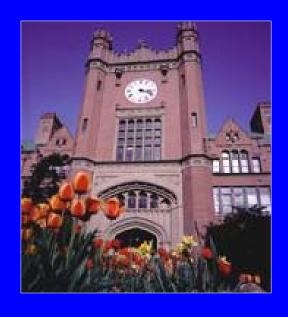
ACUHO-I 2000 PITTSBURGH





A New
Operating Paradigm
for Housing:
Residents as
Preferred Customers







Presentation Outline

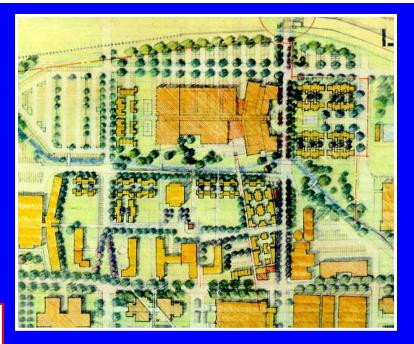
- Introductions
- Historical Perspective
- The New Paradigm
- University of Idaho Example
- Wrap Up
- Discussion (throughout)







INTRODUCTIONS











Presenters

- Jeffrey Turner
 - Vice President, Brailsford & Dunlavey
 - Background in Real Estate Finance
 - Rejected as a Resident Assistant
- Heidi Kaplan
 - Associate, Brailsford & Dunlavey
 - Urban Planning
- Michael Griffel
 - Director of University Residences, University of Idaho
 - Former Pittsburgh Resident





HISTORICAL PERSPECTIVE





Campus Housing Building Evolution

MARKET CONTEXT

FACILITY CHARACTERISTICS

Post WWI Era

- Cultural Elite Male Students
- Small Campus Population

- Small "Dormitory" Buildings
- Traditional
- English System as Model

Post WWII Era

- GI Bill Expands Enrollment
- Growth in Women's Enrollment
- Land Grant Schools Grow
- Limited Student Expectations

- Rapid Construction
- Gang Baths & Double Rooms Becomes
 Standard
- Architectural Quality is Secondary





Campus Housing Building Evolution

MARKET CONTEXT

FACILITY CHARACTERISTICS

Modern Era

- Baby Boom
- Schools' Parental Role Expected
- Ed. Outcomes Sought

- Large Scale High Rise "Res Halls" Become Common
- Double Rooms & Gang Baths
- Construction => Built to Last
- Intro. of Hsg. Professionals
 Architectural Ambition is Limited

Contemporary Era

- Capacity Issues (Growth in HS grads Attending College)
- Students Expect Singles
- Off-campus Competition
 - **Consumer Mentality Prevalent**

- Smaller Scale Intended to Foster Community
- Themed Res. Halls/Living Learning
- Suites & Apts. Compete w/Off-campus
- Private partners Become Common

Market Shifts & Common Responses

Kids Share Bedrooms Kids Have Single Rooms

School as Parent Freedom & Privacy

Limited Options Many Off-campus Options

Limited Possessions Clothes, T.V.'s, Stereos,

No Temperature Individually Metered Units Control

Computers, etc.

Market Shifts & Common Responses

Privacy Requirements
Occupant De-densification
Off-Campus Options
Campus Price Inelasticity
Reduced Construction
Quality

Most Challenging Campus Housing Development Era Ever

- Housing Mission, Objectives & Programs Re-evaluated
- Alternative Delivery Strategies & Ownership Structures Required
 - Students Becoming Savvy Consumers



THE NEW PARADIGM







Benefits of On-campus Residents

- Academic
 - Higher Graduation Rates
 - Higher Grade Point Average
- Financial
 - Spend More Money on Campus
 - Make Better Alumni





Airline Model – "Frequent Flyer"

Airline Housing **Pre-Boarding** Pre-Registering **Preferred Seating Discount Offers Athletic/Arts Discounts Bonus Miles** Food/Meal Plan Discounts **Personal Liaison Academic Support Services** Access to Club Lounges Living Learning Centers

Paradigm Shift

Traditional Model - Seniority -

Proposed Model - Residents

- Preferences by Seniority
- Registration
- Squatter's Rights
- Freshman Get Last Choice
- No Freshman Parking

- Preferences for Residents
- Financial Incentives
- Amenity Incentives
- Academic Related Incentives





Financial Incentives

- Examples of Financial Incentives
 - Rent Freezing at Indiana University
 - Forced to Charge New Students More => Losing Competitive Edge with Peer Institutions
 - Reduced Housing Costs at SUNY Geneseo
 - No impact apparent
 - Inexpensive Housing at University of Alaska Fairbanks
 - Students prefer private market
 - "2+ Program" at University of Alabama
 - Free for Juniors
 - Too many students want to live on
 - Financial Hardship





Financial Incentives Conclusion

- Moderate Price Reductions Not Successful
- Perception of Cost Matters
- Cost is Relative to Off-campus, Peer Institutions, student perceptions
- Value Over Cost





Amenity Incentives

- Preferred Parking
- Athletic Tickets
- Fitness Center
- Free Intramurals
- Social Programming
- Room Preferences/Super Singles
- Physical Improvements









Amenity Incentives

- Examples
 - Indiana University
 - Free Athletic Tickets to Certain Football Games
 - Reduced Cost Theater Tickets
 - San Diego State University
 - Free Rec Center Membership/Intramurals
 - Super Singles
 - University of Michigan
 - Physical Improvements to Returnees
- Minimal Impact on Retention











Academic Related Incentives

- Academic Support
- Technical Support
- Learning Resources
- Academic Programs
- Internet/Ethernet Access
- Living Learning Communities









Academic Related Incentives

- University of Maryland, College Park
 - Living Learning Communities
 - Improved Retention & Image of the University
- San Diego State University
 - Academic & Tech Support
- University of Idaho
 - Living Learning Communities





University of Idaho

- "Consumers" vs. "Learners"
 - Felt Needs vs. Prescribed Needs
 - Short-term Satisfaction vs. Long-term Growth
- Preferred Living Spaces for Learning Community Residents
 - College of Forestry
 - College of Engineering
 - Global Village
 - Scholars Residence





University of Idaho

- Significant Access to University Resources
 - Faculty Involvement
 - Small Seminar Courses
 - Academic Program Ownership
 - Investment from the Top Administrators
 - On-site Courses & Programs in the Halls





WRAP UP







Monitoring / Benchmarking

Demographics

- Residential (not commuter) Campus
- Traditionally-aged Campus
- Proportion of Full-Time Students
- Off-Campus
 - Off-Campus Community Does Not Offer a Competitive Product
 - e.g., Private Housing Adjacent to Campus, Extremely Inexpensive





Monitoring / Benchmarking

- Offering Competitive Amenities Examining Nationwide Trends
 - Access to Technology
 - Selection of Housing Types





Benefits

- Marketing Campaign's / Competitive Edge with Peer Institutions
- Increase Retention
- Improve Student Life by Creating a "Critical Mass" On-Campus and Boosting Student Involvement On-campus



