

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

2008–09 Residence Hall, Single-Student Apartment and Family Housing Rental Rate AdjustmentsRECOMMENDED ACTION:

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the proposed 2008–09 rental rates, presented in Attachments I–V, for the residence halls, single-student apartments and family housing, collectively termed the Housing and Dining System, making them effective July 1, 2008.

The proposed residence hall room and board rates for 2008–09 represent a net increase of 4 percent (\$246) — from \$6,138 in 2007–08 to \$6,384 in 2008–09 — for those with the most common room type and typical dining plan, i.e., a double room with the Bronze dining plan. The proposed rates compare favorably with those of other higher education institutions, which were surveyed in February 2008 (Attachment I).

BACKGROUND:

1. ROOM RATES:

The proposed room rates reflect an increase of 6 percent for the residence halls and single-student apartments, and 3.5 percent for family housing. For the residence halls, the rate for a double room represents an increase of \$246 for the academic year (Attachment II). For single-student apartments, the increase is \$36 per month (Attachment III). For family housing, the increase ranges from \$23-30 per month, depending on unit size and location. A breakdown of the room rate increases is shown below, along with further discussion of the line items in Sections A, B and C.

	Residence Halls	Single-Student Apartments	Family Housing
A1. Operational Increases	2.6%	2.6%	2.6%
A2. Utilities	.9%	.9%	.9%
B. Increased Security	0.5%	0.5%	0%
C. Strategic Master Plan for Housing	2.0%	2.0%	0%
Room Rate Increase	6.0%	6.0%	3.5%

The policy of maintaining family housing rates below those of the private market is adhered to in this recommendation (Attachment IV).

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A1 & A2. OPERATIONAL INCREASES:

The Department of Housing and Food Services (HFS) anticipates a 3.5 percent increase in normal operating expenses during fiscal year 2008–09. This anticipated increase is higher than the projected 2.9 percent increase in the Seattle Consumer Price Index (CPI) for 2008 (*Washington Economic and Revenue Forecast*, November 2007, Office of the Forecast Council), for the reasons cited below.

Overall, salaries and benefits are budgeted to rise by a minimum of 3 percent and accommodate the January 1, 2007 minimum wage increase. The budget allows for a 3 percent cost-of-living increase; regular, incremental pay increases for classified and contract staff; and an additional step at the top of the range for all staff covered by the Federation contract. (Salary increases for Professional staff beginning July 1, 2007 are being budgeted at 4 percent but will follow University guidelines when they are announced.)

Also included is a .9 percent increase in utilities.

B. SECURITY IMPROVEMENTS:

To fund an additional patrol officer for the already established residence patrol program, the proposed residence hall and single-student apartment rates include a .5 percent increase. The additional officer will provide enhanced patrol coverage.

C. STRATEGIC MASTER PLAN FOR HOUSING:

In January 2007, HFS contracted with Hanbury, Evans, Wright and Vlattas, national campus planning consultants, to develop a Strategic Master Plan for Housing to address current overcrowded conditions and potential housing growth through the next decade. The 2% increase in rates reflects the annual rate increase that is recommended over the next twenty years in order to sustain the new debt load that will be incurred in developing new student housing.

2. RESERVE REQUIREMENTS/DEBT SERVICE COVERAGE RATIOS:

The recommended rates would allow the Housing and Dining System to remain financially strong and meet its bond obligations. Under provisions of the bond resolution, the System must maintain a ratio of net revenues to annual debt service of at least 1.25:1. Based on the proposed rate schedules and anticipated expenditures, coverage for the System for 2008–09 would be 2.21:1. This provides increasing reserve balances for the Strategic Master Plan for Housing.

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The long-range financial plan, developed as a basis for the Strategic Master Plan, calls for the Housing and Dining System to achieve a fund balance of \$10.5 million on June 30, 2009— \$3 million of which is necessary to maintain balances required by the bond resolutions.

3. CONSULTATION WITH STUDENTS AND OTHERS:

On January 22, 2008, the operating budget and the need for adjustments to housing rates were discussed with the budget subcommittee of the Residence Hall Student Association (RHSA). On January 24, the rate and meal plans were discussed with the Residence Hall Council. Letters detailing the rate proposal were sent to all residence hall students on January 25. On January 28 and February 4, the proposal was discussed at Hall Council meetings, with HFS staff available at the January 28 meeting to answer questions. On February 7, 2008, RHSA voted to endorse the rate proposal.

On January 25, letters were sent to all residents of single-student apartments informing them of the proposed rate changes and inviting them to the Residence Hall Council meetings described above.

On January 25, letters were sent to all family housing apartment residents informing them of the proposed rates and inviting them to community meetings on January 29. These proposed adjustments have been discussed with the presidents of GPSS and ASUW.

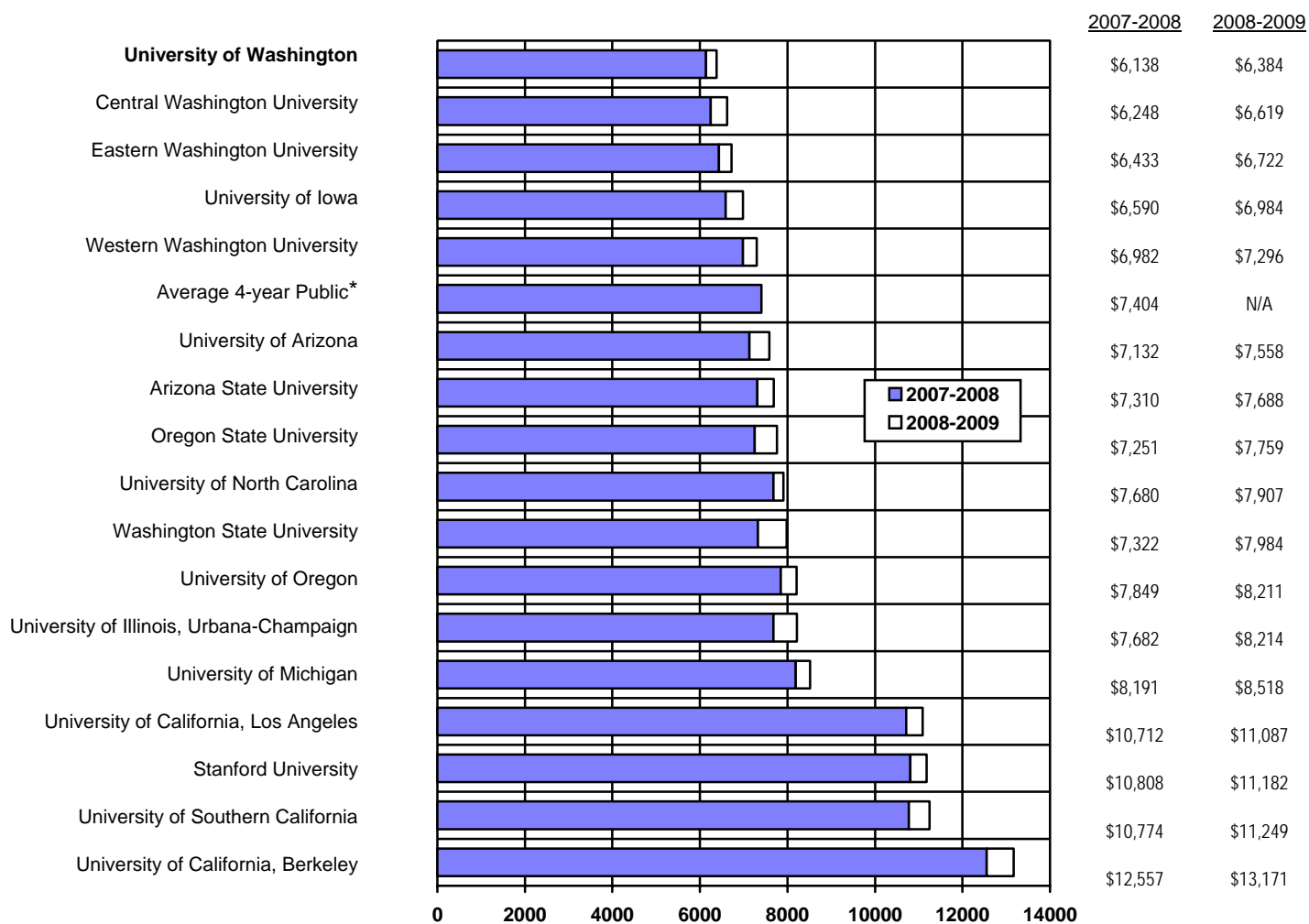
The Vice Provost for Student Life has reviewed and approved this recommendation.

ATTACHMENTS:

- I. Room and Board Rates of Comparable Universities, February 2008 Survey
- II. Proposed 2008-09 Residence Hall Academic Year Rates
- III. Proposed Monthly 2008-09 Single-Student Apartment Rental Rates
- IV. Proposed Monthly 2008-09 Family Housing Apartment Rental Rates

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**ROOM AND BOARD RATES OF
COMPARABLE UNIVERSITIES**



For comparative purposes, room costs for the schools named above are shown at the double room rate. Board plans vary widely in cost, depending on the types of programs offered. The board costs shown above reflect fixed meal plans ranging from 9 to 16 meals per week (or an equivalent level on a point system), unless a higher minimum meal plan is required. The amount of board included for the University of Washington is the Bronze Dining Plan – \$2,061 for 2008-2009.

*Trends in College Pricing 2007, College Board

N/A: Not available at time of survey

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**PROPOSED 2008-09 RESIDENCE HALL ACADEMIC YEAR RATES
INCLUDING DINING ALTERNATIVES**

	ROOM TYPE ¹		
	Triple ²	Double	Single
Academic Year Room Rate	3,462	4,323	5,310
Husky Card Deposit ³	105	105	105
Bronze Dining Deposit	2,061	2,061	2,061
Total Room, Husky Card and Bronze Dining Deposit	5,628	6,489	7,476
Silver Dining Deposit	2,511	2,511	2,511
Total Room, Husky Card and Silver Dining Deposit	6,078	6,939	7,926
Gold Dining Deposit	3,060	3,060	3,060
Total Room, Husky Card and Gold Dining Deposit	6,627	7,488	8,475
Purple Dining Deposit	5,031	5,031	5,031
Total Room, Husky Card and Purple Dining Deposit	8,598	9,459	10,446

¹ Over 95% of residence hall rooms are included in this room type. Other limited room types are available which provide options such as super singles, board optional and apartment space that has been converted for use in the residence hall system. Housing rates for these other room types have been increased at the 6% rate over previous year.

² A triple is a room built to accommodate two residents, but which has been retrofitted to accommodate a third resident.

³ A \$105 Husky Card deposit is required of all residents and is completely refundable if not used.

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PROPOSED MONTHLY 2008-09 SINGLE-STUDENT APARTMENT RENTAL RATES

Unit	Current Rate	Proposed Rate 2008-09
Multi-Bedroom, Single Student	597	633

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**PROPOSED MONTHLY 2008-09 FAMILY HOUSING
APARTMENT RENTAL RATES**

Unit	Current Rate	Proposed Rate 2008-09	Private Market Rent 2003 ₁	Percentage Below Market
Laurel/Blakeley				
Two-Bedroom	773	800	1,090	27
Three-Bedroom	850	880	1,260	30
Stevens Court Addition ¹				
Small One-Bedroom	668	691	1,050	34
One-Bedroom	746	772	1,050	26

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1. Source for private market rent: *Rent Survey of Blakeley Village & Laurel Village* and *Rent Study of Stevens Court & Stevens Court Addition*, by GVA Kidder Mathews Valuation Advisory Services for the University of Washington, December 2003. Private market rates have not been adjusted for inflation of past five years.