



UNIVERSITY OF WYOMING

Housing Plan: Update and Options

Board of Trustees Retreat
July 2010



History of the Housing Plan

- 2001-2002: Ira Fink & Assoc. Conducts Review
- 2003: Housing Plan receives support by UW BOT
- 2004-2005: Construction on McIntyre and Orr
- 2005: Design team hired for White; project placed on hold due to construction inflation
- 2006: Financial Philosophy behind Room and Board Fees presented to board
- 2009: Scion Group Conducts Housing Review as part of LRDP--reinforces findings from Fink Study



Key Elements of Housing Plan

- Based on gaps (between student needs and UW housing inventory) identified in Fink and Scion studies, take steps to address student housing needs
- Fund Washakie Halls out of Room & Board Fees and Bonds
- Explore privatization for Summit View replacement and Hill/Crane renovation or replacement
- Eventual mix would include White Hall as suites or one bath per bedroom
- Room and Board rates increased a total of 19% over nine years (2005-2013) to cover the plan
- As part of 2009 LRDP, consider selling Spanish Walk

Demand for Housing Space

Student Demographic	Desired Housing	Demand	Currently Configured	Gap between Configured and Demand
New Freshmen	Traditional Residence Hall Rooms	1,650	2,283	633
Sophomore/Junior	Suite or Hotel Residence Hall Rooms	691	-	(691)
Senior and Above	Suite or Hotel Residence Hall Rooms/ more privacy	37	-	(37)
Single Student Apartment Beds	Apartments rented by bed	386	-	(386)
Family Apartment Units	Apartments rented by unit	162	210	48
Total		2,926	2,493	(433)

Privatization Option: Key Assumptions

- Execute long term ground lease with 501(c)(3) to develop property
- Develop up to 325 new beds in apartments rented by the bed
- Project must be financially self-sustaining
- Rents will be market driven
- Property may be managed by UW or by a third party
- Less impact to bond rating if privatized (preserves debt capacity for other projects)

Scenario A: Existing Plan

Project	Cost	Funding	Impact on Room/Board Rates	Net Change: Traditional Beds	Net Change: Suite Beds	Net Change: Single Student Apartment Beds
White Hall Suites	\$32M	Cash: \$7M, Bond: \$25M	2.25% increase 15% Premium for White Rooms	-600	500	
Summit View Replacement	\$20M	Private: Must be self-sustaining. Ground lease cash flows may kick in year five forward.	N/A			325
Sell Spanish Walk Project Cost: N/A	-\$5.45M	Appraisal \$6.1M less \$650K owed Net: \$5.45M Current net revenues: \$475K	N/A			-114
Refurbish Landmark Apartments Staged annually: one building at a time.	\$9.6M	Spanish Walk Sales proceeds plus Net Pledged Revenue funding	N/A			
Renovate Hill/Crane Complex to Suites	\$35M (both)	Private: Must be self-sustaining. Ground lease cash flows may kick in year five forward. Loss of \$1.1M in R&B fees	N/A	-400	400	



Scenario B: Modified Timing of Existing Plan

Project	Cost	Funding	Impact on Room/Board Rates	Net Change: Traditional Beds	Net Change: Suite Beds	Net Change: Single Student Apartment Beds
Summit View Replacement	\$20M	Private: Must be self-sustaining. Ground lease cash flows may kick in year five forward.	N/A			325
White Hall Suites	\$32M	Cash: \$7M, Bond: \$25M	2.25% increase 15% Premium for White Rooms	-600	500	
Sell Spanish Walk Project Cost: N/A	-\$5.45M	Appraisal \$6.1M less \$650K owed Net: \$5.45M Current net revenues: \$475K	N/A			-114
Refurbish Landmark Apartments Staged annually: one building at a time.	\$9.6M	Spanish Walk Sales proceeds plus Net Pledged Revenue funding	N/A			
Renovate Hill/Crane Complex to Suites	\$35M (both)	Private: Must be self-sustaining. Ground lease cash flows may kick in year five forward. Loss of \$1.1M in R&B fees	N/A	-400	400	



Meeting Demand When Fully Renovated

Optimal Bed Mix	Demand	Proposed New Configuration	Gap between Configured and Demand
New Freshmen	1,650	1,303	(347)
Sophomore/Junior	691	965	274
Senior and Above	37	-	(37)
Single Student Apartment Beds	386	325	(61)
Family Apartment Units	162	210	48
Total	2,926	2,803	(123)

Summary of Advantages for Two Options

Scenario A

- Lower construction costs due to the economy mitigates fee increases
- White Hall becomes a “feeder” to new apartments
- Immediate recruiting impact of new-style housing that will accommodate some freshmen

Scenario B

- No institutional funding allows cash to continue to accumulate toward White Hall
- Immediate impact of construction on 1/3 of vacant Summit View site
- Does not use debt capacity in FY2011-2012

