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Designer Dorms

By Scott Baltic

Student housing officials have to be forgiven if they indulge in a little nostalgia now and then. Less than a generation ago, there were dorms-funded by the schools and built to last-and there was off-campus housing, often quite ragtag. Throw in the Greek houses at the larger schools, and that was basically it. Simpler times.

Even during Tidal Wave I, universities needing to build housing had help from the government in the form of 3 percent, 30- to 40-year loans from the Department of Housing and Urban Development (HUD). The loan could even cover built-in furniture.

Today, however, the old Chinese curse "May you live in interesting times" fits student housing too well. Consider the sheer variety of trends that qualify as interesting, if not downright paradoxical:

Though everyone rails about the high cost of college, housing directors report little resistance by parents or students to the expenses associated with housing that '60s- and '70s-era students would have considered palatial. Indeed, directors insist that the most upscale is often the housing in greatest demand. The same thing is typically true off campus. For all the amenities offered by off-campus apartments and especially by "private dorms," on-campus housing is still attractive to students, particularly if the institution is savvy about capitalizing on the advantages of living on campus. Living-learning programs-those that integrate housing with educational interests-are among the best draws and are also considered by many to be the top housing trend these days. As public-private housing partnerships move forward at a record pace, schools are getting better at both partnering and competing with the private sector. Students expect more and more privacy, yet colleges are increasingly sophisticated about finding ways to encourage sociability.

Institutions are smarter than ever about the role housing facilities and residential programs play in getting freshmen quickly integrated into college life. On the other end, schools are also very aware of the value of keeping more upper-division students on campus. Even some formerly commuter-only schools are building their first housing facilities, in part out of such concern.

More is being expected from housing, yet schools increasingly want auxiliary services to pay their own way.

Despite the challenges, though, few schools or housing directors would prefer a return to double-loaded corridors and bathrooms for 30.

STUDENTS AND SOCIABILITY

One of the recurring themes of student housing today is a heightened focus on an institution's identity and sense of place.

Universities are thus relying on a range of amenities and architectural designs that encourage social interaction, in order to orient freshmen while keeping upper-division students on campus.

"Increasingly, colleges are looking at establishing a lifelong relationship with their students," says Norbert Dunkel, director of housing at the University of Florida, "and one of the most important years in terms of developing your alumni is senior year."

But attracting and keeping students on campus is hard because Echo Boomers, whether freshmen or seniors, are tough customers. "Students today are very savvy, very consumer driven," says Manny Cunard, executive director of the National Association of College Auxiliary Services (NACAS). "Students have a different perspective on what quality housing is," he says.

The stakes are high, too, because students look very closely at housing amenities before picking a college. According to Cunard, quality of life is often more important than academics as a factor in college choice today. "More than ever before, students are making decisions based on the living environment," he says.

Housing officials are well aware of that. In competing for students, "quality and availability of housing puts you at a significant advantage," says Grant Sherwood, director of auxiliary services at Colorado State University.

Experts consistently report that students look for amenities, convenience, and privacy, but that they also want a sense of community.

"There is a sense that students want, in some ways, a traditional experience" on campus, says William Zeller, director of university housing at the University of Michigan. "First-year students in particular want roommates."

Students want to feel like part of a community, even though many, perhaps most, have never shared a bedroom or a bathroom. The challenge, Zeller says, becomes "How do you develop community interaction and also allow them to have a sense of privacy?"

Fortunately, some of the most popular housing amenities, such as exercise facilities and study spaces, serve double duty as meeting places. "Kids are basically shy," says Ira Fink of Ira Fink & Associates, "and they still want to meet people in safe environments."

Meanwhile, architects have grown more sophisticated about fine-tuning the social dimension of housing designs.

"There's a paradox in dormitory design. Community is important, but privacy is also important," says Lee Cott, principal and founding partner of Boston-based Bruner/

Cott Architects. He says that "doing good housing and doing good student housing are very similar" in terms of issues like turf and definable spaces-what he calls "creating neighborhoods" within dorms. "You want to create little nooks and crannies for people to sit and work in with their laptops," Cott says.

For a project to create more than 400 beds at Dartmouth College, Cott is looking at a new social unit to replace the individual suite or dorm room: two or three clusters of eight rooms to form a neighborhood. One possibility for the rooms is the "two-room double" concept, where two students get two rooms, which they can use as a double bedroom and a living room or two single bedrooms, at the cost of one being accessible only through the other.

Part of his firm's master plan for housing at Washington University (WU) includes "breaking traditional dorms down into more identifiable units," says Gene Mackey, FAIA, a founding partner at Mackey Mitchell Associates in St. Louis.

When the plan is completed in another eight to 10 years, all of the nearly dozen 1960s-era dorms will have been demolished. The biggest piece of the WU plan is the South 40 Campus project, totaling 2,800 beds. Perhaps the most interesting idea, however, is a block of affinity housing.

Called Small Group Housing, the plan calls for 460 beds in suite-style accommodations for juniors and seniors, to be occupied this fall. It's more flexible than a traditional residential college, Mackey explains. A group of students (typically 20 to 30) can apply for a block of rooms complete with a community room and computer lab.

LIVING-LEARNING

Affinity housing is itself a sizable trend in student housing, says Jeffrey Turner, vice president at Brailsford & Dunlavey, a Washington, D.C.-based consulting firm. "You no longer live on the second floor. You live on the engineering floor, or the wellness floor, or the theater floor."

The tools available to pull students together both socially and academically run the gamut from "sociopetal" spaces (those that act centripetally to encourage interaction) to affinity housing to living-learning environments, which themselves range from fairly loose groups to formal, European-style residential colleges.

Colorado State has a total of 15 living-learning programs, says Sherwood. These can include groups of 20 to 200 students, ranging from a single floor up to half a residence hall, and they include faculty offices, housing for graduate assistants, and computer labs. CSU's student body of 23,000 includes 18,000 undergrads, so the living-learning programs help "break the bigness of the institution down," says Sherwood.

If Colorado State is merely big, then the University of Michigan is huge, with 37,000 students on the Ann Arbor campus, 9,400 of them in residence halls. Michigan has eight living-learning programs-all of which have had to be carved out of existing housing because the university hasn't built a dorm since 1968, says Zeller. "We had to retrofit these spaces into buildings that were not intended for them," he says.

One example is Couzens Hall, part of which was renovated to house the Michigan Community Scholars Program, an interdisciplinary program started in 1999 that emphasizes community service. The building was altered for 200 first- and second-year students by adding classrooms as well as faculty and administrative offices to the existing library and computer space.

The total cost was \$80,000 to \$90,000, Zeller reports, and the building's bed count didn't drop significantly. "We really avoid taking bed spaces off line."

Roughly half the undergraduates at the University of Pennsylvania live in 12 college houses, each with its own dean, says Charles C. Newman, AIA, principal planner at the Office of the University Architect. Every house has a theme, ranging from music to business, community service to African-American culture.

When Penn was faced with the deterioration of the Quad (a set of three long, narrow residence halls, parts of which date to the 1890s) the decision to convert them into three college houses was logical-though neither cheap nor easy.

"It's an incredibly difficult project," says Newman. The tactical goals were to preserve the buildings' Oxbridge college-style architecture and to add central air-conditioning and handicapped access. Beyond that, he says, "the idea was to take this enormous building [totaling about 1,000 beds] and break it up into manageable units."

Each house will contain an exercise room, a computer room, a library, and an office suite that includes conference rooms. The project has been moving forward during the summers only, with three summers down and one to go.

The \$75 million renovation is part of a 10-year, \$380 million housing program at Penn that will also include renovation of three high-rise dorms built in the 1970s. Each is 20-plus stories, houses about 800 students, and will be converted into two college houses. "The challenge is to create a college house identity in a high-rise environment," Newman says.

One technique is to have common areas at ground level with separate banks of elevators serving alternate floors. That way, though each floor will belong to a single college house, neither house will be segregated at the top or bottom of the high-rise.

FINANCING

With so many undermaintained and functionally obsolescent dorms on campuses, price tags akin to Penn's are common. The failure of many institutions to budget for depreciation on housing, and the frequent expectation that auxiliary services will "pay their own way," compound the struggle to find the megabucks for better housing.

"There are some huge capital-budget and growing backlog requirements to get student housing where it needs to be" as enrollments rise, says Greg Strickler of Anderson Strickler LLC consulting in Gaithersburg, Maryland. A typical land-grant institution, he estimates, would need \$200 million to \$400 million for 4,000 to 6,000 beds-or \$10,000 to \$30,000 per bed. What's more, notes NACAS's Cunard, while many older dorms were built with HUD funding, today higher education is generally more capital-poor.

Until a few years ago, off-balance-sheet financing seemed to be the solution. If a school sold or leased land for student housing to a private developer, in theory the debt would be off the school's balance sheet and not count against its debt capacity. Unfortunately the theory isn't so neat in practice.

Who holds the title to a project does matter-just not as much as originally thought. The reason for this isn't the IRS, although its recent scrutiny of several national foundations has some colleges shying away from them entirely. Part of the problem, says Strickler, was "developers dressed up to look like foundations."

The real obstacle is the bond-rating agencies. They judge how a university project will affect the institution's debt capacity, explains Turner, regardless of what the tax laws say.

Moody's and Standard & Poor's look at an institution's "moral obligation" to support a program, even if it's technically off-balance sheet, says Tom Trubiana, president of American Campus Communities in Austin, Texas. They estimate the likelihood that the institution will intervene if the project starts to go south. In many cases, it's clear that a school would not stand by-for financial reasons or to avoid damage to its reputation-while a new residence hall foundered.

The trade-off of financing involves risk and reward, cost and control. Says Strickler: "Universities have to understand that if they want the return, they have to assume some risk."

It's a conundrum worthy of King Lear. The ideal, says Strickler, is to keep the project at a remove financially-but still have control over its design, construction, administration, and operations. "You're pushing away with one hand and pulling with the other," he says.

One approach to achieving that effect is through a foundation tied specifically to one institution. Strickler points out that if a foundation owns the project, it can still qualify for tax-exempt financing, typically at an interest rate about 2.5 percent lower than what a private developer would pay.

That's the approach California State University-San Marcos wants to use with its first housing project, says Marti Gray, executive director of the CSU-San Marcos Foundation. Founded in 1989, the school has 6,200 students, all commuters. "Right now, we have very little campus life," says Gray.

The housing situation has evolved over the school's short life. In the mid-1990s, with a 10 percent to 12 percent vacancy rate in local apartments, the university got a master lease, at a discount, with a local apartment complex for 30 apartments for up to 80 students.

Since then, however, the city has doubled in size, and local vacancy is now less than 1 percent. Last year there were more than 300 applicants for those 80 slots. Housing is so tight that the school is considering eventually building stand-alone faculty housing.

The school needs to build about 500 beds. Although the Cal State system has a dormitory revenue fund, it can fund only 200 beds, and food service isn't economical at that scale, says Gray. (At least land isn't a problem: Built on a former poultry ranch, the university has 304 acres but only six buildings so far.)

The foundation is hoping to get final approval from the Cal State system in November to issue \$23 million in tax-exempt bonds early next year. The plan calls for four buildings, providing 475 beds, a faculty apartment, and suites for residence assistants. Opening date is July 2003.

The San Marcos University Corporation, a registered nonprofit, leases the land from the university. Memphis-based Allen & O'Hara, the nonprofit's private-sector partner designing and constructing the facilities, will manage the buildings, not least because Cal State-San Marcos doesn't have a housing staff.

Though finding the dollars for new housing can be a struggle, sometimes luck plays a role. Take the University of Utah: Although home to 26,000 students, it has only three residence halls (the newest built in 1964) totaling 1,250 beds, plus 1,100 units of apartment-style housing.

"It was time for new housing on our campus," says Curtis Grow, associate director for residential living.

In the early '90s, the university received a piece of Fort Douglas, a former military base next to campus that included officers' quarters and 19th-century homes. Then, a few years later, the 2002 Winter Olympic Games were awarded to Salt Lake City. The university will get \$28 million in

exchange for renting the housing for use as the Olympic Village next February. The fee will help defray the total cost of \$120.5 million for building new housing. (The rest will be covered by state-issued revenue bonds.)

Students moved into the housing last fall. Of the 19 residences totaling 2,400 beds, 10 are suite style, the rest apartment style. The historic buildings are being turned into affinity housing.

TIGHT LAND

As hard as it is to find space in Salt Lake City—a city ringed with mountains that is actually quite compact—schools in more urban areas have much greater problems.

One particularly tough spot is Boston. The area is so short of rental housing, says Ron Martel, dean of student life at Northeastern University, that the mayor is encouraging area colleges to build more of their own housing.

Yet the schools are short on space, too, and so must be clever at creating housing. One such example is Boston College's Upper Campus Project, which will add 800 beds over the next five years. In phase one, completed in August, the college renovated and added dormer windows to attic space in five three-story residence halls, says Tom Devine, associate vice president for facilities management. That created an additional 236 beds.

"The buildings were in good condition, and we don't have a lot of land," says Devine, adding that, because of local building regulations, the dorms couldn't get any higher.

The converted attic space is mostly three- and four-person suites, each with a living room and a "gang" bathroom. The college also added a 10,000-square-foot entrance pavilion connecting two of the halls, which includes conference rooms and a computer lounge.

Phase two, starting in November, will add 130 beds as well as a building that will connect four residence halls by next August.

Northeastern has added more than 1,000 beds in the last two years and will add nearly another 1,000 by 2002. Its most interesting project, which just gave the university another 600 apartment-style beds, was a partnership with the city to redevelop some vacant land. The city-owned parcel had been unused for years, says Martel.

The resulting venture, Davenport Commons, comprises 75 one- to three-bedroom single-family homes for low- to middle-income residents, and two five-story residence halls with 125 apartments for students. The university paid for the entire project and will receive title to the residence halls and the land.

It isn't just in major cities, however, that a tight housing market is spurring colleges to build more housing. With less than a 1 percent vacancy rate in Portland, Maine, "there's a major housing crunch," says David Early, the University of Southern Maine's executive director for facilities management.

The university has just completed a 221-bed residence hall at its Gorham campus-10 miles west of Portland-at a cost of under \$9 million. It was the first building constructed on campus since the 1970s. "This residence hall has the effect of freeing up 55 apartments," explains Early.

Since students said that privacy was one of their top priorities, the new building has no "gang" restrooms. The units are mostly suites for two to four students, with 60 double and 24 single rooms. Each group of six doubles and two singles shares a study area, a lounge, and three baths.

THE PRIVATE SIDE

Privatization may have been the big student housing story a few years ago, but the situation has become more complex now. Though private developers are as active as ever, their product mix has evolved. In addition, both universities and developers have gotten smarter about how to structure partnerships to their mutual benefit.

For one thing, says Cunard, institutions are demanding a higher quality of construction on campus, in reaction to an earlier generation of developer-built residences that sometimes didn't meet expectations. Turner agrees: "We're seeing developers building housing but being overseen by the university" in terms of quality.

Alton Irwin, senior vice president of marketing for Capstone Development in Birmingham, Alabama, says there's more of a demand on campus for an "institutional-grade product," such as the concrete-frame apartment-style residence hall with just over 500 beds that Capstone recently developed for the University of Alabama-Birmingham.

Private developers are still usually associated with off-campus housing, although even that part of their business seems to be softening. The "student apartment communities" concept started in the early '90s and by now is "pretty much built out" at the largest universities, though it's evolving to smaller and smaller schools, says Jennifer Cowley of the Real Estate Center at Texas A&M University.

"It's getting more and more difficult to find an off-campus project that can pencil out," agrees Will Davenport, Capstone's senior vice president of finance. In addition to increasing property taxes (from which universities are immune), he cites concerns about saturated housing markets and the riskiness of building apartments more than a mile from campus. Although Capstone is busy, the company has built no new off-campus housing in a couple of years.

Private developers, on the other hand, are busier than ever thanks to rising demand for on-campus housing. Tom Hickey, vice president of management services for Memphis-based Allen & O'Hara Inc., reports that their Requests for Proposals (RFPs) for student housing have doubled in the last five years. Similarly, Trubiana, of American Campus Communities, says he is responding to more Requests for Qualifications (RFQs) and RFPs than ever, most in on-campus housing.

Off-campus private "dorms" are the newest product from developers, and usually the most expensive, says Cowley. Amenities typically include dining, maid service, high-speed Internet access, even small movie theaters and shuttle vans to classes and shopping centers.

With amenities like these, it's no wonder that rents can be breathtaking. Cowley says that the Callaway House at Texas A&M runs \$2,122 per month per person, double occupancy, with a shared bath and meals included. Parking is extra.

The private developer's financial role has changed, too. Developers are now usually making money on a fee basis (sometimes including management), but not cash flow from housing fees or rent, says Strickler.

And despite the sometimes shallow pockets of institutions, private-sector financing seems to have peaked. Trubiana estimates that about 80 percent of housing-related transactions now use tax-exempt financing, versus about half only three or four years ago.

"A university can always get funding less expensively than a developer can," notes Davenport. Recently he has seen several cases in which schools have changed their minds and put their own money into a housing deal.

REHABS

Along with all the other housing questions, institutions often confront the one most car owners eventually face: Fix it or replace it?

A rule of thumb is that you're better off building new housing if the cost of renovation is more than 70 percent to 75 percent of the cost of new construction, says Turner.

One problem is so-called swing space for students displaced during the rehab. Some schools try to renovate only during the summer, but this can create unrealistically tight construction schedules.

With the trend toward low-rise buildings of no more than three or four floors, universities are often reluctant to rehabilitate high-rises. The benefit, however: "You can rehab them a floor at a time," says Turner, and assess student satisfaction as you go.

Trubiana points out that adding required asbestos abatement and other safety features, such as sprinklers, can make renovations more expensive than planned. Even with a good rehab, he says, you still have the same layout problems, such as double-loaded corridors.

Sometimes a short-term rehab is an option. The University of Missouri-Columbia is at work on a 15-year, three-phase master plan, reports Frankie Minor, director of residential life. Of its 21 residence halls, four will be demolished. A total of \$6.5 million will be spent to keep another three viable for a further 10 years, at which point the school will decide whether to keep them. The rest will be renovated, and about 1,000 beds will have been added by the time the plan is complete.

One of the more compelling reasons to rehab older housing is its distinctive architecture, as two major East Coast schools have found. All 12 of the residential colleges at Yale University will be renovated as part of a long-term project that includes a "swing dorm" built before the project began. Branford and Saybrook Colleges, built in 1917, are the next to receive treatment. Berkeley College is already completed.

They were built as dorms that had single rooms only, which Frank Chirico, senior associate at Boston's Perry Dean Rogers, describes as "monastic," resulting in "21st-century students in 19th-century housing."

The work included tuckpointing the exteriors, restoring leaded glass, and replacing the mechanical systems, but most of the renovation took place in the basement, which wasn't originally intended for occupancy, but to which students informally migrated over the years, setting up their own TV rooms, and so forth. It required up to three feet of excavation and now features a computer room, exercise room, "buttery" (24-hour snack bar), art studios, and a TV/video room. The original budget of \$35 million for each college eventually grew to \$102 million for both. They will be completed by the end of October.

At Massachusetts Institute of Technology, Perry Dean Rogers faced a real puzzle, says Charles Rogers, a principal of the firm. Baker House, designed by noted architect Alvar Aalto and completed in 1949, was "cold as hell in the winter and hot in the summer," yet it was the most popular residence on campus year after year. "Getting into Baker House is harder than getting into MIT," says Rogers.

Beyond the advantages of a wonderful view and single-loaded corridors, (along with three lounges on each of the six floors), he explains, the building is like a cruise ship, because "the residence hall does everything." The amenities even include a tutor on each floor.

All mechanical systems were replaced in summer 1999, and the detail work was done the following summer. Though Chirico notes that the lack of double-loaded corridors and interior bearing walls made the project easier, Baker House, which was built for \$18.50 a square foot, was renovated for \$185 a square foot.

If the challenges, complications, and mounting costs of student housing leave your head spinning, Cowley points out that students still have cheap, simple alternatives. Her husband lived in a non-air-conditioned dorm while at Texas A&M, she says, and there still is one such dorm there. The good part is that a room there goes for a mere \$674 a semester.

Housing from a simpler time.

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