

The financial plan incorporates information gathered from prior studies, stakeholder input, the market analysis, the facility assessment, and program development phases of the process. Being both strategic and comprehensive, the plan maximizes the improvements to student housing while keeping rents at an affordable level. Careful control of rents and operating costs over time yields increased cash flow that is available to support additional debt. The prudent use of debt to fund capital improvements maximizes the value that students receive for their rental dollar.

An Excel financial model, which simulates the operation of the student housing system, is at the core of the plan. Starting in the current fiscal year, the model considers both the current housing program and planned improvements over the ensuing 10 to 15 years. The model and plan represent a framework for the operation of student housing that establishes benchmark revenue and operating cost targets for each

year. The strategic financial plan is like viewing housing operations from 25,000 feet and focuses on macro issues (e.g., net rental income, total development cost per bed) that should be used as benchmarks for further planning. Annual budgeting and planning for capital projects focuses on the details (e.g., rental rates and occupancy, the cost of utilities).

Typical Planning Assumptions

As befits a strategic plan, the assumptions represent averages over the 15-year planning horizon. As such, it is neither appropriate nor feasible to use assumptions that represent the worst case that may be encountered over that period. The development program and phasing are based on the best information available at the time of the study. The University should anticipate that the plan would require adjustment on an annual basis to factor in results that are not in line with prior projections, changing student preferences, and other factors external to student housing. Indeed, the success of the plan itself will likely have an impact on the students' vision of and demand for university-owned and managed housing at the University of Oregon in the years ahead.

Revenues

Revenues consist of academic year room and board income[5] (net of vacancy), catering and conferencing, and other miscellaneous revenues. To achieve additional debt capacity, annual rental increases must typically exceed operating cost increases by 1% to 3% (on room portion only). Over time, this differential will generate significant debt capacity. In addition, the rents for existing halls subject to major renovation and/or reconfiguration will undergo a one-time increase in rents when they return to service. This renovation premium typically ranges from 20% to 30% for a fully renovated residence hall. Revenues from sources other than academic year room rents are typically extrapolated going forward based on a percentage of net rental income.

Occupancy

The occupancy of a residence hall is an illusive term, particularly if housing frequently changes the capacity by renting design doubles as singles or doubling up to accommodate overflow. ASL's definition of occupancy subsumes these annually changing parameters by using an *economic* occupancy in the financial model, which may differ slightly from the university's definition of occupancy. The economic occupancy is defined as the ratio of net rental income to the gross potential income if the halls were 100% occupied <u>as designed</u>. For example, consider a hall that was designed to accommodate two students per room. If all rooms were rented as singles at 1.5 times the double rate, the economic occupancy would be 75% (i.e., 1.5*Dbl/2.0*Dbl). ASL calculates the economic occupancy for the first year of the plan (by building if sufficient data allows). As each project is renovated and returned to service, a post-completion occupancy of between 94% and 96% is typically applied to the completed hall. By the time all projects are completed, the system-wide economic occupancy will equal this post-completion occupancy.

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[5] ASL prefers to model the housing operation separate from food service whenever possible. The University of Oregon, however, does not fully allocate operating costs between these two functions, thus the financial model will use consolidated revenues and operating expenses.

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Operating Costs

To understand the true financial picture of student housing, it is important to differentiate the cost of operating the residence halls from other non-operating transfers that support other institutional functions. Further, operating costs can be divided into allocated and unallocated costs. If the University cannot allocate operating expenses, ASL may do so based on a percent of gross area to get a better understanding of the financial performance of each hall. This analysis is vital for making informed decisions about which halls may be improved or replaced. Costs—both operating expenses and non-operating transfers—that cannot be allocated to a particular hall must be carried by the entire system. These unallocated costs will typically vary as a percent of net revenue or by the inflation rate and continue to be incurred even if a hall is removed from service. We typically escalate operating costs at a rate equal to the long-term rate of inflation. In addition, if a hall is removed from service for renovation (or permanently) the allocated portion of the operating cost for that hall will be zero while it is not in service.

Net Operating Income:

Net Operating Income (NOI) is defined as the difference between Total Net Revenues and Operating Costs. This metric is important because it is a measure of debt capacity for the improvement of housing. It is also used in calculating the debt service coverage (i.e., Total Debt Service/NOI) of the housing system.

Capital Renewal

Even though the halls may require major renovations that will be funded by new debt service, the existing halls sill require continued investment in selected capital renewals (e.g., roof replacement) that cannot be deferred until the scheduled renovation. We typically assume that 25% to 50% of the projected annual surplus is expended on capital renewal.

Debt Service and Reserves

Debt Service consists of existing debt service plus new debt service incurred to support planned improvements and expansion of the housing system as discussed in the section on Development Budgets. If the existing debt issues can be attributed to specific halls (not always the case when refinancing has occurred), we allocate the debt service to each hall to get an even clearer picture of a hall's financial performance. If not, the existing debt service is carried as an obligation of the system. Typical financial assumptions for the plan are as follows (Table 12):

OUS Financed Projects	
New Construction:	5.5% fixed, 30-year term
Renovations:	5.0% fixed, 20-year term
Bond Issuance Costs:	2.0%
Debt Service Coverage:	1.0x Systemwide
Debt Service Reserve:	12 months (OUS requirement)
Earnings on Reserves:	2% less than the bond rate
Capitalized Interest:	Preconstruction
Privately Financed Projects	
New Construction:	6.0% fixed, 30-year term, or 4.5% variable, 30-year term
Bond Issuance:	2.0%
Reserves:	$200/bed
Debt Service Coverage:	1.2x to 1.3x for the project
Debt Service Reserve:	6 to 12 months
Capitalized Interest:	Preconstruction plus 6 to 12 months of Year 1
Cycle 1 Projects Budget:	$40 to $60 million

Table 12: Financial Assumptions

OUS Restrictions

The financial plan will be developed subject to the constraints imposed by the above assumptions. We also understand that the OUS has other restrictions on campus debt.

1. Debt service reserve of 12 months: This will be achieved primarily from
2. The debt burden ration shall not exceed 7% of overall expenses: This restriction could potentially limit the total capital improvements to student housing. This ratio is calculated on a campus-wide basis; therefore, ASL could not determine whether this is a limiting factor. However, assuming total annual debt service of $35 million for housing in FY2020, overall expenses would have to exceed $500 million just to cover housing debt. As of FY2006, the debt burden ratio stood at 3% of total adjusted expenses.

Financial Plan

Overview

An Excel model that simulates the operation of the student housing system is at the heart of the financial plan. The model uses assumptions about rents, operating expenses, capital renewal, existing debt service that are based on the current operation of student housing. Budgets for capital improvement projects and their associated debt service are factored into the analysis. Finally, phasing strategies are evaluated to yield a viable solution that is both financially self-sustaining and operationally sound.

The planning team evaluated several scenarios using the financial model. The scenarios included accelerated replacement, paced replacement, substantial renovation, and minimal renovation.

Accelerated Replacement

Replaces all but three existing halls on an accelerated schedule; new unit types and capacity achieved through additional new beds

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Paced Replacement

Replaces all but three existing halls; interim summer renovations to existing halls allow more time until replacement; unit types and capacity achieved through additional new beds

Substantial Renovation

Fully renovates existing halls; new unit types and capacity achieved through new beds

Minimal Renovation

Life-safety renovation of existing halls and cosmetic renovation of apartments; new unit types achieved through new beds

Each of the scenarios was evaluated as to how well it achieved the objectives and accommodated the ideal program, total cost, and other qualitative criteria. Based on this comparative assessment, a recommended strategy evolved that combined the benefits of the Accelerated and Paced Replacement approaches. In the final plan, the phasing schedule was stretched by two years with a break at the end of the Cycle 1 projects and the interim summer renovations were eliminated.

The existing housing was first analyzed for accommodating the ideal program subject to certain planning criteria including functionality, unit types, existing building conditions, and the cost of renovations. Five existing complexes/halls were deemed unsuitable for the ideal program and were recommended for demolition and replacement; three halls and the apartments were recommended for renovation.

The financial plan presented in this report (see Attachment 3 for additional detail) demonstrates the feasibility of replacing five out of eight of the existing residence halls, renovating the remaining halls and apartments, and building new housing to meet projected demand.

As shown in Table 13, the total development budget for the comprehensive housing plan is $448,339,000 with completion occurring in the summer of 2018. The total cost of renovation averages $159/gsf compared to $280/gsf to $300/gsf for new construction.

	Cost	Beds/Units	Cost/Bed	Cost/GSF
New Core	$192,923,000	2,560	$75,361	$302.74
Renovate	112,196,000	1,388	80,856	158.33
Demolish	18,345,000	2,069	8,867	-
New Edge	124,875,000	1,530	81,618	279.83
Total	$448,339,000	5,478	$81,850	$250.17

Table 13: Financial Summary

Table 14 summarizes the project type, number of beds at completion, total development budget (including escalation), and the scheduled completion data for each of the halls. The highlighted projects represent the Cycle 1 program, which is limited to $60 million. These projects were chosen because they provide improvement for both first-year students and upper-class students. However, the financial model presents one solution out of many possibilities; while planning a project, UO may find that further analysis shows that it makes more sense to replace one project with another. We recommend that the

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student learning overlay be constructed as part of Earl replacement project to continue and expand the programs initiated with by the Living-Learning Center.

Project	Project Type	Revenue Beds/Units	Development Budget	Scheduled Completion	Cumulative
Living Learning Center	New On Campus	387	-	Aug-2006	-
Earl Complex	Demolish	0	$2,217,000	Aug-2010	$2,217,000
Edge Suites	New Edge	510	39,223,000	Aug-2010	41,440,000
On-Campus Traditional	New On Campus	226	$15,172,000	Aug-2011	56,612,000
Academic Overlay 1	New On Campus	0	2,078,000	Aug-2011	58,690,000
Carson Hall	Demolish	0	2,857,000	Aug-2012	61,547,000
Edge Suites II	New Edge	510	41,580,000	Aug-2012	103,127,000
Riley Hall	Demolish	0	1,181,000	Aug-2013	104,308,000
East Campus Grad Village	Maintain/Reno	72	2,476,000	Aug-2013	106,784,000
On-Campus Traditional II	New On Campus	446	31,099,000	Aug-2013	137,883,000
Academic Overlay 2	New On Campus	0	2,202,000	Aug-2013	140,085,000
Bean Complex	Demolish	0	4,851,000	Aug-2014	144,936,000
Agate Apts	Maintain/Reno	20	1,101,000	Aug-2014	146,037,000
Edge Suites III	New Edge	510	44,072,000	Aug-2014	190,109,000
Moon Lee Apts	Maintain/Reno	6	340,000	Aug-2015	190,449,000
On-Campus Traditional III	New On Campus	446	32,962,000	Aug-2015	223,411,000
On-Campus Suites (P15)	New On Campus	458	48,970,000	Aug-2015	272,381,000
Academic Overlay 3	New On Campus	0	2,334,000	Aug-2015	274,715,000
Hamilton Complex	Demolish	0	7,239,000	Aug-2016	281,954,000
Walton Complex	Maintain/Reno	552	48,022,000	Aug-2016	329,976,000
Spencer View Apts	Maintain/Reno	272	16,787,000	Aug-2016	346,763,000
Walton Infill	New On Campus	83	7,422,000	Aug-2016	354,185,000
East Campus Houses	Maintain/Reno	77	4,634,000	Aug-2017	358,819,000
On-Campus Semi-Suites	New On Campus	514	48,210,000	Aug-2017	407,029,000
Academic Overlay 4	New On Campus	0	2,474,000	Aug-2017	409,503,000
Barnhart Hall	Maintain/Reno	389	38,836,000	Aug-2018	448,339,000
Bean/Carson Interim	Not in Plan	0	-	Aug-2099	448,339,000
Earl/Hamilton/Riley Interim	Not in Plan	0	-	Aug-2099	448,339,000
		5,478	$448,339,000	Aug-2018	

Table 14: Summary Project Budgets and Phasing

Project Phasing

Figure 11 illustrates the capacity of the housing system and unit distribution for the 15-year planning horizon. The Cycle 1 projects will be completed by the fall of 2011 and cost a total of $58.7 million.

The financial model uses a sequence of projects to demonstrate feasibility, but UO has great flexibility in how it phases the plan's component projects. As described above, the University should consider a building's condition, marketable capacity, site location, dining spaces, attractiveness, and the cost of renovation or replacement. Although the financial model presents one solution out of many possibili-

ties; while planning a project, UO may find that further analysis shows that it makes more sense to re-place one project with another.

The University asked ASL to focus on an initial series of projects (Cycle 1) that UO could accomplish for a total cost not to exceed $60 million. The recommended projects in Cycle 1 are:

1. Demolish the Earl complex
2. Build 226 new beds in a traditional-style configuration on the Earl site targeted to first-year students
3. Build 510 new beds in a suite-style configuration on an undetermined East Campus site targeted to upper-division students; however, these beds may serve as swing space for students temporarily displaced by the demolition of the Earl complex
4. Construct a new academic support center, either standalone or in conjunction with one of the new housing projects, to expand the services now offered in the Living-Learning Center
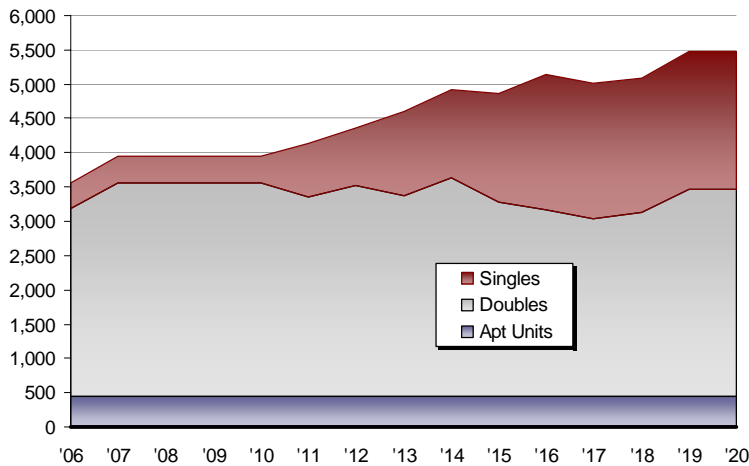

Figure 11: Distribution of Unit Types by Year

Table 15 shows in a tabular format the phasing of projects, system capacity, and the linkages between the demolition of an existing hall and the delivery of its replacement.

FYE Ending June 30:	2010	2011	2012	2013	2014	2015	2016	2017	2018
Barnhart Hall	432	432	432	432	432	432	432	432	
Bean Complex	576	576	576	576	576				
Carson Hall	282	282	282						
Earl Complex	316								
Hamilton Complex	780	780	780	780	780	780	780		
Living Learning Center	387	387	387	387	387	387	387	387	387
Riley Hall	115	115	115	115					
Walton Complex	613	613	613	613	613	613		552	552
East Campus Grad Village	72	72	72	72	72	72	72	72	72
Agate Apts	20	20	20	20	20	20	20	20	20
Moon Lee Apts	6	6	6	6	6	6	6	6	6
Spencer View Apts	272	272	272	272	272	272	272	272	272
East Campus Houses	77	77	77	77	77	77	77	77	77
On-Campus Traditional			226	226	226	226	226	226	226
On-Campus Traditional II					446	446	446	446	446
On-Campus Traditional III							446	446	446
On-Campus Semi-Suites									514
On-Campus Suites (P15)							458	458	458
Walton Infill								83	83
Edge Suites		510	510	510	510	510	510	510	510
Edge Suites II				510	510	510	510	510	510
Edge Suites III						510	510	510	510
Academic Overlay 1									
Academic Overlay 2									
Academic Overlay 3									
Academic Overlay 4									
Total Revenue Beds	3,948	4,142	4,368	4,596	4,927	4,861	5,152	5,007	5,089
Change	0	194	226	228	331	(66)	291	(145)	82

Table 15: Project Phasing and System Capacity

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Revenues

Revenues consist of student rents, meal plans, and other income from summer rentals, services, fees, and deposits. Housing currently operates at 98% average annual occupancy (i.e., net rental income divided by gross potential income), which is projected to decrease to and stabilize at 95% by FY2019 as shown in Figure 12. This level of occupancy is difficult to maintain over the long term; therefore, the model assumes that completed projects come on line at 95% occupancy.
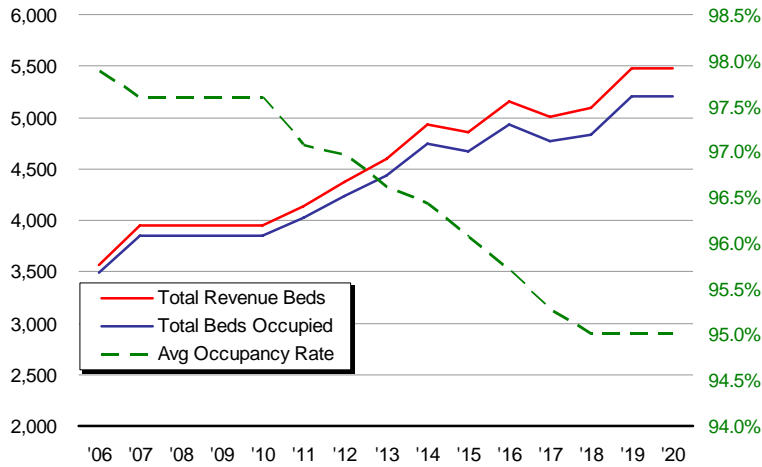

Figure 12: Bed Capacity and Occupancy by Year

Room and board income is based on current rates plus an average annual escalation of 3.0% throughout the plan. When an existing residence is renovated and returned to service, the rent increases by an additional one-time premium of 5% in the first year following completion. Rental rates for new housing are based on the rents tested in the student survey, less 10%. These rental increases, coupled with operating cost increases of 3%, create an ever-increasing capacity to take on new debt service. The impact of these rental increases over time is illustrated in Figure 13.
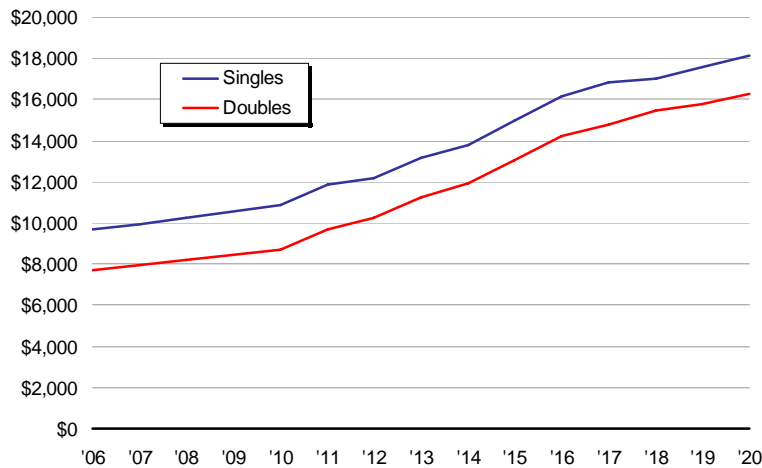

Figure 13: Average Rents by Year

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Operating Costs

Operating costs are based on the current operating cost per square foot of the existing halls. Operating costs escalate at 3% annually, the same as room and board. It is important to maintain this relationship to create new debt capacity. The cost per bed and cost per square foot by year are shown in Figure 14. Halls that are off line for renovations still incur operating costs at 35% of their on-line level.
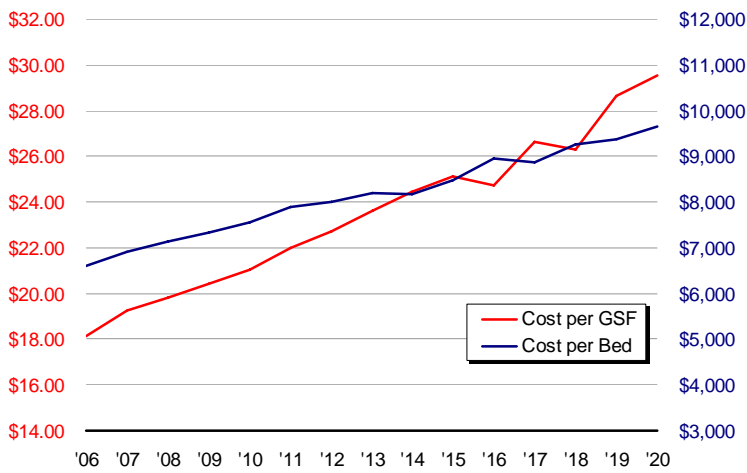

Figure 14: Operating Costs by Year

Non-operating transfers for institutional support, debt service, and reserves are not considered direct operating expenses and therefore not included in the above costs. The net effect of the revenue and operating cost assumptions is illustrated in Figure 15. The increasing net operating income is a source for increasing capacity to fund new debt for renovations and potentially to subsidize new construction.
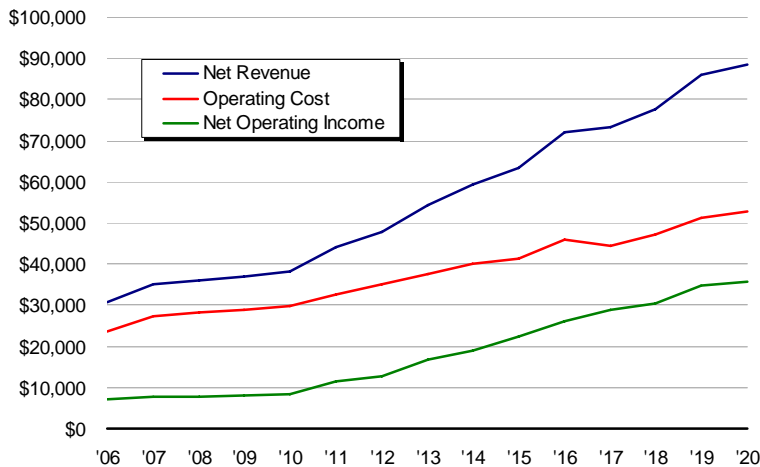

Figure 15: Operating Position by Year

Development Budgets

As discussed earlier, the vast majority of beds will be new with only three existing halls and the apartments to remain. Barnhart and the Walton Complex will receive a full renovation ($165/gsf construc-

tion cost), and the apartments will receive a cosmetic renovation ($35/gsf construction cost). The Living-Learning Center is not scheduled to receive any renovation over the next 15 years; however, its renewal and replacement requirements will be funded with funds from reserves. The financial model calculates the total development cost of projects by adding costs for land and infrastructure, permits and fees, furnishings, design fees, development costs, contingency, financing, and inflation. The total development budget for all capital improvements is $448,337,000. Table 16 summarizes the breakdown for the development budget.

Construction Cost	$	263,378
Land and Infrastructure		5,090
Permits and Fees		2,685
Furniture and Fixtures		12,033
Design and Soft Costs		21,345
Development Costs		9,136
Project Contingency		19,944
Financing Costs		22,047
Total Budget	$	**355,657**
Inflated	$	448,337

Table 16: Total Development Budget (*in thousands*)

The cost of food service improvements is not included in the development budgets; however, the cost of surface parking, open space development, and utility hookups is included under Land and Infrastructure for new construction on the campus edge. Open space development and utility hookup charges are carried for new and replacement projects located on the core of campus.

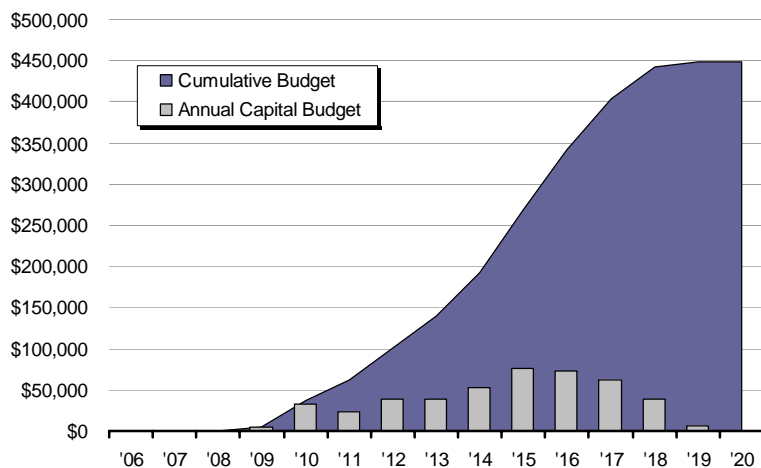Figure 16 illustrates the annual financing requirements and capital requirements by fiscal year.

Figure 16: Capital Requirements by Year

Debt Service and Reserves

Debt financing is the primary source of capital for renovations and new construction. The financial model uses the assumptions set forth in the Typical Planning Assumptions section. As can be seen in

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Figure 17, the debt service coverage dips below 1.25 beginning in FY2016. In addition, coverage falls below 1.00 for two years beginning in FY2018. Operating losses in these two years are covered by the positive balances in reserves.
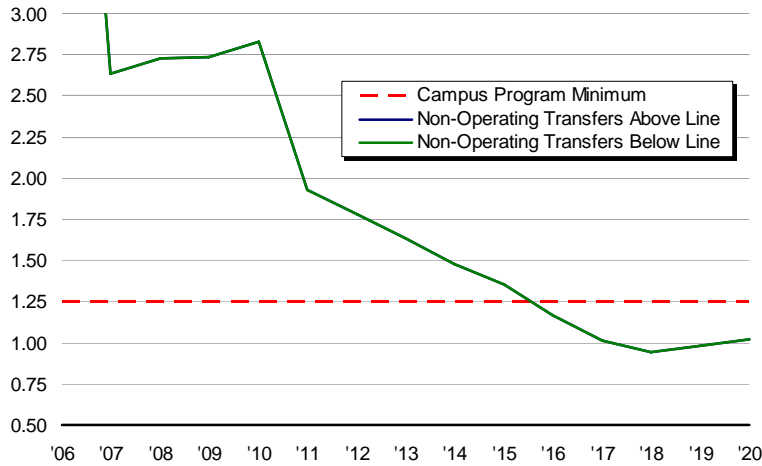

Figure 17: Debt Service Coverage by Year

The balance in housing reserves represents the overall health of the housing system. Figure 18 shows the projected balance in reserves for the 15-year plan. Transfers to and from reserves are represented by the vertical bars, and reserve balances that are restricted to make up a shortfall in debt service coverage are shown in dark blue. Annual earnings on the reserve balances are calculated at 3.50%. Annual transfers to reserves are net of annual replacement and renewal expenses, which are calculated at 50% of the projected surplus for the year.
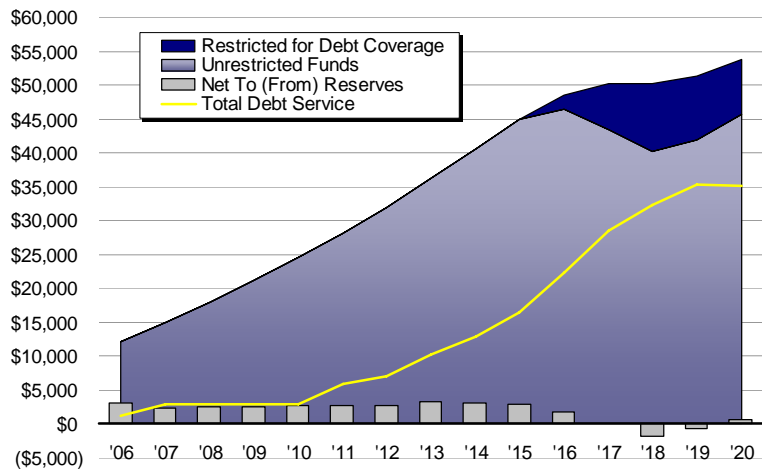

Figure 18: Cash Flow and Reserves by Year

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