

Survey Results: Keeping Costs in Check a Priority

LIVING ON CAMPUS

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AS COLLEGES CONTINUE TO BUILD RESIDENCE HALLS,
WILL THE STUDENTS COME TO FILL THEM?



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AS COLLEGES CONTINUE TO BUILD RESIDENCE HALLS,
WILL THE STUDENTS COME TO FILL THEM?

by **PAUL ABRAMSON**

EVERY YEAR FOR THE LAST nine years, I have conducted a study for *College Planning & Management* of residence halls that had just opened or were about to be opened. In conducting this study I seek information on their size, their cost, and their amenities. Each year, 40 to 50 cooperating institutions and their architects provide that basic data. Since there is no control over who responds, where they are located, college size, or governance, year-to-year comparisons can be dangerous. But with nine years of data in the bank, it is possible to draw some pretty convincing conclusions.

During those nine years, we collected data on 377 residence hall projects housing 133,400 students in almost 40M sq. ft. of buildings. Total estimated cost of the projects exceeded \$8.6B. And that does not include spending on at least as many residence halls of which we were aware at colleges which did not respond to our requests for information. Total residence hall construction over those nine years certainly exceeded \$18B.

Among other findings:

- **Most of the residence halls averaged between 300 and 400 students.** There were a few that were much larger and some that had fewer than 100 beds, but the median residence hall through the course of nine years housed 360 students.
- **The cost of residence halls has escalated.** Median cost per student over the first two years of the study was about \$45,000. Five years later it had stabilized at around \$70,000 per student. This year it is approaching \$80,000. Again, these figures are not necessarily comparable since there is no control over the range of



ALL THE COMFORTS OF HOME. Residence halls being designed and constructed for today's students embody state-of-the-art amenities and spaces for student engagement. As an important part of an institution's recruitment toolkit, new facilities promote healthy lifestyles, provide convenient retail outlets, and offer comfortable gatherings spaces and diverse dining options to create a unique student life experience.

colleges reporting in a single year, but the trend seems pretty obvious.

- **The space allocated per bed over nine years of research averaged out at 336 sq. ft.** There was one residence hall (at a seminary) that provided just 60 sq. ft. per bed, and there were a few indicating that their residence halls provided almost 500 sq. ft. per student, but the great majority provide 310 to 375 sq. ft. per bed. In the last two years the median has stabilized at 351 sq. ft. per bed.

That does not mean every bed is in an area of 350 sq. ft. The calculation was made by dividing the total space of the residence hall by the number of students to be accommodated. The seminary — with just 60 sq. ft. per

student — provided virtually nothing but sleeping rooms with a closet, a desk, a chair, and a wardrobe. Most residence halls include significant additional space both in their sleeping rooms and beyond, including TV lounges, study rooms, laundry rooms, computer centers, kitchens, and social space. Over the nine years, more than one-third of new residence halls included classrooms, and one in five included a fitness room. All of these activities and spaces are included in the calculation of space per student bed.

PHOTOS: South 40 Campus project, Washington University, St. Louis, MO. Designed by Mackey Mitchell Architects; Clayco, Inc., Construction Manager. All photos courtesy of Mackey Mitchell.

Looking at the Current Year

This year's report on residence hall construction is based on data from 51 projects opened or opening between 2010 and 2012. Twenty-eight are in operation, 15 are opening this year, and eight others are currently under construction. All combined they will house 23,190 students in 8.3M sq. ft. Their total cost is almost \$2B. **Table 1** shows basic information on the 51 projects, and also examines them in terms of their size and location.

The median residence hall reported this year houses 428 students, cost \$33M, and encompasses 131,782 sq. ft. Cost per student rose to \$78,153 (compared to \$69,502 a year ago). Cost per square foot was also up to \$201.10, but that actually is lower than it had been in three of the last four years.

Space allocated per bed in the median project was the same as it was a year ago, remembering that, in both cases, this is calculated by dividing the entire size of the building by the number of students housed.

Residence Hall Size

Eleven of the residence halls reported this year house fewer than 200 students. They range from 47 to 196 students. Though they are small, they are not inexpensive, with the median cost per student among them above \$92,000. They also provide more space per student. Not surprising when one recognizes that space beyond actual living rooms is divided by a smaller number of residents.

There are 21 reports on residence halls with 200 to 500 students. The median cost was more than \$21M and the median number of student beds was 356. In terms of cost per student, and cost per square foot, these medium-sized residence halls appear to be the most economical despite the fact that they provide more space per student than do the larger residence halls.

Those larger residence halls (19 reported) house more than 500 students each, with the median at 618 beds. (Three were for more than 1,000 students each.) The 19 large residence halls provided the least space per bed (309.6 sq. ft.) and were

the costliest on a square-foot basis. Obviously they also were significantly larger than the others, and so the median cost of a single project ranged up above \$56M. (One reported a cost of over \$100M.)

Location, Location, Location

We wondered if the location of the college would have an effect on the size or cost of residence halls. For this, for the first time, we divided the reporting colleges into five distinct regions of the nation. Nine were in the Northeast, defined as New England to Virginia. Eleven were in the Southeast (the Carolinas and Tennessee, and south from there). Another 11 are in the Midwest, including the traditional Big Ten states and some of the surrounding ones. Nine were in the Southwest, including Texas and the states that border it, and the balance were placed in the West, from Colorado to the Pacific.

The results were revealing, if not unexpected. It costs more to build in the Northeast, where the median residence hall cost \$51M, \$107,234 per student, and

TABLE 1

Cost & Size of Residence Halls

	Cost of Total Project*	Number of Students	Size of Project (sq. ft.)	Cost per Student	Cost per Sq. Ft.	Sq. Ft. per Bed
All Reporting Colleges (sample size 51)	\$33,120,000	428	131,782	\$78,153	\$201.10	351.2
Less than 200 beds (sample size 11)	\$8,534,161	128	55,000	\$92,176	\$206.74	430.0
201 to 501 beds (sample size 21)	\$21,190,000	356	124,400	\$64,570	\$189.16	337.1
More than 500 beds (sample size 19)	\$56,298,000	618	225,000	\$91,578	\$256.96	309.6
Northeast (sample size 9)	\$51,000,000	506	156,400	\$107,234	\$337.93	309.1
Southeast (sample size 11)	\$17,622,800	351	122,000	\$58,125	\$166.67	323.4
Midwest (sample size 11)	\$33,236,000	455	228,250	\$84,643	\$189.16	386.9
Southwest (sample size 9)	\$20,140,000	400	124,400	\$54,887	\$170.78	311.0
West (sample size 11)	\$43,920,000	352	131,782	\$95,455	\$229.09	337.1

* All figures are medians for the sample shown. Each median was determined independently so figures may not add up.

To read this table. The median total cost of all 51 residence halls was \$33,120,000. The median cost of the 11 residence halls with fewer than 200 beds was \$8,534,161. The median cost of the 19 residence halls with more than 500 beds was \$56,298,000. Among nine residence halls in the Northeast, the median cost was \$51,000,000.

\$337.93 per square foot. No wonder these residences provided less space per student than those located elsewhere.

In the Southeast, on the other hand, the median project cost just \$17,622,800 — about one-third of the cost of a similar project in the Northeast — even though it provided more space per student. Cost per square foot of construction was less than half what it was in the Northeast. Colleges in Texas and surrounding states also got a break on cost per square foot, and their cost per student was the lowest anywhere. Western and Midwestern colleges had higher costs per square foot for construction but nowhere near the costs of building in the Northeast.

And Then There Are the Amenities

Table 2 takes a look at some of the amenities provided in residence halls nationally, by size and by region. We asked about 17 possible amenities (spaces or services provided in addition to residence rooms), but many of those have remained unchanged over the nine years of the study. (Virtually every residence hall provides

TABLE 3

Where Does the Money Go?

	Median	Range Low	High
Construction	78.83%	53.06%	88.83%
Furniture & Furnishings	3.48%	1.75%	5.66%
Fees	9.07%	1.29%	25.36%
Other	8.16%	2.50%	42.64%

kitchen facilities for student use, vending, and TV and study rooms. These have been consistent. Fewer than 10 percent provide dining facilities. That has also been consistent.) The nine selected here have tended to vary.

Two obvious examples are fitness rooms and ATMs. Nine years ago, just 10 percent of residence halls included either of these. Today, more than one-quarter provide at least some kind of space for fitness and provide an ATM, though these tend to be lacking in smaller residence halls.

Towards the end of the last century, the concept of “living-learning” spaces was being written about as a growing new trend. Colleges were actually putting classrooms into their residence halls, offering students, in some cases, a chance to spend almost their entire academic life in their residence hall. (Language-themed residence halls were the popular model.) That seems to have evolved now into a sort of “why not include some needed classroom space in these new buildings we are constructing” attitude, rather than any philosophical

TABLE 2

What’s in a Residence Hall

	Fitness Room	ATM	Class-rooms	Card Access to Building	Rooms	Video Surveillance Internal	External	Rooms Carpeted	Rooms A/C
All Reporting Colleges (sample size 51)	26.3%	26.3%	42.1%	92.1%	34.2%	63.2%	76.3%	63.2%	97.4%
Less than 200 beds (sample size 11)	18.2%	9.1%	27.3%	72.7%	27.3%	45.5%	72.7%	45.5%	90.9%
201 to 501 beds (sample size 21)	14.3%	33.3%	66.7%	95.2%	38.1%	57.1%	61.9%	85.7%	85.7%
More than 500 beds (sample size 19)	42.1%	21.1%	47.4%	94.7%	26.3%	89.5%	94.7%	52.6%	94.7%
Northeast (sample size 9)	66.7%	22.2%	22.2%	77.8%	11.1%	55.6%	77.8%	55.6%	100.0%
Southeast (sample size 11)	0.0%	9.1%	45.5%	90.9%	36.4%	63.6%	90.9%	63.6%	100.0%
Midwest (sample size 11)	36.4%	27.3%	63.6%	81.8%	9.1%	72.7%	63.6%	90.9%	100.0%
Southwest (sample size 9)	0.0%	33.3%	44.4%	100.0%	44.4%	100.0%	100.0%	33.3%	100.0%
West (sample size 11)	27.3%	27.3%	72.7%	100.0%	54.5%	45.5%	54.5%	72.7%	54.5%

To read this table: 26.3 percent of all residence halls recently completed and/or currently under construction will have fitness rooms. Among residences with more than 500 students, 42 percent have fitness rooms. Two out of three residence halls in the Northeast have fitness rooms but none of those from the Southeast or Southwest indicate they will include fitness rooms.

interest in promoting a living-learning environment, but 42 percent of residence halls now include classroom space. It is particularly prevalent in the Midwest and Far West.

Use of cards, rather than keys, to permit access to buildings is now standard. However, use of key cards for access to rooms is still found in only one-third of the buildings. One would think that most students would desire having a card that cannot be duplicated. They are seldom used in the Northeast or Midwest.

Video surveillance as a security measure can be controversial. When we first started asking about this feature, we did not distinguish between external surveillance and internal surveillance, but respondents did. They were more comfortable with outside systems that detected people coming to the residence halls than internal surveillance systems that showed who among the residents and visitors went room to room. That still seems to be a divide. The issue, of course, is security vs. privacy, and one-third of colleges apparently still value privacy more highly. The fact that one-quarter of residence halls report that they do not include external surveillance may have to do with the fact that there is a campus system already in place, and so the residence hall itself does not need to install one.

Two-thirds of student rooms are carpeted and have been carpeted for the nine years of this survey. There are variations, of course, with smaller residences less likely to carpet rooms and those in the Southwest also choosing not to provide this amenity. Air conditioning, however, is now pretty much included everywhere. There was a time when residence hall directors were considering providing window units for students to rent, but that idea seems to have passed. Why colleges in the West do not air condition student rooms is a mystery. Possibly the feeling is that the weather along the Pacific Coast is so nice, nobody needs it.

We asked this year for the first time about two other amenities. One, wireless

GRAPH A

Median Cost per Sq. Ft.



GRAPH B

Median Cost per Bed



GRAPH C

Median Sq. Ft. per Bed



networking (WiFi) is in every single project. Apparently we should have started asking this question many years ago, when it would not have been as common. The second concerned a parking structure or reserved parking spaces for resident students. Most projects indicated that there was student parking, but there was no consistency in how that feature was provided. (One college was building a parking structure next to a residence, but made it clear it was not for residents; several said parking existed but was not reserved for residents.)

Living Arrangements

We also made an attempt this year to learn how most student housing is arranged — is it two-person suites or rooms, four-person suites, single-person rooms? What predominates? Judging by the responses we received, most residence halls had a variety of living arrangements, and our suggested choices (individual rooms, suites [two-person], suites [four- to eight-person]) did not provide enough variety. Many respondents wrote in lists that varied up and down the line — a 16-person suite with multiple bathrooms was mentioned. If a statement can be made, it is that there are relatively few single rooms being constructed and that the favored arrangements are suites for two persons and for four persons. To the extent that the results could be tabulated, it appeared that about 40 percent of the spaces were for two persons, 40 percent for four persons, and 10 percent for singles. The other 10 percent included a variety of configurations.

Dividing the Costs

While the bulk of the cost for any residence hall construction is for the building itself, a key question in analyzing projects is the additional amount paid for work beyond the actual construction, including fees, furnishings and furniture, site work, etc. This is not an easy breakdown to obtain.

For one, many architects (who provide information on construction costs) are not involved in purchasing furniture



SEE AND BE SEEN. Video surveillance as a security measure can be controversial. Campus administrators are more comfortable with exterior video surveillance in public spaces. Respondents in this year's report indicate that over three-quarters of their residence halls include exterior surveillance systems, but fewer than two-thirds include internal systems in their residence facilities.

and furnishings. Architects also have a handle on their fees, but not on the fees of attorneys, bond market experts, and other consultants the institution may use. Moreover, some colleges' "other expenses" are far more encompassing than others, so even when full information is obtained, it may not be comparable. Despite all these obstacles, it is useful to try to determine how the total cost of a residence hall project is divided. **Table 3** (on page 4) looks at that.

Respondents at 17 colleges provided their best possible information on how the total dollars were split at their institutions. As Table 3 shows, the median among them spent almost 79 percent of the cost on construction itself. Another 3.48 percent went to furniture and furnishings, while 9.07 percent was for fees. The catchall "other" (which includes site preparation, but not the cost of purchasing a site) accounted for \$8.16 of every \$100 spent. It should be noted that these 17 projects were somewhat more expensive overall than the 51 projects tabulated in Tables 1 and 2. They had a total cost of \$736M, an average cost per project of \$43.3M compared to \$33.1M among the

full 51. Their cost per square foot was also higher, \$261 vs. \$201 for the entire group.

Even among these 17, there were some obvious differences about what should be counted where, so Table 3 also shows the range of responses. Thus, construction accounted for as much as 88.83 percent of one college's costs and as little as 53 percent at another. The latter is well out of line with most reporting and is from the same college that attributed 42.64 percent of total spending to "other." The medians shown — about 79 percent for construction, 3.5 percent for furniture and furnishings, and up to 10 percent for fees — are a close approximation of the norms among those reporting.

Owners and Operators

Slightly better than three-quarters of the residence halls included in the study will be owned by the college; the balance will be owned by private contractors who constructed them for the college. When it comes to managing the buildings, 84 percent will be managed/operated by the college, whether the college or the contractor owns the building.

Residence hall construction is taking place on many campuses today, and those residence halls are becoming increasingly expensive and amenity-filled. There is an assumption that college population will continue to grow and that, therefore, residence halls will remain full and will be able to generate the income to pay off their costs. College administrators must hope that this trend will continue, but also should be asking themselves whether costs can be held in check and what they will do with these buildings if students find the overall cost of college overwhelming and do not come to fill them. **CPM**

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... And the Survey Says

by **DEB MOORE**

ENROLLMENT IS STILL growing, but so is concern over the costs associated with obtaining a higher education. Cost to students was only one of the concerns voiced in the 2011 Living on Campus Survey. To find out more about this and other issues facing colleges today, *College Planning & Management* surveyed administrators from two-year and four-year colleges and universities nationwide. The survey was completed by 253 of your colleagues from 47 states. The respondents were responsible for more than 3,000 residence hall buildings — new and old, large and small. Here is what they had to say.

Adequate Space

When asked the question “How much residence hall space does your campus currently have?” 44.3 percent reported a

lack of sufficient space. Only 5.3 percent reported surplus space. Yet despite the current shortage of residence hall space, only 28.1 percent of the institutions surveyed reported that they are currently in the process of increasing their stock in beds. Another 31.7 percent of the institutions are planning to increase their stock in beds within the next five years. This will help to ease the current shortage and accommodate a growing student population. For some institutions turning away students because of a lack of adequate housing, this expansion will come too late.

The Economy

When asked if current economic conditions affected the number of students living in campus housing the responses were mixed, with 48 percent reporting no effect, 35 percent reporting an increase

in the number of students, and 17 percent reporting fewer students living in campus housing. Nearly a quarter of institutions saw an increase in the number of non-traditional/older students living in campus housing. Twenty-three percent of institutions reported that fewer students are moving off campus after their freshman or sophomore year. This may be due in part to the economy, but is most likely affected by the fact that 66 percent of the institutions actively campaign to keep their students in campus housing.

Protecting Our Assets

The good news is that renovations are underway in 57 percent of the responding institutions. The bad news is that renovations have been put on hold in 17 percent of the institutions due to budget constraints. Many residence hall buildings still in service

The Results Are In...

How much residence hall space does your campus currently have?

Sufficient **50.4%**
 Too Much **5.3%**
 Too Little..... **44.3%**

Is your institution planning to increase the number of residence hall beds on campus?

Yes, underway now.....**28.1%**
 Yes, within 5 years**31.7%**
 No, no plans.....**40.2%**

What are your plans for upgrades/renovations to the residence halls on your campus?

Renovations are underway **57%**
 No major renovations have been planned **26.1%**
 Renovations have been put on hold due to budget constraints..... **16.9%**

Top 3 issues facing chief housing officers over the next 3-5 years

#1Cost to students
#2Changing student expectations
#3Lack of adequate funding

How important is the quality of on-campus housing in determining whether a student will attend your institution?

Very important **41.6%**
 Important **47.0%**
 Not very important **11.4%**

How important is sustainability/green to your students?

Very important **18.9%**
 Important **59.0%**
 Not important..... **22.1%**

THE RESULTS of this survey are based on responses from 253 administrators of two-year and four-year colleges and universities from 47 states nationwide. The respondents were responsible for more than 3,000 residence halls — new and old, large and small.

are past their expected life cycle. An aging infrastructure, fewer qualified employees, increased costs, and inadequate funding is leading to an increase in deferred and preventative maintenance — a major concern for all. Nearly all agree (89 percent) that quality on-campus housing is important in determining whether a student will attend their institution.

Top Concerns

The growing cost of a college education for students and families (tuition, room and board) is this year's number-one concern, followed by the institution's ability to meeting changing student expectations. Students' priorities appear to be amenities, privacy, and single units — a "hotel" experience rather than a "college" experience. Inadequate funding, maintaining facilities, upgrading technology, and security concerns were also near the top of the list.

The concerns about costs, funding, and maintenance were not a surprise, but the write-in concerns expressed by a number of institutions about student mental health issues were. "We have so many students on psychotropic drugs, without the expertise



to handle this population." "This issue has impacts on everyone in the residence community and is taking up more and more resources." "More students coming to campus who are on prescription psychotropic medications. Potential for them to not take their medication when they leave home is high and therefore behavioral issues increase need for staff time and roommate conflicts."

A number of institutions also addressed alcohol on campus, civility on campus, and other student behavioral issues, including:

THIS IS NOT YOUR FATHER'S DORM. The cost of a college education is the number-one concern for students and their families. At the same time, students expect hotel-like amenities in their campus housing facilities. Finding a balance between what students want and what the budget allows remains a challenge.

the unrealistic expectations of Millennial students combined with a complete disregard for authority; the sense of entitlement and belief that the rules do not and should not apply; and the challenge of maintaining a sense of community with students who are very driven by what they want to do, when they want to do it, regardless of impact on others.

➔ BE PART OF THE 2012 CP&M CAMPUS HOUSING REPORT

College Planning & Management's annual Living on Campus report offers detailed information on college and university housing projects that are planned, under construction, or recently completed.

Does this sound like a project you're involved with? If so, we would like to hear from you.

If you are a campus administrator, housing officer, architect, business or construction manager, or other professional involved in the design, development, construction, or operation of an upcoming or recently completed college or university housing project, please let us know. The data you provide will make next year's Living on Campus report more informative and useful to other professionals like yourself who are involved in the business of campus housing.

Thank you!

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SEND PROJECT INFORMATION TO:

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A Final Thought

It is apparent that managing a successful residence life program is not an easy job. For some institutions it is the cost of a college education rising along with student expectations. For others it is looking to the future and planning for growth or decline. At the moment many students are choosing a community college, but when they finish their two years, or when the economy rebounds, the questions will be "Can the community colleges that have made the investment and increased living space be able to remain full?" or "Will the four-year institutions be able to handle an influx of students?" or "Is this the new model for education?" Right now the crystal ball is cloudy at best.

A special thanks to all who contributed to the information presented in this report. 