



Facilities & Operations Committee

May 2015

May 7, 2015

12:45 - 2:45 pm

West Committee Room, McNamara Alumni Center

FAC - MAY 2015

1. Schematic Design - Review/Action

a. Bee Research Laboratory (Twin Cities Campus)

Docket Item Summary - Page 3

Project Narrative - Page 4

Project Location Map - Page 6

Presentation Slides - Page 7

2. Real Estate Transaction - Review/Action

a. Purchase of 120 Acres of Land, Isanti County (Cedar Creek Reserve)

Docket Item Summary - Page 17

Project Narrative - Page 18

Parcel Map - Page 20

Presentation Slides - Page 21

3. Green Line O&M Addendum - Review/Action

Docket Item Summary - Page 24

Mall Operations Letter - Page 30

Resolution - Page 33

Presentation Slides - Page 36

4. The University's Housing Strategy

Docket Item Summary - Page 63

Report and Recommendations - Page 65

Presentation Slides - Page 96



BOARD OF REGENTS DOCKET ITEM SUMMARY

Facilities & Operations

May 7, 2015

Agenda Item: Schematic Design

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Pamela Wheelock, University Services Vice President
Brian Buhr, Dean, CFANS
Suzanne Smith, Assistant Vice President

Purpose & Key Points

In accordance with the Board of Regents Policy: *Reservation and Delegation of Authority*, review and approve the Schematic Plans for the following project:

- *Bee Research Laboratory – Twin Cities Campus*

The attached Project Data Sheet addresses the basis for request, project scope, cost estimate, funding, and schedule and includes a map of this project.

Background Information

The 10,500 gross square foot Bee Research Laboratory is an academic research laboratory that will facilitate groundbreaking work on bee health and biodiversity. It will replace the existing bee research laboratory, located on the northwest edge of the St. Paul Campus, which is in poor condition.

President’s Recommendation

The President recommends approval of schematic design for the project listed below and of the appropriate administrative officers proceeding with the completion of the design and construction for this project:

- *Bee Research Laboratory – Twin Cities Campus*

**Bee Research Laboratory
St. Paul Campus
Project No. 02-356-14-1925**

1. Basis for Request:

The Bee Research Laboratory is an academic research laboratory that will facilitate groundbreaking work on bee health and biodiversity. It will replace the existing bee research laboratory, located on the northwest edge of the St. Paul Campus, which is in poor condition. The new facility will provide space to advance research activities, train the next generation of scientists, and serve as a facility that fosters meaningful dialogue on food security and the health of both rural and urban agriculture. The research, office, and support spaces are flexible, with adequate utilities, environmental controls, and modern safety measures to accommodate the needs of the current researchers, bees, and evolving research programs.

2. Scope of Project:

The new facility is located on the east side of Gortner Avenue and just south of Larpen Avenue on the St. Paul Campus. The Bee Research Lab includes 10,500 gross square feet with laboratory space to support field research (practical lab) and biological science research (technical lab), beekeeping and experimental equipment, maintenance and storage, and commercial-grade honey extraction. Offices will support primary investigators, associate researchers, outreach staff, and support staff. Exterior space includes beekeeping apiary, demonstration pollinator gardens, and a 740 square foot cold storage building.

3. Master Plan or Precinct/District Plan:

The project is in compliance with the 2009 Twin Cities Master Plan.

4. Environmental Issues:

There are no known environmental issues.

5. Cost Estimate:

Construction Cost	\$4,971,000
Non Construction Cost	1,029,000
<hr/>	
Total Project Cost	\$6,000,000

6. Capital Funding:

2014 State Appropriation	\$4,000,000
University Debt	1,968,000
<u>Department Funds</u>	<u>32,000</u>
Total Capital Funding	\$6,000,000

7. Capital Budget Approvals:

The project was approved in the FY 2015 Annual Capital Budget at the June 2014 Regents meeting and is part of the 2014 State Appropriation of \$13,000,000 for the Laboratory Improvement Fund.

8. Annual Operating and Maintenance Cost and Source of Revenue:

Annual operating and maintenance cost will be approximately \$121,575.

9. Time Schedule:

Proposed Design Completion	August 2015
Proposed Construction Completion	June 2016

10. Project Team

This project will be delivered using the Construction Manager at Risk Project Delivery Method.

Architect: Alliance, Minneapolis
Construction Manager at Risk: Kraus Anderson, Minneapolis

11. Recommendation:

The above described project scope of work, cost, funding, and schedule is appropriate:



Brian Buhr, Dean - College of Food, Agricultural and Natural Resource Sciences

 4/22/15

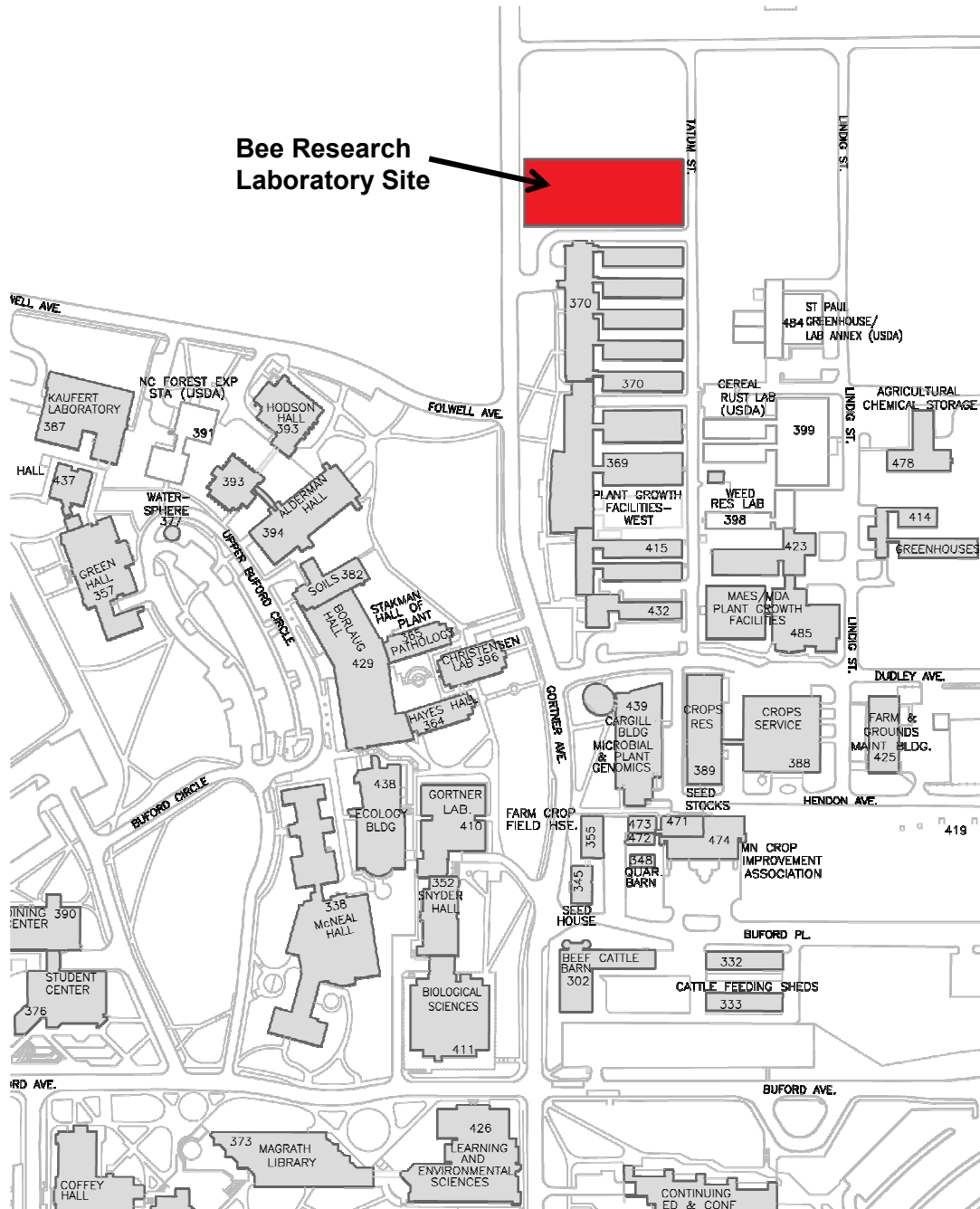
Richard Pfitzenreuter, Vice President and Chief Financial Officer

 4/23/15

Pamela Wheelock, Vice President - University Services

Bee Research Laboratory St. Paul Campus

Site Location Map



North

Bee Research Laboratory

St. Paul Campus

Board of Regents Facilities and Operations Committee

May 7, 2015



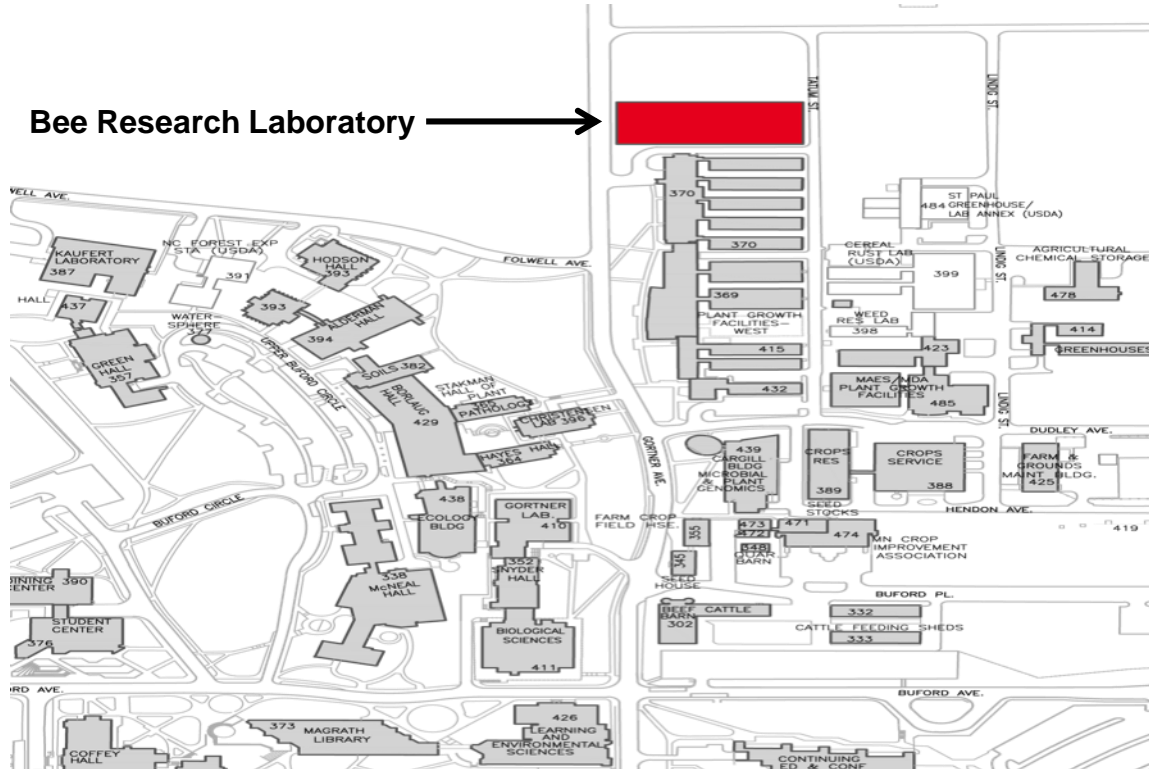
UNIVERSITY OF MINNESOTA

Driven to DiscoverSM



Location Map

Bee Research Laboratory



North



Site Plan





Project Rationale

- Current facilities do not meet needs
- Provide laboratory space to advance research activities
- Train next generation of scientists
- Advance work on bee health and biodiversity
 - Newly Hired Pollinator Ecology Position
- Support rural and urban agricultural interests





Project Description

- Bee Laboratory includes:
 - 10,500 SF of new construction
 - Field research (practical lab) and biological science research (technical lab)
 - Beekeeping and experimental equipment
 - Commercial-grade honey extraction.
 - Support areas
 - Exterior space includes:
 - Beekeeping apiaries
 - Demonstration pollinator gardens
 - Cold storage





Project Description

- Cost Estimate
 - Construction \$ 4,971,000
 - Non-construction 1,029,000
 - Total Project Cost \$ 6,000,000

- Capital Funding:
 - 2014 State Appropriation \$ 4,000,000
 - University Debt 2,000,000
 - Department Funds 32,000
 - Total Capital Funding \$ 6,000,000



Project Description

- Anticipated Completion:
 - June 2016
- Estimated Annual Operating Costs:
 - \$100,275
- Architect:
 - Alliance
- Project Delivery Method:
 - Construction Manager at Risk
 - Kraus Anderson



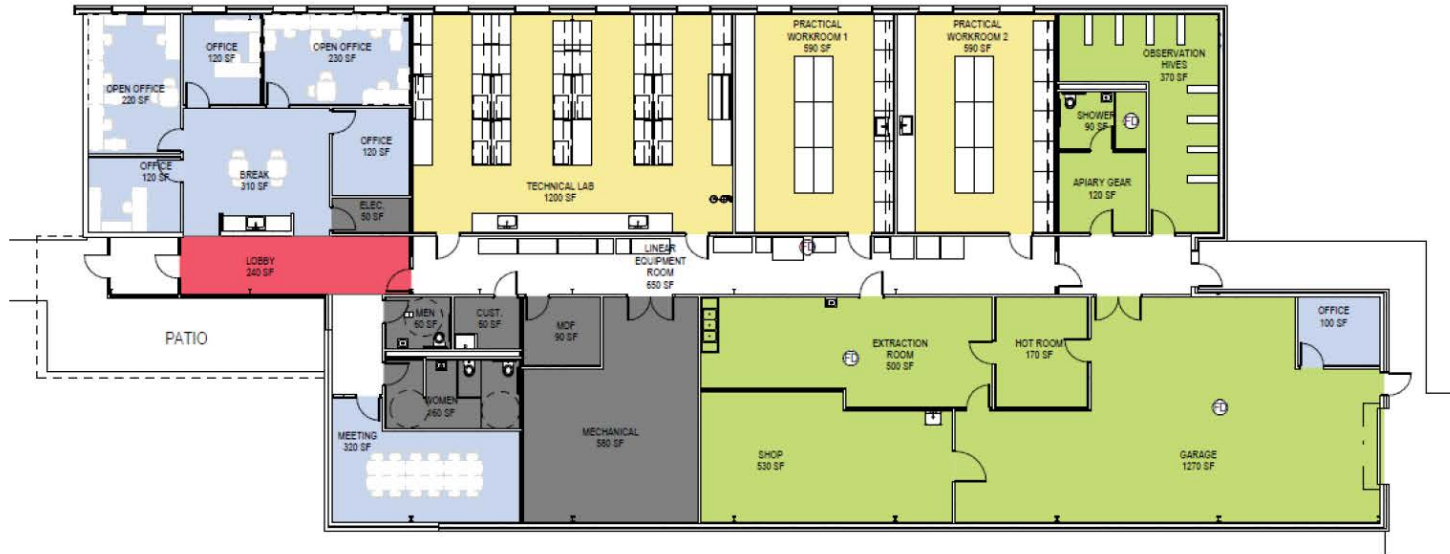


Building Exterior





Building Floor Plan



0' 8' 16' 32'
Scale: 1' = 1/16"

Color Legend

- Research Space
- Office
- Support
- Mechanical, Facility Support and Core

Level 1 Floor Plan



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM



UniversityofMinn



UMNews



UofMN



BOARD OF REGENTS DOCKET ITEM SUMMARY

Facilities & Operations

May 7, 2015

Agenda Item: Real Estate Transaction

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Pamela Wheelock, University Services Vice President
Susan Carlson Weinberg, Director of Real Estate

Purpose & Key Points

In accordance with Board of Regents Policy: *Reservation and Delegation of Authority*, review and approve the following Real Estate Transaction:

- A. Purchase of 120 Acres of Land, Isanti County (Cedar Creek Ecosystem Science Reserve)

The University will purchase the subject property for the sum of \$228,500. The seller has requested that closing occur after the May 2015 Board of Regents meeting.

Additional details of this transaction and its financial impact are included in the docket.

Background Information

Board of Regents Policy: *Reservation and Delegation of Authority* states that “The Board reserves to itself authority to approve the purchase or sale of real property with a value greater than \$1,250,000, or larger than ten (10) acres,” and “leases of real property, easements, and other interests in real property if the initial term amount to be paid by or to the University exceeds \$1,250,000, consistent with Board policies.”

President’s Recommendation

The President recommends approval of the following Real Estate Transaction:

- A. Purchase of 120 Acres of Land, Isanti County (Cedar Creek Ecosystem Science Reserve)

PURCHASE OF 120 ACRES OF LAND, ISANTI COUNTY (CEDAR CREEK ECOSYSTEM SCIENCE RESERVE)

1. Recommended Action

The President recommends that the appropriate administrative officers receive authorization to execute the appropriate documents providing for the purchase of 120 acres of land in Isanti County.

2. Location and Description of the Property

The subject property, which consists of 120 acres of vacant land, is located adjacent to the easterly boundary of the Cedar Creek Ecosystem Science Reserve (CCESR) at approximately 249th Avenue NE and Durant Street NE, in Athens Township, Isanti County. See attached map.

The legal description of the property:

East Half of the Southeast Quarter and the Southeast Quarter of the Northeast Quarter, Section 23, Township 34 North, Range 23 West, Isanti County, Minnesota.

3. Basis for Request and Use of Property

The property will be purchased for expansion of the Cedar Creek Ecosystem Science Reserve, providing additional opportunities for research, including potential “sandy soil” crop research, as well as for protection of the CCESR boundaries and for outreach.

4. Details of Transaction

The sellers of the subject property are Todd Meltzer, Leon Meltzer, Raia Meltzer and Laurie Umeh. The purchase price will be \$228,500, paid in cash at closing. Closing is scheduled to occur on or after May 11, 2015.

5. Environmental

The University has completed a Phase I environmental site assessment of the subject property to confirm the property is in acceptable environmental condition.

6. Sources of Funding

The purchase of the subject property will be funded as follows: \$67,822 from the Real Estate Acquisition Account-CESR real estate purchases, \$35,678 from the College of Biological Sciences, and \$125,000 from Central Reserves-General Contingency funds.

7. Recommendations

The above-described real estate transaction is appropriate:

for 

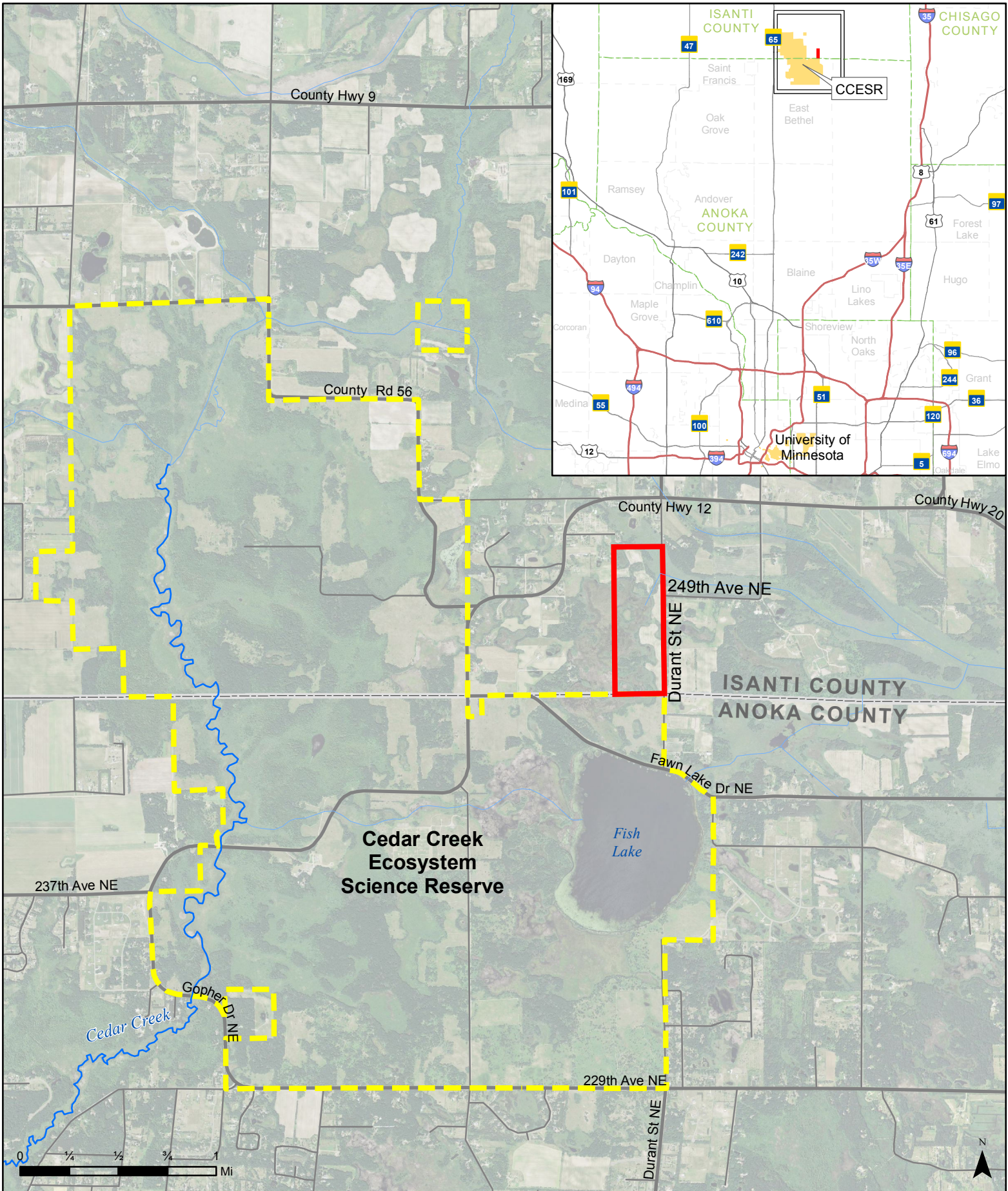
Karen Hanson, Senior Vice President for Academic Affairs and Provost

 4/23/15

Richard Pfitzenreuter, Vice President and CFO

 4/23/15

Pamela Wheelock, Vice President for University Services



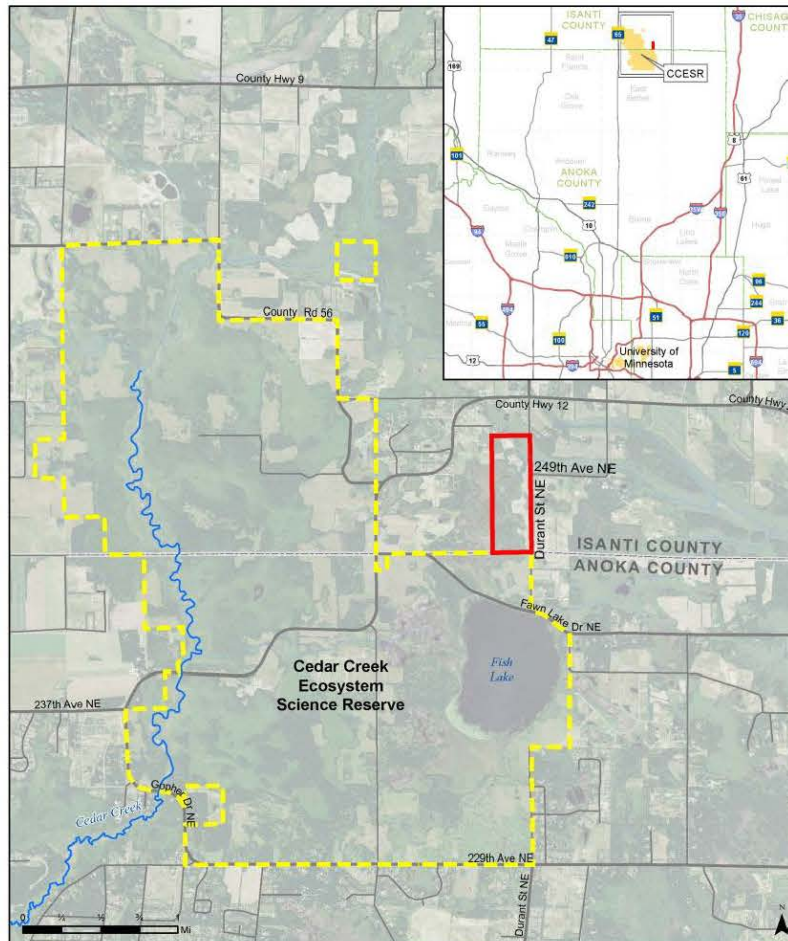
Real Estate Transaction

Board of Regents Facilities and Operations Committee
May 7, 2015



UNIVERSITY OF MINNESOTA

Driven to DiscoverSM



Real Estate Office



Purchase of 120 Acres, Isanti County (Cedar Creek Ecosystem Science Reserve)

This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Base Data: Real Estate Office
MNDNR, MNDOT
4/20/2015



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM



UniversityofMinn



UMNews



UofMN



BOARD OF REGENTS DOCKET ITEM SUMMARY

Facilities & Operations

May 7, 2015

Agenda Item: Green Line Operations and Maintenance Addendum: Year-One Operations and Vibration and EMI Performance Standards Review

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Pamela Wheelock, Vice President, University Services
Leslie Krueger, Chief of Staff, University Services
Ross Allanson, Director, Parking and Transportation Services
Sandra Cullen, Assistant Director, Parking and Transportation Services

Purpose & Key Points

The Board of Regents will receive a presentation reviewing the first year of operations of the Green Line light rail transit through the University of Minnesota Twin Cities Minneapolis campus. The Board also will consider a resolution to authorize the University administration to “delay” the execution of a written agreement with the Metropolitan Council, which was contemplated in the Board’s action approving the Operations and Maintenance Addendum in May 2014. This delay will extend the temporary relaxation of a limited number of Vibration and Electromagnetic Interference (EMI) Performance Standards for a second year until the Met Council can implement an engineering solution to address the EMI mitigation system’s performance issues.

Overview of the Operations and Maintenance Addendum

The Operations and Maintenance Addendum (“Addendum”) was added to the previously approved Agreement for the Central Corridor Light Rail Transit Project Through the University of Minnesota, Twin Cities – Minneapolis Campus (“Agreement”) between the University of Minnesota, the Metropolitan Council, Hennepin County, and the City of Minneapolis (“Parties”). This Addendum was envisioned in the Agreement approved by the Board in September 2010. In the Board’s June 2008 Resolution, the Board reserved the authority to approve all future Agreements related to light rail transit.

The structure of the 2014 Addendum and the 2010 Agreement includes the following elements:

Article 1: Definitions

Article 2: Term

Article 3: General Agreement on Project Development

Article 4: Project Engineering & Design, Construction (*No changes to the Agreement language*)

Article 5: Mitigation of Adverse Impacts During Construction and Operations

Article 6: Parties’ Rights Related to the Transit/Pedestrian Mall

Article 7: Operation and Maintenance

Article 8: Fees and Permits (*No changes to the Agreement language*)
Article 9: Rights of Way and Easements (*No changes to the Agreement language*)
Article 10: Remedies; Dispute Resolution
Article 11: Miscellaneous Provisions (*No changes to the Agreement language*)
Exhibits A – R

Recognizing that the operation of the Green Line through campus would have impacts on the University, the Parties worked together for several years to achieve mutual goals. The objectives achieved through specific elements of the 2010 Agreement, and further supported by the 2014 Addendum are the following:

- To optimize the transportation system in the metropolitan area and improve the accessibility of the University campus to students, faculty, staff, and visitors;
- To protect the University's research enterprise;
- To ensure a durable agreement with mitigations and performance standards for the construction and the long-term operation of the Green Line that provides a predictable research environment within which researchers can conduct their work, allowing the University to fulfill its research mission;
- To enhance campus functionality, safety, and aesthetics;
- To strengthen the University community and neighborhoods; and
- To provide for enforceable obligations.

Specific details related these objectives are outlined below.

Optimizing the Transportation System and Improving Accessibility

Ridership on the Green Line has exceeded overall expectations, already nearing projections for the year 2030. During the early planning stages for the Green Line (then called the Central Corridor), the three stations located on the University campus were projected to generate approximately 28% of average daily ridership. First-year ridership data shows that these estimates were right on the mark during periods when classes are in session. The East Bank Station has the highest ridership of any station on the line, having just hit 1,000,000 total riders and over 5,200 average daily riders. The West Bank Station and the Stadium Village station experienced an average daily ridership of approximately 2,300 and 1,800 respectively (February 2015 data).

These high ridership numbers on campus have been facilitated by the use of the UPass (the discounted student all transit pass), the MetroPass (monthly transit pass for faculty and staff), and the Campus Zone Pass. During the summer of 2014, the University and MetroTransit negotiated a separate agreement that allows faculty, staff, and students to ride between the stations on campus for no charge to the individual. During the 2014-15 academic year, 9,305 members of the University community have availed themselves of this Campus Zone Pass. The University pays MetroTransit \$8 per pass per semester. This academic year also saw sizable increases in the UPass and MetroPass: 18,641 students purchased UPasses (6.3% increase) and 1,722 faculty and staff purchased MetroPasses (12.3% increase).

In addition to supporting the daily transportation needs of the University community, the Green Line has proven to be an effective tool for moving large numbers of people at the many large scale events at TCF Bank Stadium. On average, approximately 27 percent of Vikings fans and approximately 11 percent of Gopher fans took the train to the game.

Protecting the University's Research Enterprise and ensuring a durable agreement with mitigations and performance standards

One of the key components of the 2010 Agreement was the commitment to construction of track-based vibration and electromagnetic interference (EMI) mitigation systems and the establishment of vibration and EMI performance standards to ensure the long-term protection of the University's research environment. These standards were established after extensive data gathering and negotiations. In order for the Met Council to start revenue service between Ontario Street and the Washington Avenue Bridge, the Met Council was required to certify that Green Line operations meet these standards. A detailed certification protocol was articulated in the Agreement and implemented between August 2013 and January 2014.

The EMI performance standards are based upon modeling of what the EMI mitigation system could achieve and required the University to "give up real estate" – meaning that equipment very sensitive to shifts in magnetic fields will no longer be able to be located within 75 feet of the rails.

The vibration performance standards are based upon the existing ambient conditions prior to construction (2009) of 19 specific research laboratories in 9 buildings near Washington Avenue. The intention was that the Green Line operations should be mitigated so that vibration conditions would be no worse than they were prior to its construction – when Washington Avenue was used by cars, trucks, and buses. The 19 laboratories were intended to serve as a proxy for the University's research environment in general, and were selected based upon the location in the building as well as the research conducted at the time.

According to the Agreement, "If Met Council pre-revenue Certification Protocol testing indicates that the CCLRT operations do not comply with the Performance Standards set for in Article 5, then notwithstanding anything to the contrary in this Agreement, the Met Council, at its sole cost and expense, shall implement a corridor-based solution or make operational adjustments to ensure that CCLRT operations comply with the Performance Standards."

EMI:

Initially, the Met Council intended to operate the trains across the Washington Avenue Bridge at 45 mph. However, during the EMI certification testing, the Met Council determined that when westbound trains accelerated after leaving the EMI mitigation zone, an electromagnetic spike was transmitted down the entire length of the mitigation zone. As a result, the Met Council committed in the Addendum to maintaining a constant speed of 30 mph westbound across the Washington Avenue Bridge. This 30 mph speed must be reached prior to the train leaving the EMI mitigation zone (at the bridgehead).

Following this operational adjustment, Green Line operations generally met the EMI performance standards. There were two exceptions: 1) For three specific test runs at Kolthoff Hall, the performance measure for the Bz field (2.0mG at 75 ft) was exceeded by .2mG. These exceedances occurred when two trains passed in front of Kolthoff Hall. The Met Council's consultant believed these were due to the one of the operators speeding up in order to meet the other train directly in front of the monitor and can be addressed by enforcing the train speed limit; and 2) There were additional exceedances at the sensors near Washington and Walnut (near 717 Delaware), but the University does not anticipate any issues there due to the distance between rails and University facilities.

As a result of these two exceptions, the Met Council requested a minor relaxation of the EMI performance standards. The Board approved such relaxation in 2014, subject to a one-year trial period. The University administration would have been comfortable with making this change permanent; however, the results of the two most recent quarterly compliance tests were unfavorable, showing a lack of compliance with the EMI Performance Standards. The Met Council has conducted diagnostic testing and believes to have identified the source of the problem: debris accumulating in the electrical rail access boxes, causing an imbalance in the double split power supply EMI mitigation system.

The Met Council is working with the manufacturer on a permanent solution; however, one has not yet been identified. This degradation of the performance of the EMI double split power supply mitigation system has not resulted in any known negative impacts to existing University research, but has resulted in a degradation of the research environment. As a result, the University recommends that the Board of Regents delay action on the permanent relaxation of the performance standards for one year, to allow the Met Council to find an engineering solution to the degradation of the EMI mitigation system. The University also recommends that during this time, the Board of Regents require the Met Council commit to continuing its quarterly (rather than semi-annual) EMI compliance testing as a condition of this ongoing temporary relaxation of the performance standards.

Vibration:

During vibration certification testing, the Met Council was unable to certify that the Green Line operations would be able to meet the vibration performance standards in certain labs in Kolthoff Hall and Amundson Hall. As a result, the Agreement includes a commitment to slow the train to 15 mph in front of Amundson Hall. Rather than slowing Green Line operations in front of Kolthoff Hall to 15 mph, which would need to continue across the Washington Avenue Bridge due to the EMI impacts noted above, the Met Council requested a relaxation of the vibration performance standards for two laboratories at a limited number of specific frequencies. The Board approved such relaxation in 2014 subject to a one-year trial period. The results of the quarterly vibration testing conducted by the Met Council demonstrate compliance with the new Vibration Performance Standards. However, given the challenges with EMI compliance and the interdependence between EMI and vibration compliance, the University recommends that the Board of Regents delay action on the permanent relaxation of the performance standards for one year, to allow the Met Council to find an engineering solution to the degradation of the EMI mitigation system.

Enhancing campus functionality, safety, and aesthetics, and strengthening the University community and neighborhoods

When the decision was made in 2008 to pursue a Washington Avenue at-grade alignment, the parties involved committed to developing a transit and pedestrian mall on Washington Avenue that enhanced the safety, functionality, and aesthetics of the campus and strengthened the broader University community. Throughout this past year of revenue service, the Met Council, the City of Minneapolis, and the University have been working together to continue to improve upon the safety and functionality of the line through campus. Efforts have focused on signal timing and programming, detection, and signage improvements to provide safe and efficient operations for all modes of travel. The March 31, 2015 letter from the Met Council to the University, included in the docket, details the effectiveness of these efforts.

Providing for enforceable obligations

To ensure that the Met Council complies with its obligations in the Agreement over the long term, including compliance with all performance standards, the Met Council and the University developed detailed scenarios for remedies. The Addendum maintains the enforcement provisions specified in the 2010 Agreement. Given that the current compliance issues with the EMI Performance Standards are a result of an engineering design flaw, the University is insisting that this design flaw be remedied prior to the requested permanent relaxation of the Vibration and EMI Performance Standards.

Background Information

The University community has considered and discussed a variety of transit options along Washington Avenue for many decades. A timeline of review and action by the Board of Regents over the past 14 years includes the following:

May 2014 – Approved a resolution authorizing the administration to execute the Operations and Maintenance Addendum, which included the relaxation of a limited number of Vibration and EMI Performance Standards for a one-year trial period.

September 8, 2010 – Approved a resolution to authorize the administration to execute a Memorandum of Understanding II Agreement (“Agreement”), between the University of Minnesota, the Metropolitan Council, Hennepin County, and the City of Minneapolis (“Parties”). Approved of a Temporary Easement for Construction of Civil West and Systems and approval of a Permanent Easement that will allow the Metropolitan Council to construct and operate the Central Corridor Light Rail Transit (CCLRT) line on University property.

April 21, 2010 – Granted the Metropolitan Council a Temporary Easement for Construction of Advanced Traffic Improvements related to the Central Corridor Light Rail Transit project, to be effect from April 21, 2010 to November 15, 2010.

March 12, 2009 – Adopted the 2009 Master Plan for the Twin Cities campus which established principles and guidelines to promote public transit, identified the Central Corridor Light Rail Transit route through the Minneapolis campus, and designated the Washington Avenue Transit Mall as a new public space.

July 8, 2008 – Approved a Memorandum of Understanding between the University, Metropolitan Council, City of Minneapolis, and Hennepin County regarding the development of the Central Corridor Light Rail Transit Line through the University of Minnesota Twin Cities Campus.

June 12 -13, 2008 – Received a presentation of the results of the Northern Alignment feasibility analysis and the Washington Avenue at-grade alignment with pedestrian mall and mitigations. Approved a resolution stating that the University will pursue the Washington Avenue at-grade with a transit/pedestrian mall alternative, contingent upon the execution of all necessary agreements needed to achieve a mitigation plan, betterments, and all future mitigation measures and improvements. This resolution also stated that all future Agreements related to CCLRT must be approved by the Board of Regents.

July 12, 2001 – Resolved that the Northern Alignment is preferred and that if the Central Corridor line were to operate on Washington Avenue that it be below grade. Furthermore, if the project

planners were to adopt an at-grade alternative on Washington Avenue, it would include removing automobile traffic from Washington Avenue.

April 6, 2001 – Adopted a resolution that the administration return with recommendations on alternatives for the Central Corridor Light Rail Transit line.

President's Recommendation

The President recommends approval of the resolution.



March 31, 2015

Pamela Wheelock
Vice President, University Services
University of Minnesota
Room 316 Morrill Hall
100 Church St SE
Minneapolis, MN 55455

Dear Vice President Wheelock,

I would like to thank you and your staff for your continued coordination with the Central Corridor Project Office (CCPO), the City of Minneapolis, and Metro Transit Rail Operations on the opening and ongoing operations of the Green Line. During testing last April and May, and since the start of revenue operations in June, 2014, CCPO and the City of Minneapolis have worked hard to continue to make signal timing, signal programming, detection, and signing improvements to provide safe and efficient operations for all modes of travel on the Washington Avenue Transit Mall. We understand the importance of this corridor to the overall connectivity of the University campus and in particular, we have heard your concerns relative to pedestrian and bicycle crossings of Washington Ave and have made numerous improvements that includes:

- Reduced signal cycle length from 90 seconds to 55 seconds, which provides more frequent opportunities for crossing Washington Avenue
- Adjusted signal timing to reduce the east/west split from 45 seconds to 30 seconds with buses or bikes present, which reduced potential delay times for crossing Washington Avenue
- Modification of the detection scheme and controller programming to end east/west phase after serving minimum green time of 20 seconds when there are no buses, bikes, or LRT present
- Revised signal sequencing to allow pedestrian phase to be served immediately after LRT clears the intersection

The option of having the signals rest in the pedestrian phase for crossing Washington Avenue at all times, until a bus, bicycle, or light rail vehicle was detected, was also considered and evaluated. However, this was determined to be an undesirable operation due to the additional delay and queues caused for buses as well as bicycles on the WATM. The current operation that allows buses and bicycles to progress through the WATM, while still being very responsive to pedestrian calls, was determined to be the most efficient operation to balance the needs of all modes.

In addition, we are continuing to work towards the installation of additional bicycle detection for crossing Washington Ave, which will occur this spring, and incorporation of additional LRT detection inputs to the traffic signal system for the East Bank and Stadium Village stations, which will further enhance the operations during events.

540 Fairview Avenue North, Suite 200
St. Paul, MN 55104

Based on the improvements noted above, hundreds of hours of observations by CCPO, Minneapolis, University and Metro Transit staff, and on-going monitoring of the WATM, we believe that the current operations have improved safety and increased efficient operations for pedestrians, bicycles, and buses, while still allowing LRT to move through the signalized intersections without stops.

To further validate the efficiency of the operations, data logs from the Washington Ave/Church St intersection signal controller were gathered and analyzed for the week of December 5-11. The data showed that the average pedestrian wait time to cross Washington Ave (time between when the push button was first activated and when the phase was served) was approximately 21 seconds. The average wait time when no LRT was at or approaching the intersection was only 11 seconds. A day-by-day summary of the data is provided below. Note that there was an NFL event at TCF Stadium on 12/7.

Date	All Observations		Observations with No LRT Present	
	Number of Times Pedestrian Phase Called/ Served	Average Pedestrian Phase Wait Time (sec)	Number of Times Pedestrian Phase Called/ Served – No LRT Present	Average Pedestrian Phase Wait Time (sec) – No LRT Present
Friday 12/5	457	21.5	339	12.1
Saturday 12/6	131	14.8	92	6.6
Sunday 12/7	141	21.1	89	7.6
Monday 12/8*	198	23.1	148	12.9
Tuesday 12/9*	291	22.6	219	11.6
Wednesday 12/10	481	21.7	350	11.8
Thursday 12/11	386	21.2	283	10.0
TOTAL	2085	21.3	1520	11.0

24 hours of data analyzed for each day, except those denoted with an asterisk (*).

These wait times are very low and represent a very responsive system for pedestrians crossing Washington Ave. The average number of push button activations per hour between 8am and 6pm was 34 activations per hour on weekdays and 11 activations per hour on weekends. The highest number of activations logged was 44 per hour between 11am and 12pm on December 11. Note that the controller only logs the first push button activation per cycle and does not log additional push button activations between the first activation and the time the phase is served, so the total number of pedestrians that crossed each time the pedestrian phase was served is not known.

Based on these findings, we believe the WATM system is currently operating very well and do not believe that significant additional changes are warranted at this time. The City of Minneapolis and Metro Transit will continue to monitor the safety and efficiency of the operations of the system going forward.

Other enhancements such as additional or different LRT detection technology that might allow for more opportunities for pedestrians to cross the WATM, without delaying transit, have also been explored and

discussed. While these technologies do not appear to be feasible at this time, they could be evaluated and considered in the future as technological advances continue to be made and the METRO light rail system continues to expand.

Thank you for your time and input to this process as we have all worked hard to fine tune the operations of Green Line through the University campus.

Sincerely,

A handwritten signature in blue ink that reads "Daniel E. Soler". The signature is fluid and cursive, with the first name being the most prominent.

Daniel E. Soler, P.E.
Director, METRO Blue Line Extension

cc: Mark Fuhrmann, Metro Transit
Christine Beckwith, Metro Transit
Leslie Krueger, University of Minnesota
Sandra Cullen, University of Minnesota
Yilun Xu, University of Minnesota
Ross Allanson, University of Minnesota
Heidi Hamilton, City of Minneapolis
Steve Mosing, City of Minneapolis
Tim Drew, City of Minneapolis
Jon Wertjes, City of Minneapolis
Brian Funk, Metro Transit Rail
John Humphrey, Metro Transit Rail
JoNette Kuhnau, Kimley-Horn



REGENTS OF THE UNIVERSITY OF MINNESOTA

RESOLUTION RELATED TO

OPERATING AND MAINTENANCE ADDENDUM TO THE

AGREEMENT FOR THE CENTRAL CORRIDOR LIGHT RAIL

TRANSIT PROJECT THROUGH THE

UNIVERSITY OF MINNESOTA, TWIN CITIES CAMPUS

WHEREAS, on August 31, 2010, the University of Minnesota and the Metropolitan Council ("Met Council") successfully concluded negotiations on an Agreement for the Central Corridor Light Rail Transit Project Through the University of Minnesota, Twin Cities Minneapolis Campus ("Agreement") that achieves the University's objectives for construction and operation of the Central Corridor Light Rail Transit ("CCLRT") Project line grade along Washington Avenue, and settled the University's lawsuit against the Met Council; and

WHEREAS, in the Agreement, the Met Council unambiguously committed to construct and operate the CCLRT line in compliance with vitally important, rigorous performance standards for vibration and electromagnetic interference ("EMI"). The Agreement was incorporated into the Met Council's Final Environmental Impact Statement ("FEIS") and the Federal Transit Administration's Record of Decision ("ROD"); and

WHEREAS, the Board of Regents approved the Agreement in its meeting on September 8, 2010, and the Agreement was duly fully executed by all parties on September 30, 2010; and

WHEREAS, the Met Council, City of Minneapolis, Hennepin County, and University staff negotiated an Operating and Maintenance Addendum to the Agreement to resolve the parties' rights and obligations with respect to the on-going maintenance and operation of the CCLRT after it commences revenue operation; and

WHEREAS, the Met Council and University staff have worked diligently and resolved other outstanding issues not included in this Addendum such as the University Fare Zone,

reimbursement of University staff expenses, construction damage claims, and other construction punch list items; and

WHEREAS, the operation of the CCLRT during the vibration and EMI certification testing required by the Agreement exceeded the vibration and EMI performance standards set out in the Agreement under certain circumstances, thus requiring the Met Council to take corridor- and operational-based solutions to mitigate the EMI and vibration in those circumstances before it commenced revenue operation; and

WHEREAS, the University was willing to allow a one-time amendment to a limited number of the vibration and EMI performance standards in order to permit the Met Council to begin revenue operation on June 14, 2014, and in the Board of Regents meeting on May 9, 2014, resolved to permit that amendment; and

WHEREAS, the Board of Regents further resolved that the term of this one time amendment to the vibration and EMI performance standards would be one (1) year from the date revenue service commenced. Promptly upon the expiration of this amendment, the Met Council, at its sole cost and expense, is required implement corridor based solutions or make operational adjustments to ensure that CCLRT operations comply with the original Vibration and EMI Performance Standards, unless the parties have, prior to that expiration, agreed to renew this amendment by an express writing executed by both parties; and

WHEREAS, recent quarterly EMI compliance testing has shown exceedances of the EMI Performance Standards; and

WHEREAS, the Met Council has conducted diagnostic testing and believes to understand the source of such exceedances.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The University is willing to delay the requirement to implement “an express writing executed by both parties” for one year and therefore willing to delay the requirement that the Met Council, at its sole cost and expense, shall implement corridor based solutions or make operational adjustments to ensure that CCLRT operations comply with the original Vibration and EMI Performance Standards, in order to permit the Met Council to continue current revenue operations while it diligently pursues a permanent solution to the cause of the EMI exceedances (“Delay”), provided the Met Council complies with the following:

- 1) During the term of the Delay, the Met Council will conduct quarterly, rather than semi-annual, EMI Compliance testing, per the provisions of the Agreement. The Met Council also will conduct regular maintenance to temporarily mitigate the EMI exceedances. The Met Council will provide the results of the tests to the University promptly upon the results becoming available.

2) By September 1, 2015, the Met Council will provide the University with its detailed plan for implementing a permanent engineering solution and maintenance regimen to address the exceedances, and will thereafter make monthly reports to the University on its progress to implement such plan prior to the June 14, 2016, deadline.

If the University determines, in its sole, reasonable discretion that the Met Council's plan is not adequate or the Met Council is not diligently pursuing its plan, the University may terminate this Delay by giving the Met Council thirty (30) days notice of such termination. Promptly upon the termination or expiration of the Delay, the Met Council will comply with the original EMI and Vibration Performance Standards.

Green Line Operations and Maintenance Addendum: Year One Operations and Vibration and EMI Performance Standards Review

Board of Regents Facilities and Operations Committee
May 7, 2015



UNIVERSITY OF MINNESOTA

Driven to DiscoverSM

CCLRT – Stories from the First Year

Board of Regents Facilities and Operations Committee
May 7, 2015



UNIVERSITY OF MINNESOTA

Driven to DiscoverSM



Background

- In June 2008, the Board approved a resolution pursuing the Washington Avenue at-grade option, and at that time reserved the authority to approve all future Agreements related to light rail transit.
- The Board of Regents approved an Agreement in September 2010 related to the construction and operations of the Central Corridor Light Rail Transit Project Through the University of Minnesota, Twin Cities – Minneapolis Campus.
- The 2010 Agreement envisioned a subsequent Operations and Maintenance Agreement.
- The Board of Regents approved the Operations and Maintenance Addendum in May 2014 to pave the way for the June 14, 2014 start of Revenue Service.



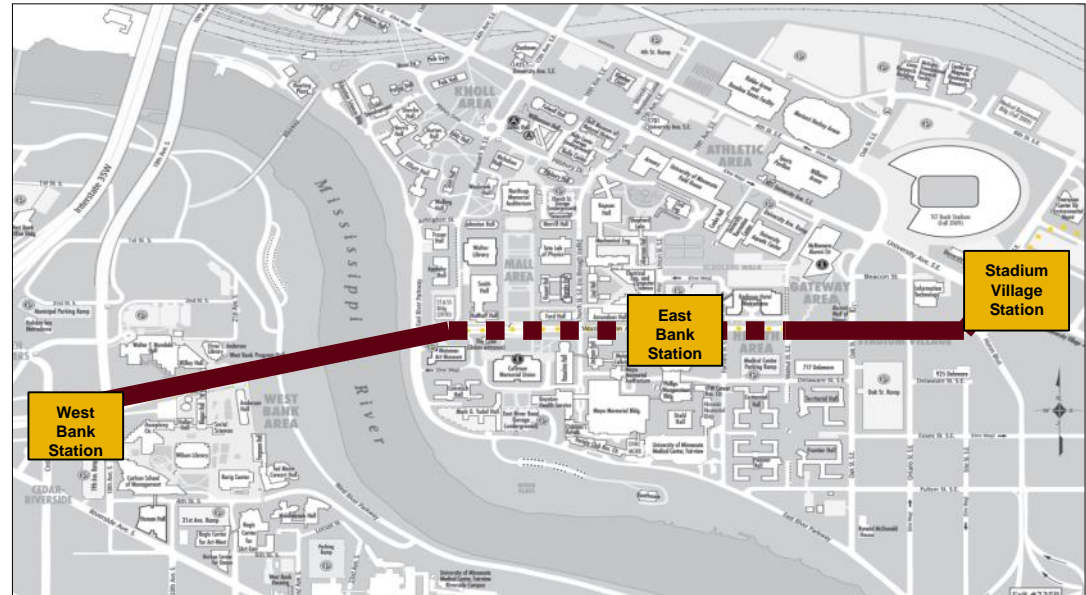






The University's Planning Objectives

- Optimize transportation system and improve accessibility
- Enhance campus functionality, safety, and aesthetics
- Strengthen the community and neighborhoods
- Protect University's research enterprise and ensure a durable, long-term agreement
- Provide enforceable obligations





Optimizing the Transportation System



U-Pass

NON-TRANSFERABLE
GOOD FOR TRAVEL ON ANY REGULAR-ROUTE BUS OR TRAIN IN THE TWIN CITIES METRO AREA

RENEWABLE
EACH SEMESTER AT BUSPASS.UMN.EDU

go to **metropass**

2014-2015 **CAMPUS ZONE PASS**

METRO Green Line UNIVERSITY OF MINNESOTA

West Bank Station East Bank Station Stadium Village Station



Optimizing the Transportation System

University of Minnesota / Green Line Fast Facts

Average Daily Ridership when Classes Are in Session	East Bank: 5,200 West Bank: 2,300 Stadium Village: 1,800
Total number of riders	East Bank first station to hit 1 Million riders
Number of Transit Passes Sold	UPass: 18,600 MetroPass: 1,700
Number of Free Campus Zone Passes Distributed	9,300
Percentage of Vikings Fans Using LRT	27%
Percentage of Gopher Fans Using LRT	11%



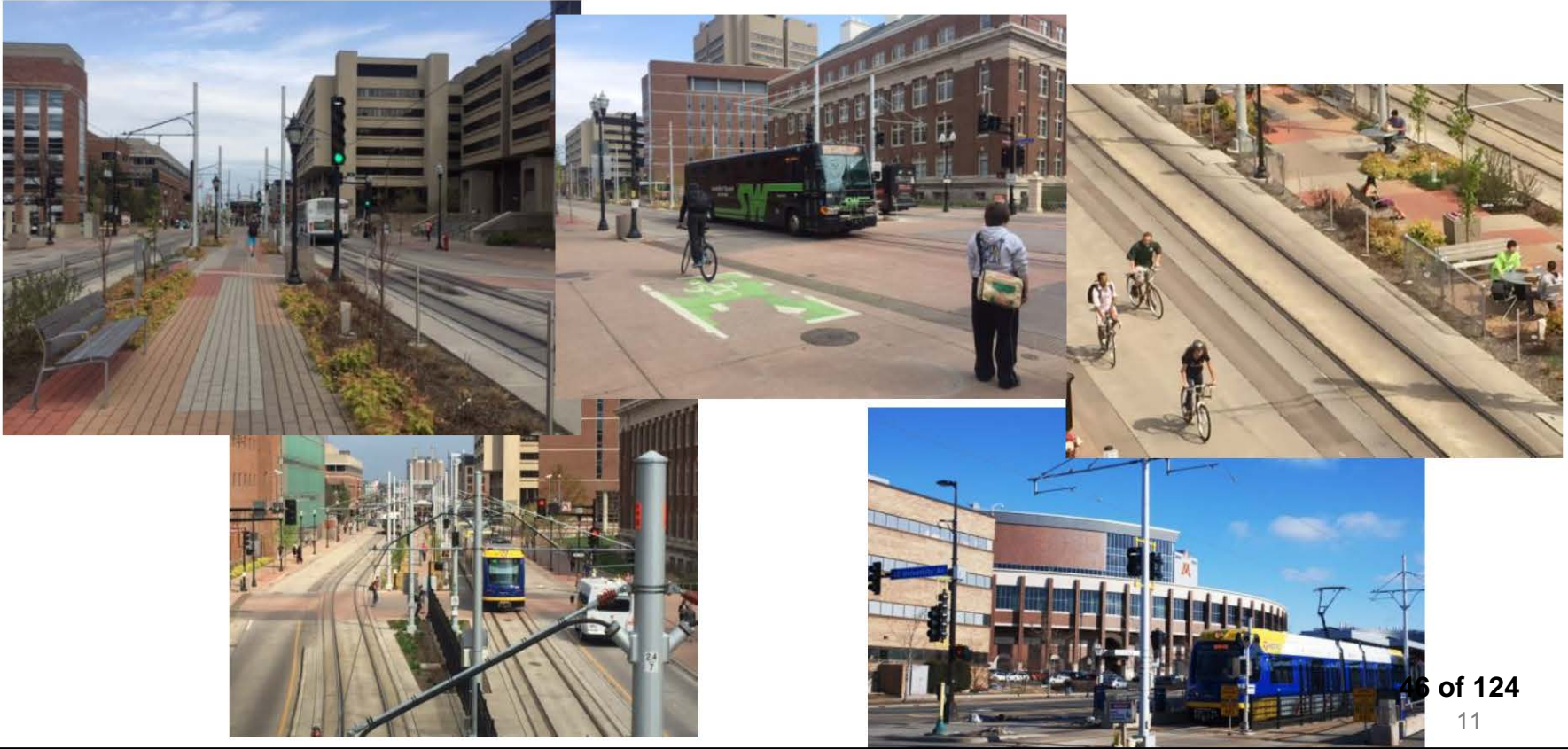
Optimizing the Transportation System

Game Day Experience





Enhancing Functionality





Enhancing Functionality

Improvements to Washington Avenue Mall Functionality


Reduce signal cycle length from 90 seconds to 55 seconds	✓
Modify detection scheme	✓
Revise signal sequencing to serve pedestrians after LRT clears intersection	✓
Change signals to rest on pedestrian crossings	
Installation of detection for bicycles crossing Washington	✓
Additional or different LRT detection technology	



Safety, Safety, Safety!

A TRAIN WEIGHS 98 TONS.
YOU DON'T.

Use caution near light rail tracks.



STOP. LOOK. LISTEN.
WORDS TO LIVE BY.

Use caution near light rail tracks.

SafeU.umn.edu
UNIVERSITY OF MINNESOTA
Driven to Discover™



SAFE U

**‘ I WAS TOO CAREFUL
CROSSING THE TRACKS ,**

SAID NO ONE EVER.

Please be safe around trains.

UNIVERSITY OF MINNESOTA
Driven to Discover™



Safety, Safety, Safety!



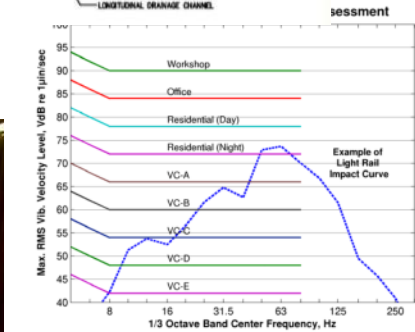
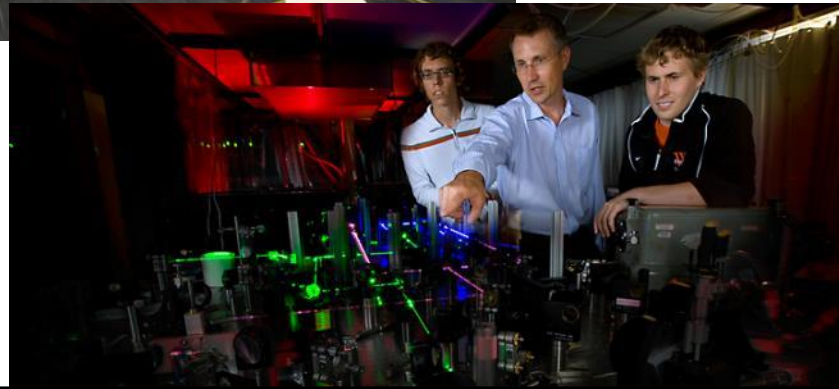
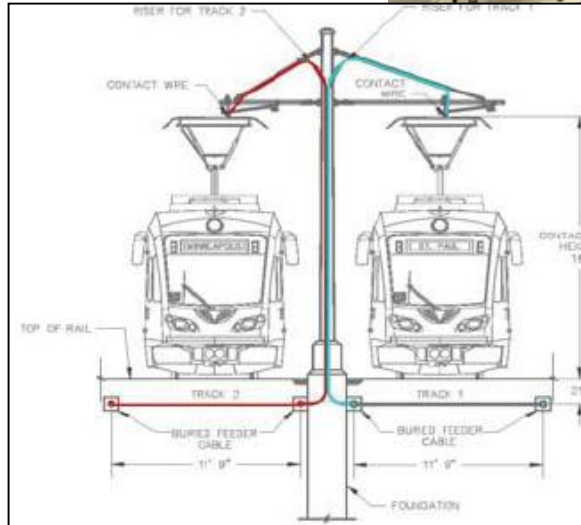
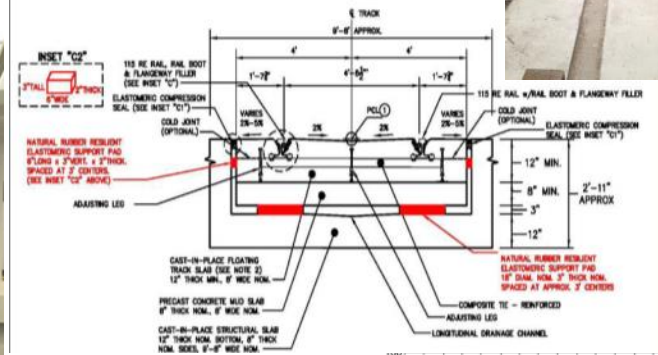


Safety, Safety, Safety!





Protecting our Research Environment and Ensuring Enforceable Obligations





Protecting our Research Environment and Ensuring Enforceable Obligations

- 2010 Agreement established Vibration and Electromagnetic Interference (EMI) Performance Standards and ongoing commitment to testing and monitoring
- Met Council required to certify compliance with Vibration and EMI Performance Standards in order to begin revenue service through campus
- Certification testing August 2013 – January 2014 (warm weather and cold weather conditions)
- **Floating Slab Track and Double Split Power Supply generally effective at mitigating Vibration and EMI as envisioned**



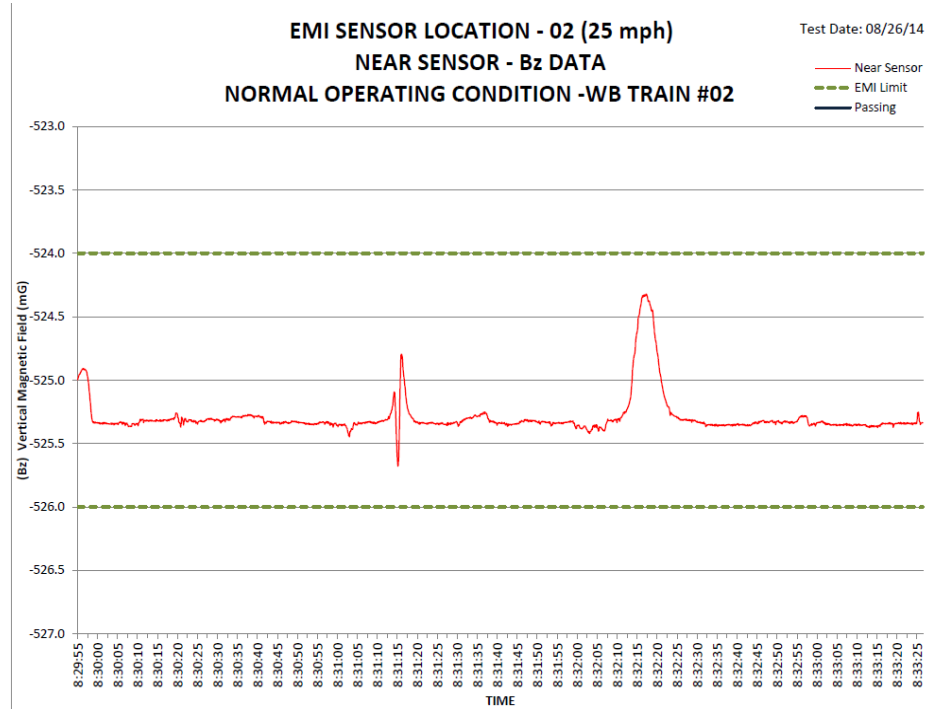
Protecting our Research Environment and Ensuring Enforceable Obligations

- Limited areas where Met Council unable to meet performance standards
 - Met Council committed to operational changes:
 - Slowing the train at Amundson (vibration) and westbound across the Washington Ave Bridge (EMI)
 - Speed monitoring
 - U agreed to a limited relaxation of performance standards for Kolthoff Hall (vibration and EMI) and at Washington and Walnut (EMI)
 - One year trial period
 - Ability to return to original performance standards in the future if negatively impacts research



August 2014 Quarterly EMI Testing

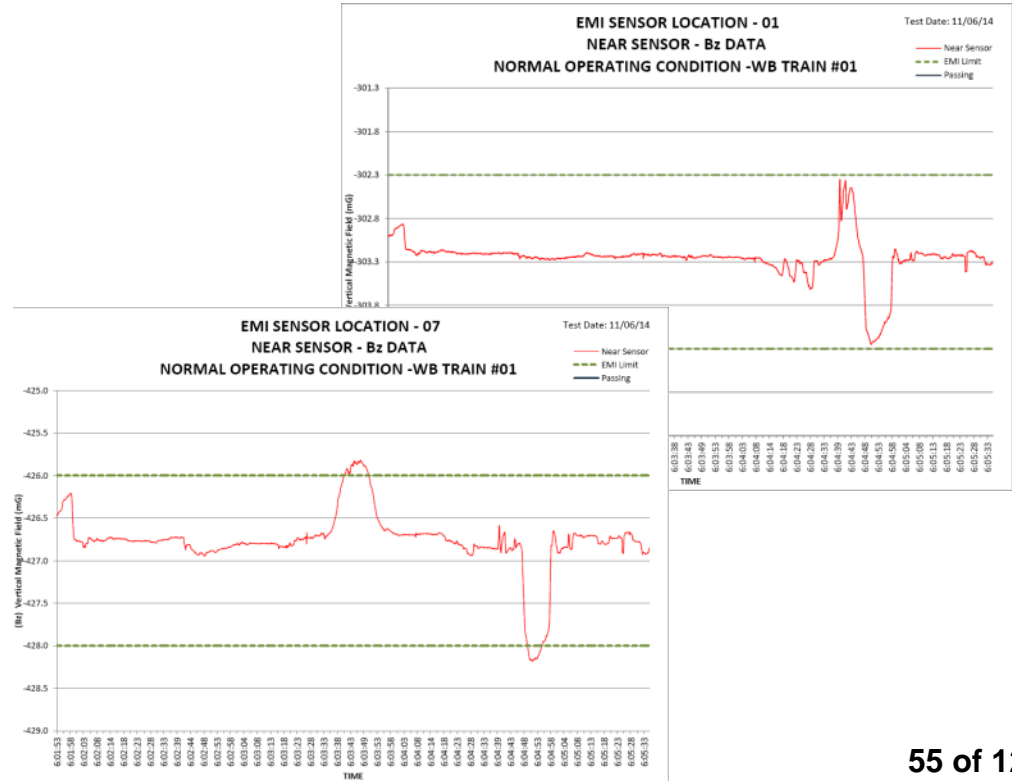
- Similar results to certification testing
- Clear indication of train signature
- Well within EMIT Performance Standards





November 2014 Quarterly EMI Testing

- Tested for higher speeds westbound across the Washington Avenue Bridge
- More extensive testing in hopes of re-certifying at higher speed
- Exceedances with the changed operating conditions

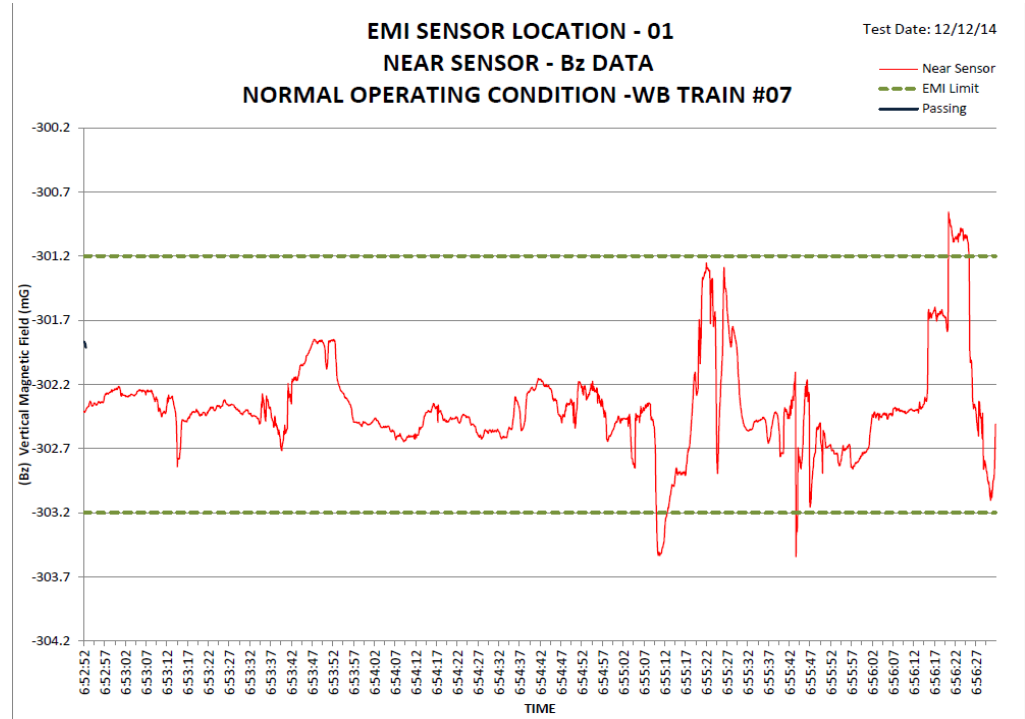




December 2014 Quarterly EMI Testing

Summary of Results at Near Sensor:

- Met 2 mG Performance Measure: 6 GRAPHS
- Exceedance between 2 and 2.5 mG: 15 GRAPHS
- Exceedance between 2.5 and 3 mG: 13 GRAPHS





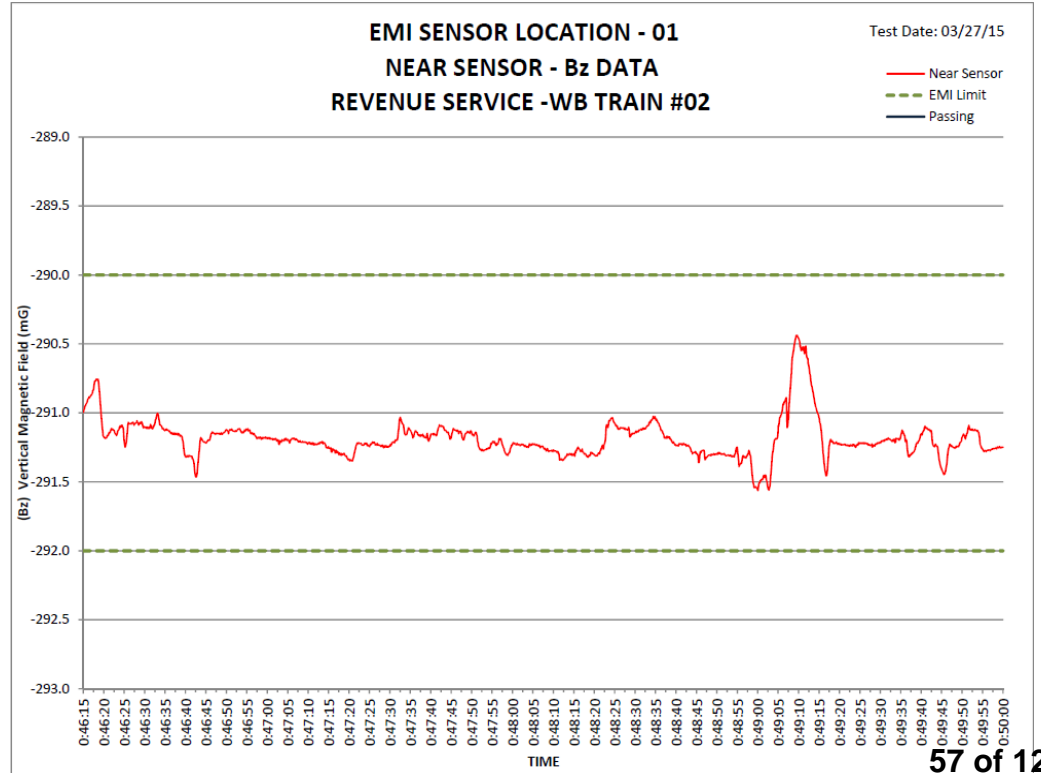
March 27, 2015 Diagnostic Testing

Rail Access Box



Partial Cleanout

Full Cleanout

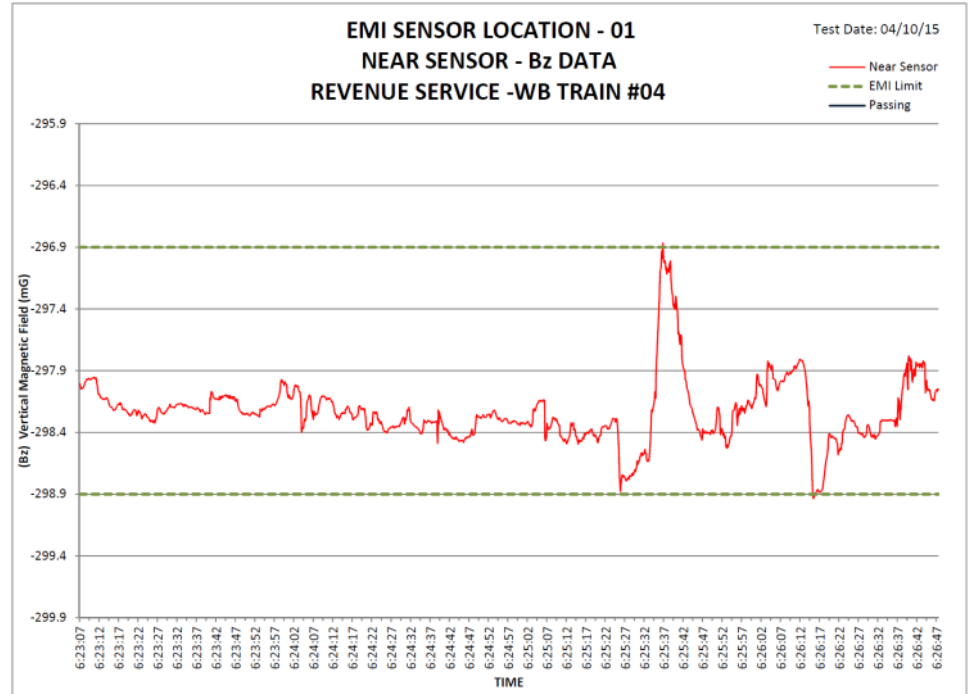




April 10, 2015 Quarterly EMI Testing

Summary of Results at Near Sensor:

- Met 2 mG Performance Measure: 34 GRAPHS
- Exceedance between 2 and 2.5 mG: 6 GRAPHS
- Exceedance between 2.5 and 3 mG: 0 GRAPHS





Resolution

WHEREAS, on August 31, 2010, the University of Minnesota and the Metropolitan Council (“Met Council”) successfully concluded negotiations on an Agreement for the Central Corridor Light Rail Transit Project Through the University of Minnesota, Twin Cities Minneapolis Campus (“Agreement”) that achieves the University’s objectives for construction and operation of the Central Corridor Light Rail Transit (“CCLRT”) Project line grade along Washington Avenue, and settled the University’s lawsuit against the Met Council; and

WHEREAS, in the Agreement, the Met Council unambiguously committed to construct and operate the CCLRT line in compliance with vitally important, rigorous performance standards for vibration and electromagnetic interference (“EMI”). The Agreement was incorporated into the Met Council’s Final Environmental Impact Statement (“FEIS”) and the Federal Transit Administration’s Record of Decision (“ROD”); and

WHEREAS, the Board of Regents approved the Agreement in its meeting on September 8, 2010, and the Agreement was duly fully executed by all parties on September 30, 2010; and

WHEREAS, the Met Council, City of Minneapolis, Hennepin County, and University staff negotiated an Operating and Maintenance Addendum to the Agreement to resolve the parties’ rights and obligations with respect to the on-going maintenance and operation of the CCLRT after it commences revenue operation; and

WHEREAS, the Met Council and University staff have worked diligently and resolved other outstanding issues not included in this Addendum such as the University Fare Zone, reimbursement of University staff expenses, construction damage claims, and other construction punch list items; and

WHEREAS, the operation of the CCLRT during the vibration and EMI certification testing required by the Agreement exceeded the vibration and EMI performance standards set out in the Agreement under certain circumstances, thus requiring the Met Council to take corridor- and operational-based solutions to mitigate the EMI and vibration in those circumstances before it commenced revenue operation; and

WHEREAS, the University was willing to allow a one-time amendment to a limited number of the vibration and EMI performance standards in order to permit the Met Council to begin revenue operation on June 14, 2014, and in the Board of Regents meeting on May 9, 2014, resolved to permit that amendment; and

WHEREAS, the Board of Regents further resolved that the term of this one time amendment to the vibration and EMI performance standards would be one (1) year from the date revenue service commenced. Promptly upon the expiration of this amendment, the Met Council, at its sole cost and expense, is required implement corridor based solutions or make operational adjustments to ensure that CCLRT operations comply with the original Vibration and EMI Performance Standards, unless the parties have, prior to that expiration, agreed to renew this amendment by an express writing executed by both parties; and

WHEREAS, recent quarterly EMI compliance testing has shown exceedances of the EMI Performance Standards; and

WHEREAS, the Met Council has conducted diagnostic testing and believes to understand the source of such exceedances.



Resolution

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The University is willing to delay the requirement to implement “an express writing executed by both parties” for one year and therefore willing to delay the requirement that the Met Council, at its sole cost and expense, shall implement corridor based solutions or make operational adjustments to ensure that CCLRT operations comply with the original Vibration and EMI Performance Standards, in order to permit the Met Council to continue current revenue operations while it diligently pursues a permanent solution to the cause of the EMI exceedances (“Delay”), provided the Met Council complies with the following:

- 1) During the term of the Delay, the Met Council will conduct quarterly, rather than semi-annual, EMI Compliance testing, per the provisions of the Agreement. The Met Council also will conduct regular maintenance to temporarily mitigate the EMI exceedances. The Met Council will provide the results of the tests to the University promptly upon the results becoming available.
- 2) By September 1, 2015, the Met Council will provide the University with its detailed plan for implementing a permanent engineering solution and maintenance regimen to address the exceedances, and will thereafter make monthly reports to the University on its progress to implement such plan prior to the June 14, 2016, deadline.

If the University determines, in its sole, reasonable discretion that the Met Council’s plan is not adequate or the Met Council is not diligently pursuing its plan, the University may terminate this Delay by giving the Met Council thirty (30) days notice of such termination. Promptly upon the termination or expiration of the Delay, the Met Council will comply with the original EMI and Vibration Performance Standards.



Photo Courtesy the University of Minnesota Dept. of Art, Oct. 24, 2014





UNIVERSITY OF MINNESOTA
Driven to DiscoverSM



UniversityofMinn



UMNews



UofMN



BOARD OF REGENTS DOCKET ITEM SUMMARY

Facilities & Operations

May 7, 2015

Agenda Item: The University's Housing Strategy: Twin Cities Campus

Review **Review + Action** **Action** **Discussion**

This is a report required by Board policy.

Presenters: Pamela Wheelock, University Services Vice President
Karen Hanson, Senior Vice President and Provost
Robert McMaster, Vice Provost for Undergraduate Education

Purpose & Key Points

University efforts around student housing have historically focused on University-controlled or -managed housing. This University housing, historically referred to as “on-campus” housing, is only a small piece of the much larger and complex student housing picture. The student segment of the housing market, locally and nationally, has changed dramatically in recent years.

To address the opportunities and challenges associated with these and other housing trends, a student housing strategy committee was charged by Senior Vice President and Provost Karen Hanson and Vice President Pamela Wheelock in January 2015. This committee was asked to look comprehensively at the University's approach to student housing and to develop a set of recommendations to guide the University's approach to this important aspect of student life. The committee placed students at the core of its strategic review efforts and recommendations, recognizing early on that the wants and needs of undergraduate students change as they become more independent and progress toward graduation. The report of the committee, which is included in the docket, will serve as a foundation for the committee's discussion.

University housing enhances the student experience and is an important element of the first-year experience. Institutional data show clear correlation between a first-year University housing experience and higher GPA, retention rates, and four-year graduation rates. Building an early relationship with the University also enhances student affiliation and loyalty with the institution long after graduation.

The recent history of University housing points to two clear policy decision points:

First, in the early 1990s the stated priority for the institution was to offer University housing to any first-year student who desired to live on-campus. This decision led to a number of renovations, expansions, and new construction projects to meet increased demand. During this period, non-University housing consisted primarily of converted single-family homes in the Marcy-Holmes and Como neighborhoods, with a few multi-unit developments.

Second, the University stated in 2004 that it would not build any additional apartments, but would instead leave this segment of the housing market to the private sector. This move by the University corresponded with a national interest by financial lenders in student housing and a rise in the average family income of students attending universities. Private developers capitalized on this opportunity. In the past 10 years, over 15,000 private, largely higher-end housing beds have come online near campus, most of which are marketed to University of Minnesota students.

The rise of students taking advantage of this new housing raises strategic questions for the institution. From a policy perspective, there are three core questions:

1. Does the University continue to hold the position that the residential first-year experience is critical, and that it is an important strategy for retention and student success?
2. Are the University's affordability goals appropriate drivers of the current University housing business model, even if there are unrealized student experience opportunities in a place-based institution?
3. What roles should the University, the University of Minnesota Foundation, the City of Minneapolis, private developers, and others play in supporting a successful student experience in University and non-University housing?

Background Information

The committee has heard the following presentations related to student housing and the student experience:

Student Housing Trends and Strategies (June 2014)

Providing a Memorable Student Experience (May 2014)

Auxiliary Services Capital Plan (May 2012)

4th Street Student Residence Hall and Dining Facility (December 2011)

On-Campus Housing Demand and New Student Housing/Dining Project Ex. Summary (June 2011)



Twin Cities Student Housing Strategy

Report and Recommendations

April 2015

Table of Contents

Introduction and Charge.....	2
A Housing Strategy Framework.....	2
Assumptions.....	3
A Comprehensive Student Housing Strategy	4
Common Student Housing Principles.....	5
Approaching Student Housing by Constituency	6
First-Year Undergraduate Students.....	6
Second-Year Undergraduate Students.....	8
Transfer Students.....	8
Upper-Division Undergraduate Students	9
Greek Community Housing.....	10
Affinity Housing Programs.....	10
Graduate/Professional Students	11
Family Student Housing	11
Appendix A: Committee Charge.....	12
Appendix B: Committee Approach	13
Appendix C: Summary of Recommendations.....	14
Appendix D: Housing Strategy Matrix.....	16
Appendix E: Supportive Services Matrix.....	17
Appendix F: University Housing Profile.....	18
Appendix G: University Housing Business Model and Budget	19
Appendix H: Superblock Memo.....	21
Appendix I: Student Market Housing Profile	24
Appendix J: Student Market Rent Comparison.....	25
Appendix K: Peer Housing Data.....	26
Appendix L: Retention and Graduation Data	28



Introduction and Charge

In January 2015, Senior Vice President and Provost Karen Hanson and Vice President Pamela Wheelock charged a committee to review of the University's student housing strategy for the Twin Cities campus and to develop recommendations for how the strategy should evolve to meet a changing market. Their full charge is included in Appendix A.

The Twin Cities Student Housing Strategy committee was asked to consider the following topics:

- Review and understand our current approach to student housing
- Understand and document the current student housing market – both demand and supply for various types of on-campus and off-campus housing
- Review best practices from other universities, including optimal mix of housing styles, public-private partnerships, historic preservation, and innovative new construction
- Develop guiding principles for evolving our housing strategy and program
- Identify a range of scenarios that pose governance options for University leaders and the Board of Regents as it relates to our housing strategy
- Develop the key components and recommendations for the May 2015 Board of Regents presentation

The committee has made progress on identifying both a framework for and key components of a comprehensive student housing strategy, and has developed preliminary recommendations for consideration by senior leadership. The committee has not completed all of the work required to fully define each component of the strategy. Additional work sessions will be needed and the committee envisions that it will continue to develop and evolve the details once senior leadership has provided guidance on the proposed strategy and preliminary recommendations. A summary of the committee's approach appears in Appendix B.

A Housing Strategy Framework

The committee placed **students** at the core of its strategic review efforts. Members recognized early on that the wants and needs of undergraduate students change as they become more independent and progress toward graduation. These differences are even more pronounced for international, graduate, and professional students.



The committee's housing strategy framework is structured around two axes – facility ownership and level of supportive services (see Appendix D for larger framework graphic). This housing strategy framework identifies eight broadly defined constituent groups, (beginning on page five). It also identifies a variety of supportive services, such as community advisors, living learning communities, community dining, and security, which are delivered at appropriately scaled levels to each constituent group.



It is the committee's general approach that undergraduate students' academic success is best served by starting their time at the University in University-owned facilities with a high level of supportive services. University housing provides distinct facilities and programs that, in the aggregate, help new students to build a supportive network while enrolled – the residence hall model. Examples of unique elements include community dining, educational and developmental programs, professional and student staff with specialized education and training, interaction between financial and student administrative systems to facilitate problem resolution if needed, and internal access to institutional supports. The University is best positioned to provide this highly supportive living and programming. This type of environment is not found in the private market.

As students progress through their academic career, the committee believes they should transition to housing with fewer and fewer supportive services. More recent housing developments offer some of the community amenities, though they typically focus on physical features such as study rooms or fitness centers. The remaining spectrum of supportive services in between can be delivered in numerous ways, through University ownership or involvement in a range of public-private partnerships. The private sector is able to provide an independent living environment and is already doing so.

Assumptions

The committee built its work around the following major assumptions:

- The University will experience minimal enrollment growth. The Twin Cities campus expects some modest growth in undergraduate enrollments over the next decade. Currently, the Twin Cities campus enrolls approximately 30,500 undergraduate students. Each year approximately 5,500 new first-year and 2,800 transfer students enroll in the seven freshman-admitting colleges. Estimates are that the undergraduate enrollment might increase to 32,000-33,000 students over the next decade through a modest increase in the first-year class. No incremental growth is planned for the Twin Cities transfer class, which matriculates 2,000-2,200 students in the fall and 650-700 students in the spring. Graduate programs will remain largely flat with limited growth in professional programs as market conditions allow.
- The University District will remain an attractive location for private investment. The University District is unique in the Twin Cities metropolitan area and in the state. Its location between the two central cities of the region, its demographics, and its outstanding amenities make it a prime area to accommodate a resurging interest in urban living. The district's proximity to transit, employment, services, cultural attractions (sports, entertainment, and the arts), and world-class health care make it an attractive place to live for more than just current students. While the recent boom in student housing has peaked for the foreseeable future, these market forces will continue to shape the non-University housing market. Proposed development on the Green Line, such as Prospect Park North, is but one such example.
- The line between on- and off-campus will continue to blur. Since the University adopted its position to guarantee housing to first-year students just over twenty years ago, the campus has shifted from what was once a commuter-based academic experience to a residential experience. With students learning to live away from home in their first year, the need for



proximate housing increased as students wanted to stay near campus during subsequent years. This newer housing has also extended students' living activity from a nine-month to a twelve-month lease cycle. Whether living in University-owned or privately-owned housing, students identify as living 'on-campus'. This shift in perceived campus boundaries by students, parents, legislators, and the public was an underlying factor in the Board of Regents 2014 resolution recognizing the importance of creating a safe and vibrant surrounding community.

- Aging housing stock around the University will be an increasing source of safety and livability problems. Since 2000 it is estimated that over 15,000 new private student housing beds have been built (with over half of the new supply coming on-line between the 2013-14 and 2015-16 school years) based on number of construction permits issued at an average of three beds per unit. This significant new supply has pulled students from older, less amenity-rich housing in the Marcy-Holmes and Como neighborhoods, causing some distress in these older buildings that consist mainly of single-family homes and duplexes dating from the 1880s to the 1950s. Some of these properties have been under-invested in by absentee landlords for decades and while some structures can be saved and returned to good working condition, others are reaching the end of their useful life. The economics of acquiring the properties to restore them for rental or single-family use won't underwrite given the increasing market values that stem from the amount of new development in the area.
- Housing & Residential Life (HRL) remains a self-supporting auxiliary enterprise. HRL is a self-supporting unit that is completely funded by room fees. Student services and programs, as well as all capital projects (new construction and renewal) and routine maintenance, are funded exclusively from room rate revenue. HRL fully funds depreciation on facilities and furnishings/equipment and maintains a robust facility repair and replacement (R&R) program. The committee assumed that these core elements of the HRL business model (Appendix G) remain in place. Other elements of the business model, such as occupancy and rate strategies, were not assumed to be fixed.
- The University remains committed to student housing on the Superblock. For several years, there has been discussion as to whether the Superblock will continue to be a cohesive residential neighborhood primarily focused on first-year students, or if the site will be repurposed over time for other institutional uses. This report assumes the Superblock site as a long-term location for University housing. See Appendix H for supporting information.

A Comprehensive Student Housing Strategy

University efforts around student housing have historically focused on University-owned or University-managed housing. This University housing, historically referred to as "on-campus" housing, is only a small piece of the much larger and complex student housing picture. The University has two units presently charged with work related to student housing.

- University Services. Within University Services, HRL provides residence hall style housing, apartments, and family student housing cooperatives. HRL also manages the off-campus listing service, which serves as a clearinghouse for rental property targeted to students.



- Student Affairs. Within Student Affairs, the Off Campus Living Office works to connect students to the University, prepare them for non-University housing, and advocate for students with the larger private landlords in the University, Marcy-Holmes, Como, and Uptown neighborhoods. Also within Student Affairs, the Office for Fraternity and Sorority Life is responsible for advising Greek student leaders and members and supporting their programming endeavors.



Recommendation 1: Establish a comprehensive student housing strategy that incorporates both University and non-University managed housing.

Students today have many more housing choices in close proximity to the University than they had as recently as five years ago, and many upper-division students are choosing to live in these newer student-marketed buildings. Student success requires varying levels of supportive services during their academic career, many of which are illustrated in Appendix E. Whether living in University-managed housing or not, the University should expand its view of student housing to look more comprehensively at both University housing (owned or leased) and non-University housing. The committee believes the University should be committed to improving students' experience beyond that which occurs in its own housing facilities. If the University is going to be an experiential, place-based institution with a large student population, it will need to be engaged, directly or indirectly, in more aspects of the non-University "place" than it has been in the past.

Common Student Housing Principles



Recommendation 2: Adopt basic principles for what the University expects from both University and non-University student housing.

The committee believes that there should be a set of common principles that guide the University's approach to student housing regardless of type, ownership, or location. It is the opinion of the committee that **all** student housing should be:

- Safe. Housing and the neighborhoods where the housing is located should provide a safe and healthy living environment.
- Affordable. Housing costs should align with the University's financial aid model allowance for housing used in calculating the University's total cost of attendance.
- Convenient. Housing should have readily available access to campus via transit, bicycle, walking, or other modes of convenient, affordable transportation, as well as access to the greater Twin Cities community.
- Supportive. Housing should offer appropriate levels of services and programs to support student success and community throughout their University career.



Approaching Student Housing by Constituency

The committee identified eight broadly defined student housing constituency groups. Each group is discussed separately in this section. The report includes strategies and recommendations in the most appropriate section, although in some cases impacts may extend to more than one group. A full summary of recommendations appears in Appendix C.

Group A: First-Year Undergraduate Students (approximately 5,500 students)



Recommendation #3: Reaffirm the housing guarantee for all first-year students meeting the May application deadline and continue to make serving the housing needs of first-year students the University's highest priority.

The committee feels strongly that first-year students are best served by the intentionally designed programs, supportive services, and community-building environment provided in University residence halls. There is overwhelming evidence that students who live in such an environment during their first year have higher GPAs, are retained at the University, and are more likely to graduate in four years (see Appendix L). First-year students living in University residence halls experience greater academic success and are more engaged in the University community.



Recommendation #4: Explore options for creating a need-based housing scholarship program to provide access to University housing for financially disadvantaged first-year students.

The University currently provides housing to eighty-eight percent of the incoming first-year class. While numerous personal and cultural circumstances will prevent this number from ever being 100 percent, the committee believes that the opportunity exists to increase the percentage of first-year students living in residence halls above ninety percent. The University has already initiated a survey to better understand why first-year students do not choose to live in University housing. Cultural, family, and financial circumstances are expected to be major factors in student and family decision-making. Any attempts to increase the number of first-year students living in University housing will need to include new financial incentives.



Recommendation #5: Limit expanded housing to residential, non-community spaces.

Many colleges and universities utilize expanded/overflow housing in order to accommodate as many students as desire to live in University housing. Use of expanded housing space is typically considered temporary (no longer than one semester) and consists of utilizing lounges or study rooms and/or increasing standard occupancy in resident rooms (i.e. adding a second student to a large single room, or a third student to a large double room). This committee spent a considerable amount of time on the topic of expanded housing and the role it plays in balancing the competing values of access, affordability, and the student experience. From a financial perspective, utilizing expanded housing enables housing programs to budget based on higher occupancy rates throughout the academic year, providing more students with access to University housing and keeping room rates lower. The most significant impact on the student experience results from placing students in lounges and other common spaces, which negatively impacts all students in the building by removing the use of these community spaces. Adding a third student to an over-sized



double room, on the other hand, has less of an impact on the overall community/student experience.

Dating back ten years, HRL was routinely placing 300-450 students in expanded housing each fall. HRL has, particularly since the opening of the 17th Avenue Residence Hall, decreased the amount of expanded housing and now budgets based on an over occupancy of 175 beds. The University should review its expanded housing practices and seek to limit expanded housing to spaces designed for residency and restrict expanded housing from using common spaces such as lounges and study rooms.

The committee reviewed several facility issues primarily, but not exclusively, impacting first year students. These are summarized below:



Recommendation #6: Initiate a comprehensive planning and predesign process for evaluating the full range of options for renovating or replacing Pioneer Hall and modernizing Superblock dining within the existing Superblock. The study should include the development of a financing plan and an evaluation of lower cost design and construction options.

- East Bank. University housing demand is highest on the East Bank, with the greatest demand centered on the Superblock facilities. The popularity of the Superblock is as much about proximity to campus as it is about the density of first-year students. First-year students want to live with other first-year students. Superblock dining facilities are obsolete and Pioneer Hall, the oldest residence hall on campus, requires a major capital investment to remain functional and meet even the basic expectations of today's students with regard to room dimensions and overall functionality. Finding a solution to the Pioneer Hall and the Superblock dining facility condition issues are the highest University housing facility priorities.



Recommendation #7: University campus plans should evaluate demand for West Bank housing, particularly in concert with other new student services facilities.

- West Bank. University housing on the West Bank is currently concentrated in Middlebrook Hall. Although it poses challenges for students seeking an East Bank experience, its location serves to support living-learning communities with focuses on West Bank academic and cultural programs.



Recommendation #8: Evaluate options to make Bailey Hall more attractive to students and for increasing demand for students to live there. A broader assessment should identify services and amenities that would be required on the Saint Paul campus to create student demand for a residential experience there.

- Saint Paul. The Saint Paul campus has a look and feel distinct from the Minneapolis campuses. Undergraduate housing on the Saint Paul campus is limited to Bailey Hall, which poses challenges for students seeking (and expecting) an East Bank student experience.



Group B: Second-Year Undergraduate Students [approximately 6,500 students]

The committee believes that the University has the greatest potential to positively change the undergraduate experience by strengthening and formalizing a second-year experience program. Students who have established themselves through a first-year residence hall experience continue to show stronger success metrics when they are part of a second-year experience program. If the first year of college is about meeting friends, engaging in a supportive community, and becoming familiar with the campus and its resources and opportunities, the second year is about the student discovering his or her place in the broader campus and community. A formal second-year experience program provides a higher degree of support for this self-discovery process and contributes to retention and graduation. Research indicates that students who live in University housing for a second year have higher retention and graduation rates than those who don't (see Appendix L.) It allows students to become more involved in the collegiate experience, weaving classroom work with co-curricular endeavors. This also aligns with the Office of Undergraduate Education's new second-year experience initiative.



Recommendation #9: Research, plan, fund, and implement a formal second-year experience program in University housing and in partnership with non-University housing providers.

The University's current housing capacity does not allow for all second-year students to remain in University housing, nor do the majority of those students desire to do so. It is the opinion of the committee that a comprehensive second-year experience should be developed for second-year students who desire to live in University housing and in partnership with non-University housing providers, including the Greek community. Such partnerships could manifest themselves in a spectrum of activities, whether in the form of a master lease by the University (e.g., University Village), where the University remains responsible for the delivery of direct support to students and on-site programs, to a less structured model where the University works with the management of non-University buildings to provide formal (on-site) and informal (virtual) programmatic support to second-year students.

The committee recommends researching best practices and options with the goal of establishing target participation rates, determining program locations, developing program content and design, identifying funding, and determining the impact on University housing for second-year students.



Recommendation #10: HRL should give room selection priority to first-year students wishing to return to University housing for a second year.

Given the importance and transformational impact of second-year experience programs, the committee believes that the University should, as a starting point, make students interested in returning to University housing after their first year its second priority, ahead of upper-division students. A goal of 25% of second-year students living in University housing is a realizable target.

Group C: Transfer Students [approximately 3,000 students]

Students who begin their academic careers at other colleges or universities face unique challenges integrating into University life. Large numbers of transfer students express an interest in living in University housing in order to assist with their transition to the University.





Recommendation #11: Maintain HRL's existing 200 transfer student commitment at present and increase that number as space permits.

The University, at present, has a limited ability to provide housing to transfer students. HRL currently guarantees a minimum of 200 University housing spaces for traditional transfer students during fall semester, and accepts an additional 250-300 in the spring. Fall wait lists, however, routinely extend into the hundreds.



Recommendation #12: Incorporate a larger but appropriately scaled transfer student program into the non-University partnership options being evaluated for an expanded second-year experience.

A majority of transfer students seeking University housing are in their third academic year, and do not require or desire the level of support services provided in first-year oriented programs. These students would be ideal candidates to participate in the types of partnership programs with non-University housing providers envisioned for a second-year experience.

Group D: Upper-Division Undergraduate Students (Third Year and Beyond) [approximately 19,000 students]

The University of Minnesota, given its location in the heart of a major metropolitan area, the heterogeneous housing markets serving multiple populations, and the volume of recent student-focused housing development near campus, is fortunate to have an adequate and diverse set of non-University housing options for students. The committee believes that the University should capitalize on this diversity of options and continue to rely on the non-University housing market to meet the needs of its upper-division undergraduate students. Recognizing the intersection of student desire for more independence and a diminishing impact of formal supportive services, students beyond the second year of their undergraduate careers can effectively be served by non-University housing. Students at this point in their undergraduate careers are well on their way to success but still benefit from some intentional connections to the University. There remain a small percentage of students who desire to live in University housing for their entire four-year career.



Recommendation #13: The University should engage non-University housing management on safety and livability issues.

The committee believes that upper-division undergraduate students and the surrounding communities are still best served by housing facilities that are designed for multi-tenant occupancy and that have professional on-site management. To this end the committee has recognized a need for the University (University Services, Student Affairs, Government and Community Relations, and the University of Minnesota Foundation) to engage its governmental and non-governmental partners on a wider range of non-University housing issues than it has in the past. Stronger efforts should be taken to engage private building owners and managers on safety, best management practices, and public realm livability issues. This work will require a concerted effort on the part of the University to appropriately define and structure its role in the near-campus neighborhoods. Any effort to expand the University's involvement off-campus will require clear goals and objectives, as well as additional human and financial resources. The committee recommends reviewing best practices from around the country for models where universities, municipalities, and private owners have successfully worked together on student housing and livability issues.



The Off-Campus Living Office will continue to be an important resource for students navigating the landlord-tenant relationship and roommate issues, as well as keeping students connected to the University. An expanded role for the Off-Campus Living Office should be explored further in the context of an overall effort to clarify the University's role off-campus.

Group E: Greek Community Housing [approximately 1,000 students]

The University has a long and rich relationship with national and international fraternities and sororities. The first fraternities and sororities joined the University of Minnesota campus in 1874. While the University and the Greek chapters share a rich history and common interests, consistent with University policy, Greek chapters and governing councils are legally and financially independent of the University of Minnesota.

The University and the committee believe that fraternities and sororities contribute significantly and positively to the quality of the undergraduate experience. As stated in the University's 2012 *Greek Community Strategic Task Force* report, Greek chapter students have higher graduation rates and GPAs, and are heavily represented in student leadership positions on campus. Through their shared ideals and goals, they provide opportunities for the development of leadership skills, civic involvement, social growth, and binding relationships. Academics, leadership, brotherhood/sisterhood, member education, and community service are all important aspects of fraternity and sorority life.



Recommendation #14: Support efforts to improve facility life/safety conditions in existing Greek housing facilities.

The Task Force report section "Examining Housing and Facilities Opportunities" identified the need to improve the condition of the existing housing stock, leverage the opportunities provided by the opening of 17th Avenue Residence Hall, and add additional housing capacity to the Greek system. The University and the University of Minnesota Foundation are in the process of developing a housing loan program with the Greek community to provide additional resources for addressing Greek facility safety issues. Additional information on the proposed program is forthcoming. The University completed the proposed improvements to the 17th Avenue Residence Hall and has been operating a program with several Greek organizations since the facility opened. Progress has yet to be made on increasing the overall capacity of the Greek housing system.

Group F: Affinity Housing Programs [approximately 575 students]

Affinity housing continues to be a valuable component of the student experience. HRL currently operates three affinity group programs in University housing for Greeks, international students, and student athletes. The committee does not see any reason to alter the current affinity group programs. The allocation of beds should continually be evaluated against utilization, competing demands for beds, and the availability of any alternatives that can better meet student needs. At present, there are no recommendations for new affinity programs.



Group G: Graduate/Professional Students [approximately 15,800 students]

Graduate and Professional students are currently served almost exclusively by non-University housing providers. The University provides a limited amount of single student graduate student housing in its residence halls and apartment communities. There are no recommended changes to these existing programs.

Group H: Family Student Housing [unable to define total number of students]

Students with families are currently served almost exclusively by non-University housing providers. The University provides a limited amount of family housing in its Commonwealth Terrace and Como Community Cooperatives. These two facilities are resident-based management cooperatives operating under a management agreement with the University of Minnesota, which still owns the land and physical structures. There are no recommended changes to these existing programs.



January 8, 2015

To: Robert McMaster, Office of Undergraduate Education, *co-chair*
Laurie Scheich, Auxiliary Services, *co-chair*
Mannix Clark, Housing and Residential Life
Liz Eull, President's Office
Sarah Harris, UMF Real Estate Advisors
Lamar Hylton, Student Affairs
Monique MacKenzie, Capital Planning and Project Management
Laurie McLaughlin, Housing and Residential Life
Brian Swanson, University Services Finance and Strategy
Paige Rohman, University Services, *staff to committee*

From: Karen Hanson, Senior Vice President for Academic Affairs and Provost
Pamela Wheelock, Vice President of University Services

SUBJECT: UMTC Student Housing Strategy Committee

We are asking you to assist in the review of the University's student housing strategy for the Twin Cities Campus and the development of recommendations as to how the strategy should evolve to meet changing market demands. The Board of Regents has requested a policy discussion of our student housing strategy at their May 2015 meeting. In order to prepare for this discussion, we are asking Laurie Scheich and Bob McMaster to convene you as a team to develop a shared understanding of our changing market conditions and best practices and then to develop recommendations as to how our student housing strategy needs to evolve. Specifically, the Student Housing Strategy Committee will be responsible for the following:

- Review and understand our current approach to student housing
- Understand and document the current student housing market – both demand and supply for various types of on-campus and off-campus housing
- Review best practices from other universities, including optimal mix of housing styles, public-private partnerships, historic preservation, and innovative new construction
- Develop guiding principles for evolving our housing strategy and program
- Identify a range of scenarios that pose governance options for University leaders and the Board of Regents as it relates to our housing strategy
- Develop the key components and recommendations for the May 2015 Board of Regents presentation

Thank you for your participation in this important project. We look forward to periodic updates as to your progress and to engaging with you on this effort.

cc: President Eric Kaler
Vice President and CFO Richard Pfutzenreuter
Vice Provost for Student Affairs and Dean of Students Danita Brown Young



The committee met weekly or biweekly during the months of February, March, and April 2015. Members reviewed and discussed the following information and data in order to provide the members with context to help inform their work:

- University housing facility profile
- University housing occupancy data
- Academic success data related to first-year and second-year students
- Recent survey and focus group findings
- Residential programs and services
- Current occupancy management strategies for University housing
- Current policies and practices
- HRL's business model
- Current University programs and services that support and assist students living in non-University housing
- Big Ten housing comparative data and information
- Non-University housing market data and research
- 2012 University Greek Community Strategic Task Force report
- Student housing trends and best practices

The committee identified the key components of a comprehensive housing strategy. These are included in the report beginning on page five. Based on these components, preliminary recommendations were developed to provide an overall direction for and implementation of the University's housing strategy. Additional work is required to more fully define each component or segment of the overall strategy. The committee envisions that it will continue to develop and evolve the details once leadership has provided input and guidance on the proposed strategy and preliminary recommendations.



Recommendation 1: Establish a comprehensive student housing strategy that incorporates both University and non-University managed housing.

Recommendation 2: Adopt basic principles for what the University expects from both University and non-University student housing.

Recommendation 3: Reaffirm the housing guarantee for all first-year students meeting the May application deadline and continue to make serving the housing needs of first-year students the highest priority.

Recommendation 4: Explore options for creating a need-based housing scholarship program to provide access to University housing for financially disadvantaged first-year students.

Recommendation 5: Limit expanded housing to residential, non-community spaces.

Recommendation 6: Initiate a comprehensive planning and predesign process for evaluating the full range of options for renovating or replacing Pioneer Hall and modernizing Superblock dining within the existing Superblock. The study should include the development of a financing plan and an evaluation of lower cost design and construction options.

Recommendation 7: University campus plans should evaluate demand for West Bank housing, particularly in concert with other new student services facilities.

Recommendation 8: Evaluate options to make Bailey Hall more attractive to students and for increasing demand for students to live there. A broader assessment should identify services and amenities that would be required on the Saint Paul campus to create student demand for a residential experience there.

Recommendation 9: Research, plan, fund, and implement a formal second-year experience program in University housing and in partnership with non-University housing providers.

Recommendation 10: HRL should give room selection priority to first-year students wishing to return to University housing for a second year.

Recommendation 11: Maintain University housing's existing 200 transfer student commitment at present and increase that number as space permits.

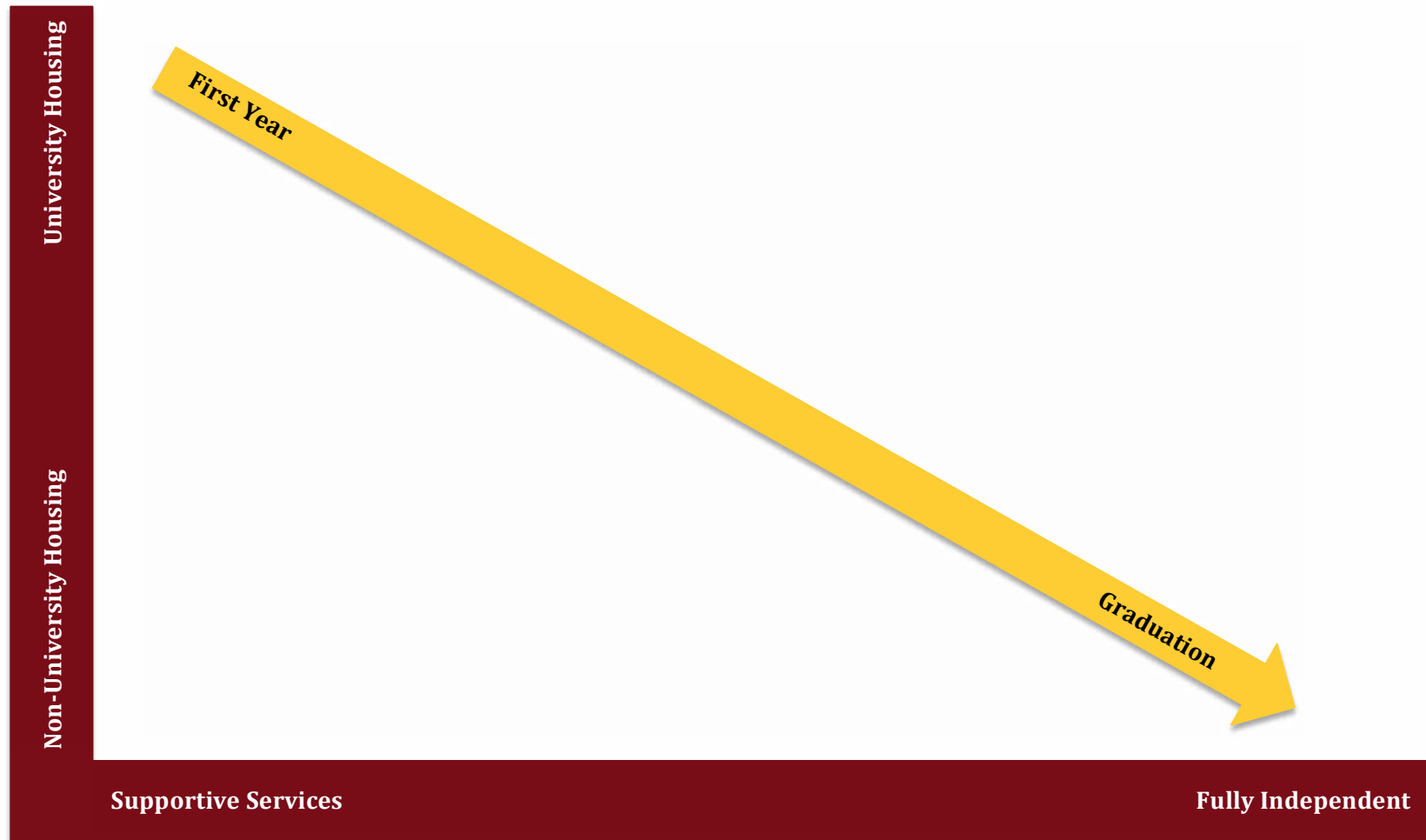
Recommendation 12: Incorporate a larger but appropriately scaled transfer student program into the non-University partnership options being evaluated for an expanded second-year experience.

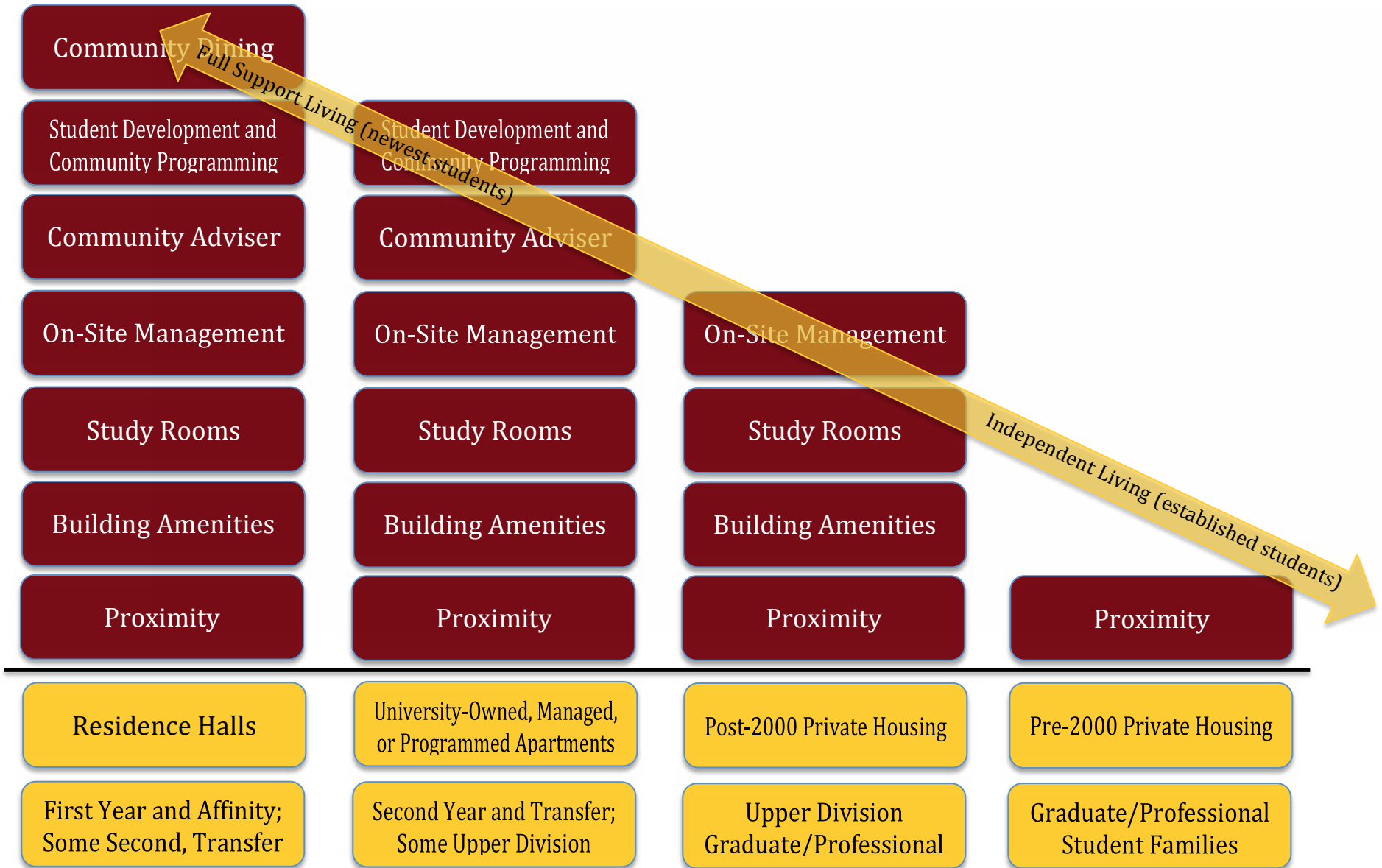


Recommendation 13: The University should engage non-University housing management on safety and livability issues.

Recommendation 14: Support efforts to improve facility life/safety conditions in existing Greek housing facilities.







University owned traditional residence hall rooms and single-student apartments are supported solely by the rates charged to students. There is no institutional or state support for these facilities.

Facilities Overview

University owned single-student housing inventory currently includes:

9 residence halls	5,890 beds
3 apartment facilities	1,044 beds
Total	6,934 beds

The University housing first offered apartment facilities in 1996.

From 1996 through 2013, University housing added 2,080 new beds through new construction, additions, and renovations:

- 1996 134 beds, construction of Wilkins Hall (apartment style)
- 1999 148 beds, addition to Territorial Hall (residence hall style)
- 1999 412 beds, master lease of University Village (apartment style)
- 2000 170 beds, addition to Frontier Hall (suite style)
- 2001 167 beds, addition to Middlebrook Hall (suite style)
- 2002 435 beds, construction of Yudof Hall (apartment and suite style)
- 2003 14 beds, renovation of Sanford Hall (residence hall style)
- 2103 600 beds, construction of 17th Avenue Residence Hall (pod style)

Suite style housing: Suites typically consist of more than one sleeping room with a shared private bath. Some suites also include a small common room and kitchenette (no stove/oven).

Pod style housing: Pod style housing typically consists of pods of rooms (usually 4-8 rooms located in the same area) with a bathroom located near that pod that typically serves 8-16 students.

Occupancy Breakdown

First-Year Students.....	68.3%
Second-Year Students	15.2%
Transfer Students.....	3.3%
Upper-Division Students.....	6.4%
Graduate and Professional Students.....	0.8%
Other (includes staff).....	6.0%

Food Service

Meal plans are mandatory for all traditional residence hall students and are optional for apartment residents. The concept of community dining is a key supportive strategy in the residence hall experience.



HRL is a self-supporting auxiliary business enterprise of the University of Minnesota. As such it is required to generate all of its own revenues and pay for all of its expenses.

In recent years HRL has, at the direction of University leadership, prioritized rate and cost control above other aspects of managing the housing and residential life business. This focus on rate control as part of an effort to hold steady the overall cost of attendance has pushed the University's housing rates to the lowest among its Big 10 peers but done so at the expense of other facility and programmatic priorities. Adopting and implementing policy, program, and facility changes aimed at improving the student experience will require additional resources and a change in the past practice of prioritizing "low cost" over other competing values.

HRL's operating budget for single student housing includes funding for a wide variety of student support services and programs not universally available to students in non-University housing. These include live-in professional staff, community advisors, 24/7 on-site management, utilities, student common spaces, and intentionally designed educational and social programs that focus on student development learning outcomes and community building.

In addition to funding the programs and services noted above, HRL also funds facilities costs for long-term improvements and on-going annual maintenance/repair costs in all residence halls and apartments, including residential dining facilities. HRL fully funds depreciation, which is used to pay for all capital projects, renewals/replacements, and furnishings/equipment in the residence halls, apartments, and residential dining facilities. HRL transfers operating funds derived from depreciation into reserve accounts, which fund capital projects and equipment replacements. In addition, any operating budget windfalls such as utilities savings due to warm winter temperatures are transferred to reserve accounts to provide additional funds for renewals and replacements. Construction of new facilities or additions to existing buildings is financed by University issued bond debt, with the principal and interest paid for by HRL through room rate revenue.

HRL prepares a Ten Year Capital Plan, which itemizes the capital projects, renewals/replacements, and equipment purchases on an annual basis. Utilizing current depreciation and projected depreciation from the Ten Year Capital Plan, a five year cash flow projection is prepared to balance planned capital expenditures with available funding.



	Consolidated 2015 Budget	
Operating Revenues		
Revenues	\$	48,720,200
<hr/>		
<i>Operating Revenue:</i>	\$	48,720,200
 Operating Expenses		
Payroll - Staff	\$	6,352,400 22%
Payroll - Students	\$	2,997,700 11%
Fringe	\$	1,742,400 6%
Repairs and Maintenance	\$	3,247,500 11%
Facilities Lease	\$	2,333,500 8%
Utilities - Electric, Water, Sewer, Steam, Garbage	\$	6,178,000 22%
Internet/Telephone	\$	2,709,800 10%
Supplies and Equipment	\$	714,800 3%
Contracted Service	\$	4,232,200 15%
Insurance	\$	738,100 3%
Data Processing	\$	294,400 1%
Other Operating	\$	1,340,600 5%
Expense Reimbursement	\$	(4,456,100) -16%
<hr/>		
<i>Operating Expenses:</i>	\$	28,425,300
 HRL Operating Margin \$ 20,294,900		
 Capital Improvements Program		
Debt: Principle and Interest	\$	6,807,900
HRL Capital Renewal/Depreciation	\$	11,198,200
Coop Capital Renewal/Depreciation	\$	1,236,200
<hr/>		
	\$	19,242,300
 Institutional Contributions		
TIP/GIP Earnings	\$	(198,100)
ASU OIT Charges	\$	1,304,712
Enterprise System	\$	144,000
Other	\$	8,000
<hr/>		
<i>Institutional Expenses:</i>	\$	1,456,712
 Net Institutional Position \$ (404,112)*		

*planned deficit as part of multi-year phase-in
of 17th Avenue Residence Hall expenses



TO: Karen Hanson, Senior Vice President for Academic Affairs and Provost
Pamela Wheelock, Vice President for University Services

FROM: Robert McMaster, Associate Vice President for Undergraduate Education
Laurie Scheich, Associate Vice President for Auxiliary Services

DATE: March 18, 2015

RE: Housing Strategy Committee – Status Update and Guidance Request

This memo serves as a midpoint update on the work of the Twin Cities Housing Strategy Committee, charged by you on January 8, 2015. To date the committee’s work has been focused on understanding the specifics of our University housing program as well as some of the details related to both the market for and services provided in non-University housing. In the course of these meetings, it has become clear that the group cannot productively address the full list of topics outlined in its charge without first understanding and obtaining clear direction from University leadership on the future of Centennial, Frontier, Pioneer, and Territorial Halls, collectively known as the Superblock.

For several years, there has been discussion as to whether the Superblock site will continue to be a cohesive residential village or if the site will be repurposed over time for other institutional uses. It is the strong recommendation of this committee that the University should commit to the Superblock site as a long-term location for University housing. We make this unanimous recommendation for several reasons outlined in the following paragraphs.

A quality community-building first-year residential experience is critical to long-term academic success, retention, and high levels of student engagement. Students who start their University career in residence halls fare better than those who do not. The University’s data, collected over the past decade, show a clear distinction between the retention and graduation rates of those who start their career in University housing vs. those who do not. GPAs are 0.2 – 0.3 points higher. Retention is 4-9% higher. Four-year graduation rates are 10-14% higher. The impact of campus living on student success is very clear and is, in fact, the number 1 predictor of first-year retention.

Research related to college and university student housing indicates that there is “remarkably consistent evidence that residential students are more likely than commuters to persist and graduate from college” (Pascarella & Terenzini, 2005). Additionally, research indicates that “students who live on campus participate in more events (extracurricular, social and cultural); have more informational interactions with peers and faculty; and are also more likely to persist and graduate” (Pascarella & Terenzini, 2005; Pascarella, Terenzini & Blimling, 1994), and that students who live in University housing “experienced smoother social and overall adjustment, as well as institutional attachment as a result of higher levels of interpersonal closeness and feelings of connection” (Kaya, 2004).



The Superblock provides the style of first-year housing experience parents and students are seeking.

The University is in the unique position of having the style of residential communities that best support the first-year student experience and student success. The residence hall model focuses on community living and achieves this through design of space that encourages and supports student interaction and community involvement (including shared dining, bathrooms, social lounges/study lounges) and professional staff with Masters Degrees who are focused on student development, including utilization of a residential curriculum model. Students do not make connections, develop relationships, or engage with and integrate into the University in the same way when they live in apartment style housing, which enables students to self-isolate by having many amenities within their apartment unit (kitchen facilities, private bathrooms, living room, private bedrooms.) University housing plays an important role in supporting the University's admissions strategy by providing a first-year student housing guarantee and housing communities that promote and support student engagement and success.

The Superblock is a highly desirable, hard to replicate first-year focused neighborhood. The Superblock is unique in its provision of a neighborhood community within an urban setting. For many decades, the Superblock has been the preferred destination for first-year students seeking the type of large and concentrated student "neighborhood" that this historical site provides. There is sufficient density, green space, adjacency to the heart of the East Bank campus, and access to transit to create a community that would be difficult to replicate elsewhere. The popularity of the Superblock is as much about proximity to campus as it is about the density of like-minded first-year students. First-year students want to live with other first-year students.

Relocating the Superblock is not financially feasible. Housing & Residential life is totally funded from room and board fees. The University has worked hard to keep the cost of room and board low, and this year is within \$24 of being the lowest in the Big Ten. A full replacement of the Superblock on a new site or sites would be prohibitively costly without pulling University resources away from academic programs or displacing other University capital priorities. Early estimates suggest that the cost to replace the Superblock capacity in new facilities would cost in excess of \$425 million, assuming that a sufficient quantity of contiguous, acceptable land on the East Bank could even be assembled to accommodate a replacement first-year focused housing village. The debt service costs on such an investment could not be supported by housing rates without roughly doubling a student's room rate. Conversely, the University's Facilities Condition Assessment (FCA) shows only a fraction of that level investment being required in the four Superblock residence halls in the near future. This level of investment is already addressed in Housing & Residential Life's capital renewal plans. Furthermore even in buildings requiring major programmatic and infrastructure changes in excess of those required by the Superblock facilities, (e.g. Tate Laboratory of Physics), renewal generally costs less than 75 percent of new construction.

Alternatives now exist for competing Superblock land uses. The University's recent acquisition of Block 31 situated along Huron Boulevard and adjacent to the Ambulatory Care Clinic provides an outlet for potential future expansion of medical activities by either the University or its partner organizations that do not require the relocation of the Superblock.

In summary, the University's current first-year focused residence hall model works well and is utilized nation-wide. If the University did not already have a Superblock equivalent, it is what we would be seeking to create. In this overbuilt student housing market, students and parents continue to value the kind of first-year experience provided by the residential communities that are part of the Superblock. With clear direction from University leadership on whether or not the



future of the Superblock as a site suitable for further housing investment, the committee is prepared to move forward in its work charting a direction for our evolving housing strategy and program, including the current self-financing business model, role of public/private partnerships, a more formalized second-year experience program, the evolving role of parents, facility investments, and the non-University housing environment.

We would be happy to discuss this recommendation with you, and hope to have such a commitment in time to inform the committee's final meetings before the Board of Regents' docket deadline in April.



Market Inventory

Marquette Advisors conducted a market study in winter 2015. Data collected provide the following snapshot of the Twin Cities student housing market:

	<u>Units</u>	<u>Beds</u>
University residence halls and apartments	3,892	6,934
Non-University by-the-bed apartments	3,458	9,106
Non-University by-the-unit apartments	2,590	3,755
<i>Winter 2015 Supply</i>	<i>9,940</i>	<i>19,795</i>
Non-University by-the-bed apartments under construction	600	1,685
<i>Winter 2016 Projected Inventory</i>	<i>10,540</i>	<i>21,480</i>



Marquette Advisors’ winter 2015 market study coupled with institutional data found the following rent ranges in the Twin Cities student housing market:

For private bedroom leases:

University apartments	\$640-\$670
Greek houses*	n/a
Non-University by-the-bed apartments**	\$600-\$1,500
Non-University by-the-unit apartments**	\$470-\$1,045

For shared bedroom leases:

University apartments	\$520-\$640
Greek houses*	\$500-\$900
Non-University by-the-bed apartments**	\$300-\$800
Non-University by-the-unit apartments**	\$235-\$525

*Greek house rent includes social dues, some provide board and utilities.

**Non-University apartments vary from 1-4 bedrooms and include private and shared bedrooms.

University apartment and Greek house leases are nine-month terms.



Housing Capacity

Big Ten institutions' fall 2014 University housing capacity and ratio of beds to undergraduate enrollment for University housing:

<i>Institution</i>	<i>Capacity</i>	<i>Beds:Undergrads</i>
Northwestern*	4,374	55%
Rutgers*	16,000	51%
Maryland*	12,244	45%
Michigan State	18,100	43%
Illinois	10,175	38%
Purdue	11,904	38%
Michigan	10,790	37%
Penn State	13,588	34%
Indiana	12,786	33%
Nebraska	7,305	33%
Iowa	6,229	27%
Wisconsin*	7,409	27%
Ohio State*	10,855	26%
Minnesota*	6,934	23%

Housing Rates

Big Ten institutions' 2014-2015 University housing rates for standard, double-occupancy residence hall style rooms:

<i>Institution</i>	<i>Room Only</i>	<i>Room+Board</i>
Northwestern*	\$8,352	\$14,237
Rutgers*	\$7,092	\$11,578
Maryland*	\$6,424	\$10,633
Michigan	\$6,222	\$10,246
Illinois	\$5,806	\$10,180
Nebraska	\$5,711	\$9,961
Penn State	\$5,460	\$9,770
Ohio State*	\$6,070	\$9,710
Indiana	\$6,293	\$9,493
Purdue	\$4,860	\$9,414
Iowa	\$6,339	\$9,389
Michigan State	\$3,780	\$9,154
Minnesota*	\$4,920	\$8,554
Wisconsin*	\$5,546	\$8,546

*These institutions represent peers with diverse housing markets influenced by factors other than simply being adjacent to their university, and are those most similar to the University of Minnesota.



Current/Planned Construction

These Big Ten institutions are presently building or planning to build University housing of the type(s) indicated:

<i>Institution</i>	<i>Beds</i>	<i>Type and Detail</i>
Illinois.....	503	residence hall (double rooms)
Indiana.....	500	residence hall (suite style), 2/3 double rooms and 1/3 single rooms
	200	apartment style, replacing 180 apartment beds
Iowa.....	1,023	residence hall (double rooms), replaces 360 beds
	501	residence hall (pod style)
Maryland*	800	residence hall (pod style)
Michigan.....	640	apartment style, graduate student focus
Michigan State	926	apartment style, replaces 1,100 apartment beds
Nebraska	240	residence hall (pod style)
	130	apartment style
Northwestern*.....	435	residence hall (suite style)
Ohio State*	3,200	residence hall (double rooms), some suite style
Penn State.....	600	residence hall (double rooms)
Purdue.....	825	residence hall (pod style)

Suite style housing: Suites typically consist of more than one sleeping room with a shared private bath. Some suites also include a small common room and kitchenette (no stove/oven).

Pod style housing: Pod style housing typically consists of pods of rooms (usually 4-8 rooms located in the same area) with a bathroom located near that pod that typically serves 8-16 students.

*These institutions represent peers with diverse housing markets influenced by factors other than simply being adjacent to their university, and are those most similar to the University of Minnesota.

Live-On Requirement

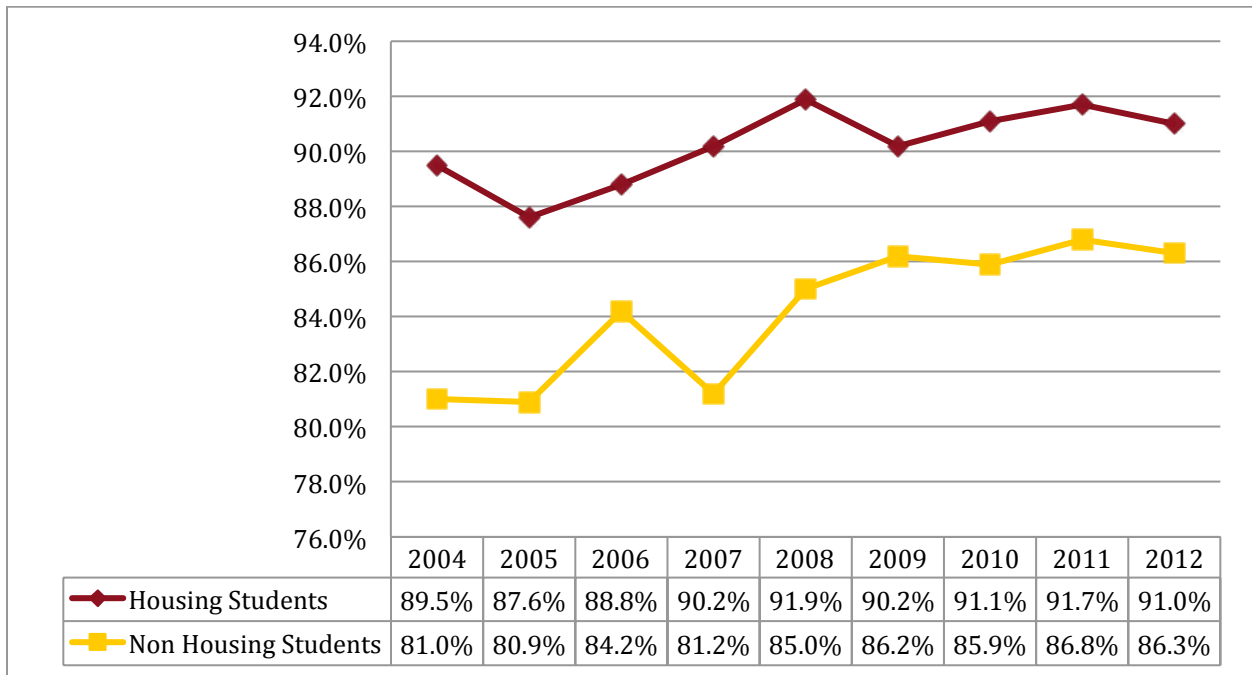
The following Big Ten institutions require their first-year students to live on campus:

- Illinois
- Indiana
- Michigan State
- Nebraska
- Ohio State**
- Penn State

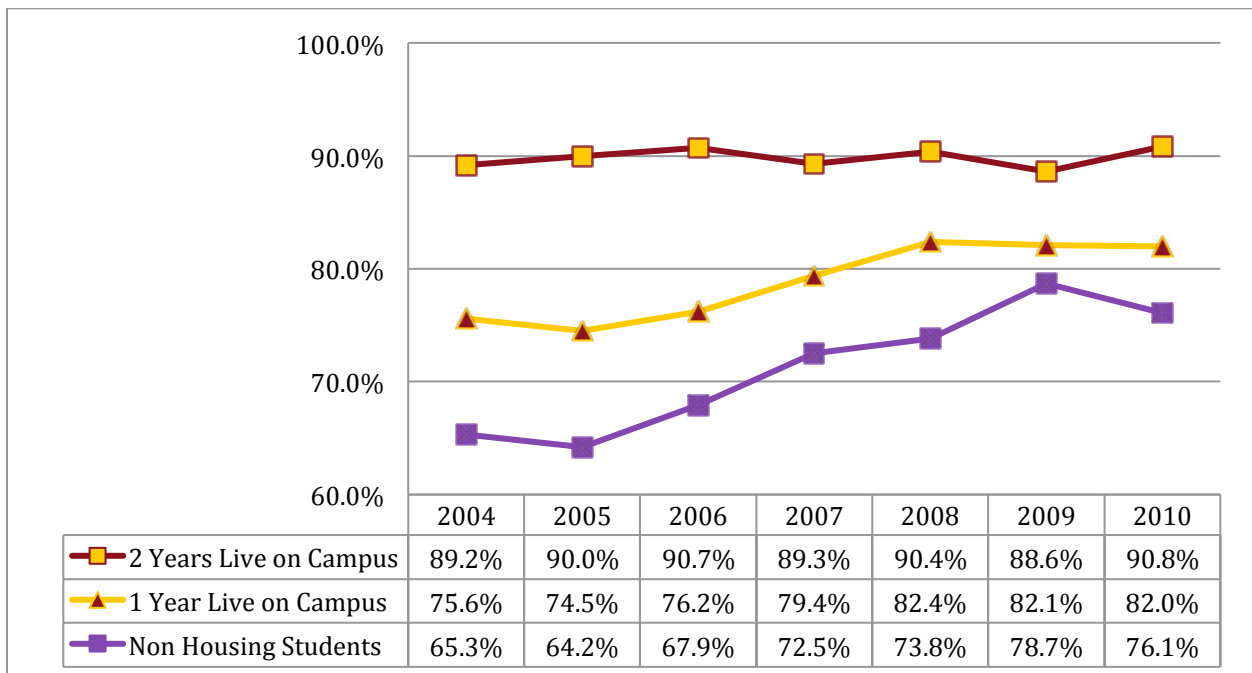
**Ohio State is in the process of implementing a requirement for second-year students to live on campus as well.



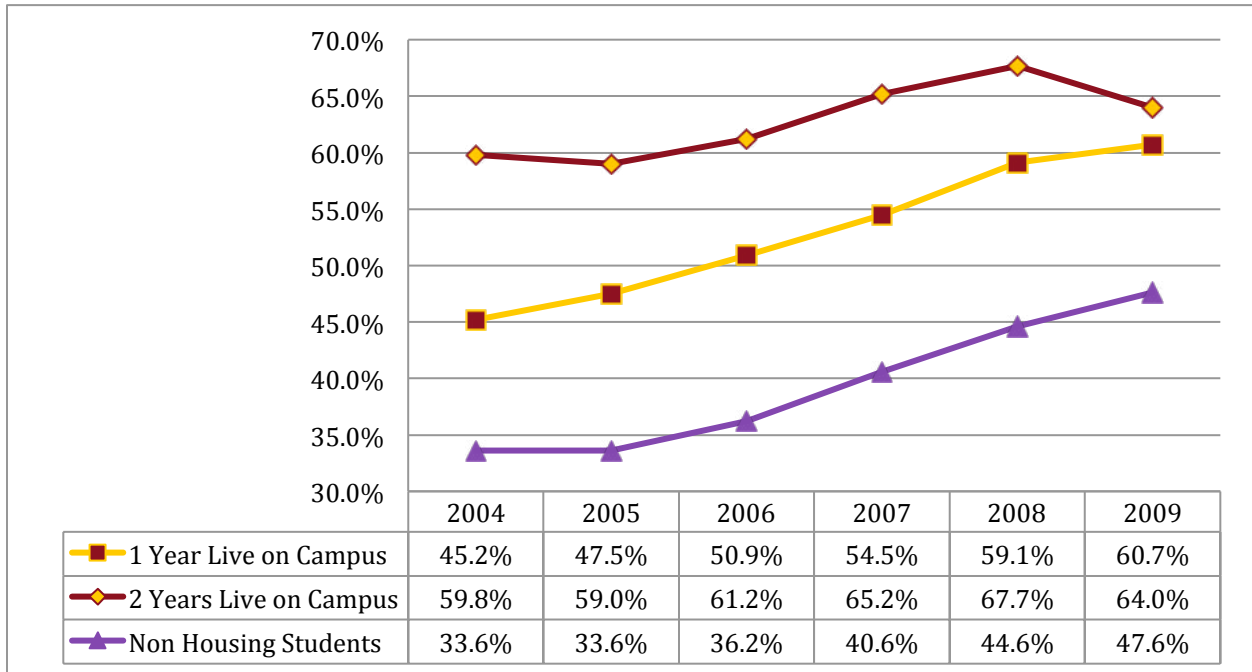
First to Second Year Retention



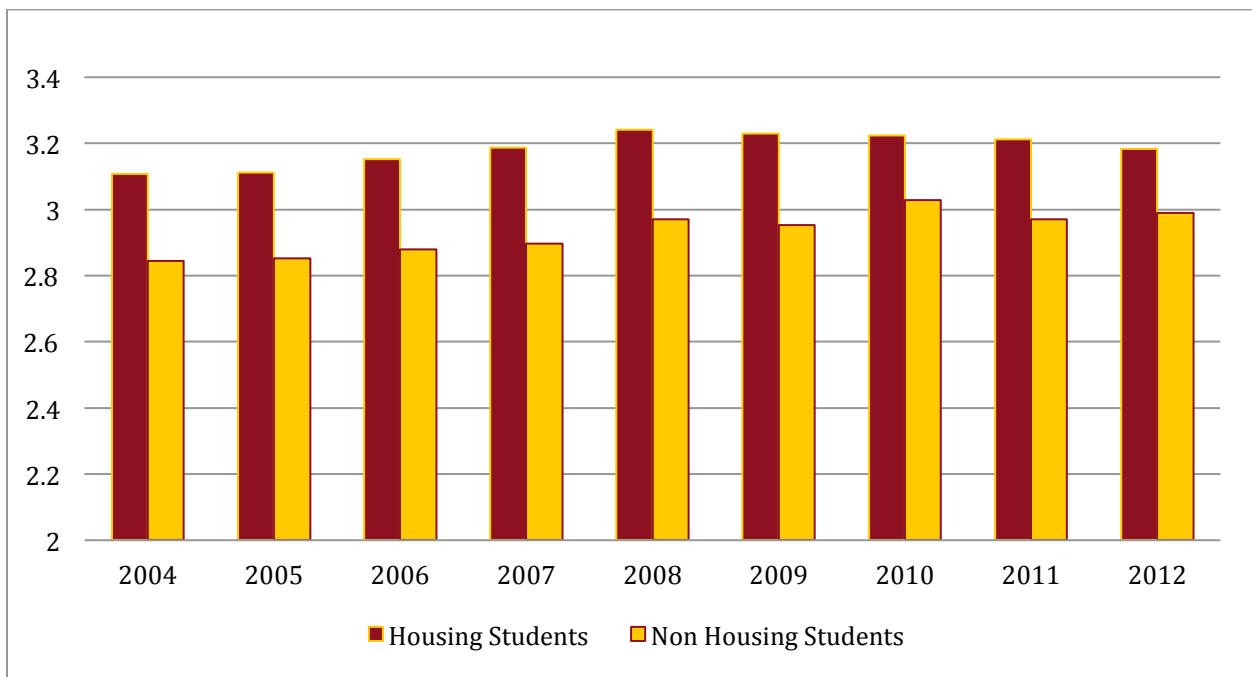
Second to Third Year Retention

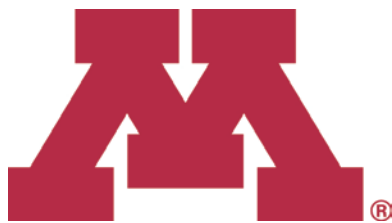


Four-Year Graduation Rates



First-Year Student GPA





The University's Housing Strategy

Twin Cities Campus

Board of Regents Facilities and Operations Committee
May 7, 2015



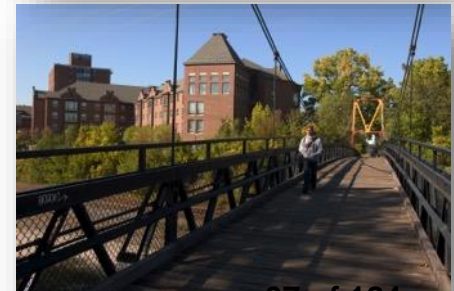
UNIVERSITY OF MINNESOTA

Driven to DiscoverSM



Agenda

- Background, Purpose, and Objectives
- Governance Questions
- Assumptions Guiding the Plan
- Strategic Housing Framework
- Major Report Themes
 - Recommit to First-Year Experience
 - Formalize a Second-Year Experience program
 - Partner with non-University housing providers
 - Balance cost and value





Why Housing Matters

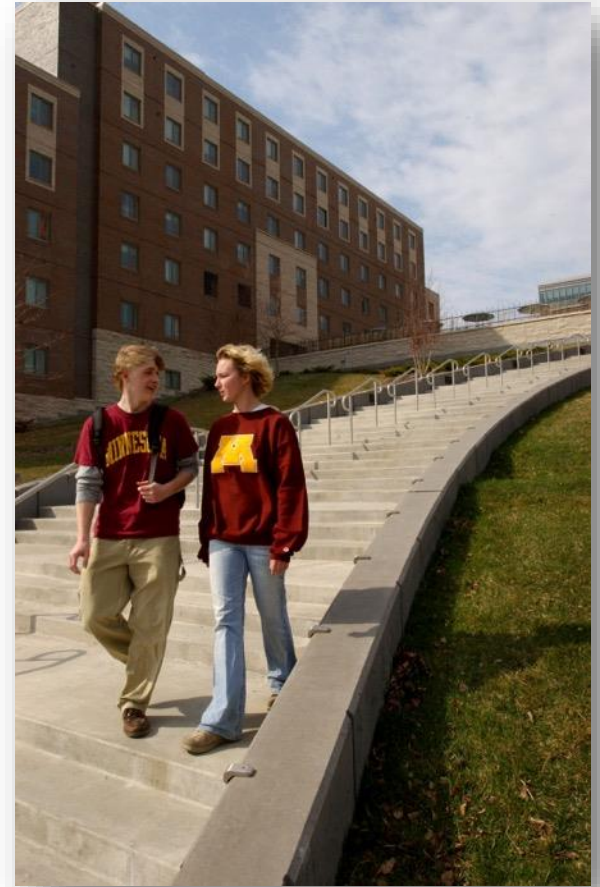
- Important factor in school selection
- Impacts student success
 - ability to focus on academic pursuits
 - personal relationships and well-being
 - retention and graduation





Why Housing Matters

- Significant piece of the student experience
 - cultivates institutional affinity
 - feeling of safety and security
- Contributes to total cost of attendance





Why a New Strategy?

- Historically the University housing strategies have been “on-campus” focused
- Changes in non-University housing options and neighborhood demographics require a broader strategy
- A more clearly defined role for both University and non-University housing establishes opportunities for partnerships and long-term investments



Common Principles

- All student housing should be:
 - Safe and Well-Managed
 - Affordable
 - Convenient
 - Supportive





Governance Questions

- Should the University reaffirm its position that the residential first-year experience is critical, and is an important strategy for retention and student success?
- Should the University formalize and prioritize a second-year experience program?
- What role should the University and the Foundation play in partnering with the City of Minneapolis, private developers, and others in supporting a successful student housing experience?
- What is the appropriate balance between housing cost, student experience, and the quality of supportive services?



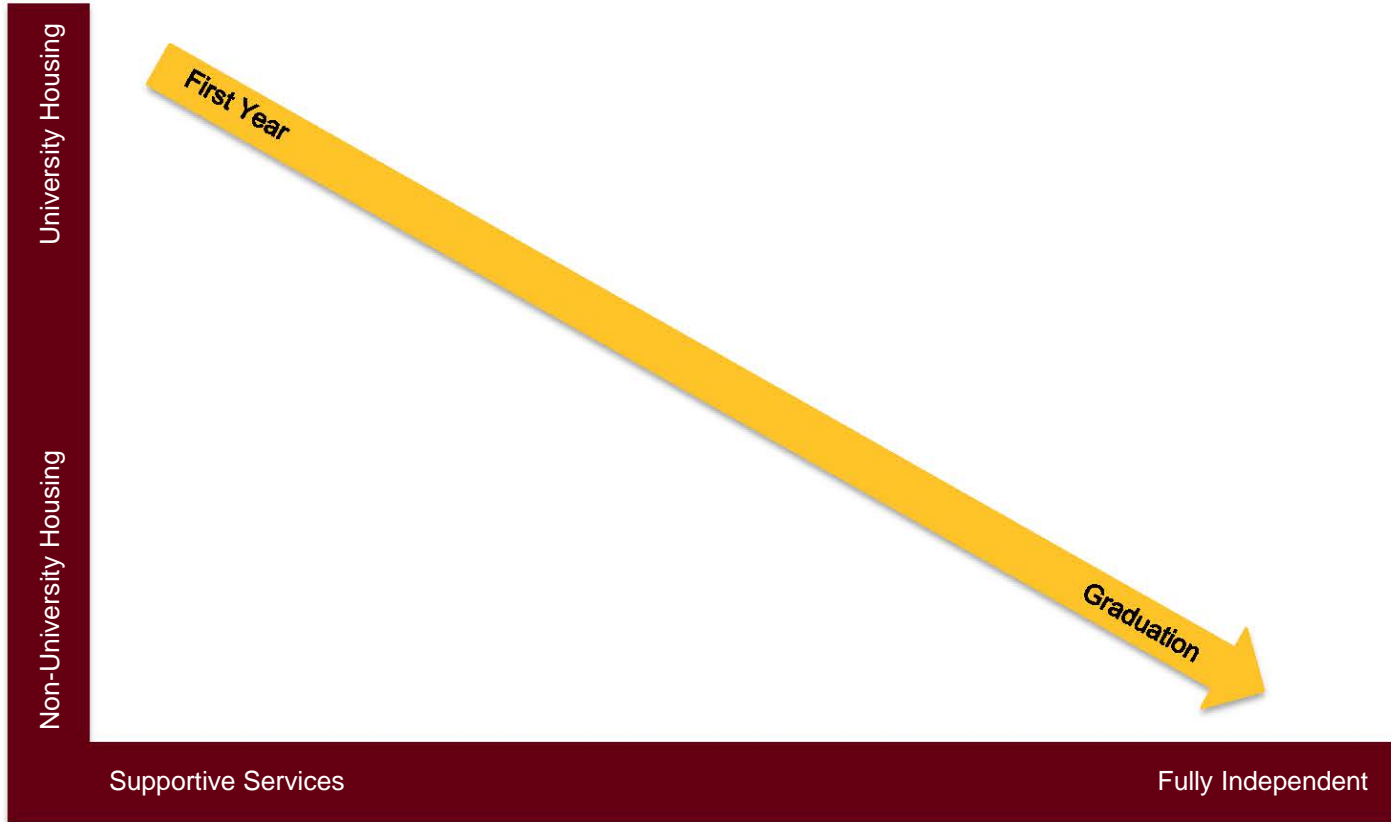
Assumptions

- Enrollment growth will be minimal
- The University District remains attractive for investment
- Distinction between on-campus and off-campus continues to blur
- Aging neighborhood housing stock is a concern
- Superblock remains a residential neighborhood



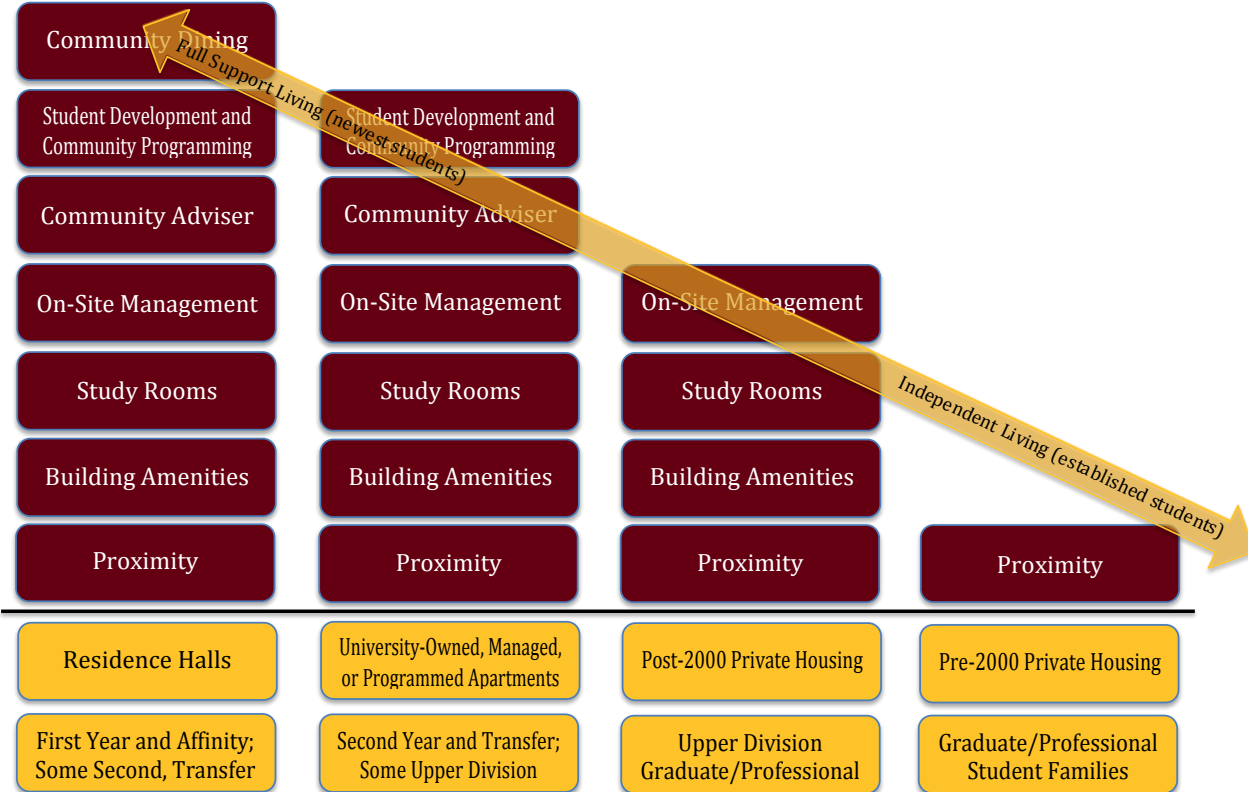


Housing Strategy Framework





Supportive Services Matrix





Major Report Themes

- Key commitments
 - recommit to the first-year experience
 - formalize a second-year experience program
- Achieved through
 - partnership with non-University housing providers
 - balancing cost and value



Recommit to the First-Year Experience

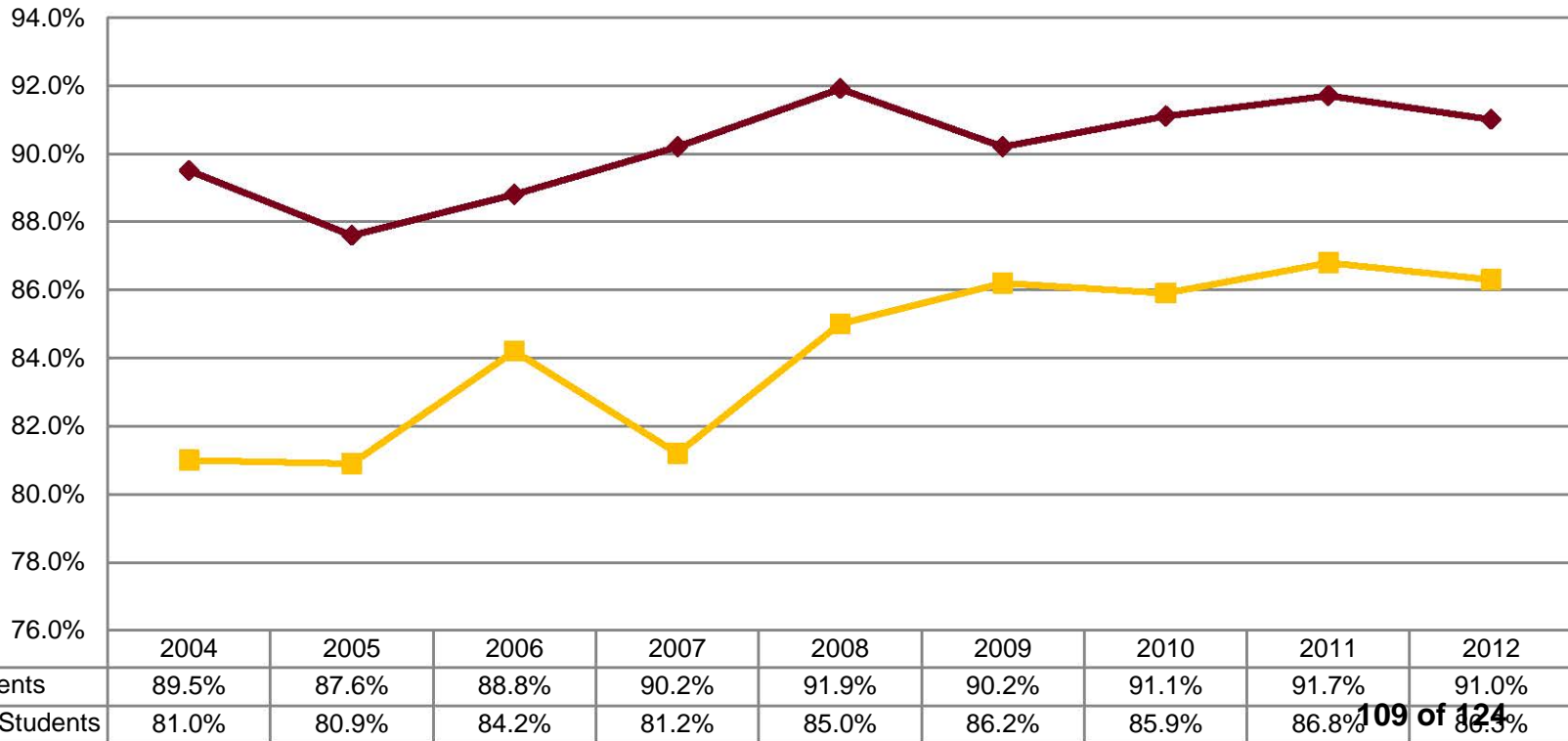


A photograph of four students sitting around a table in a dorm room. The students are engaged in conversation. The room has a window with blinds, a desk with a computer monitor, and a red patterned rug. The text is overlaid on the image in a large, white, bold font with a black outline.

A quality community-building residential experience is critical to long-term academic success, retention, and high levels of student engagement

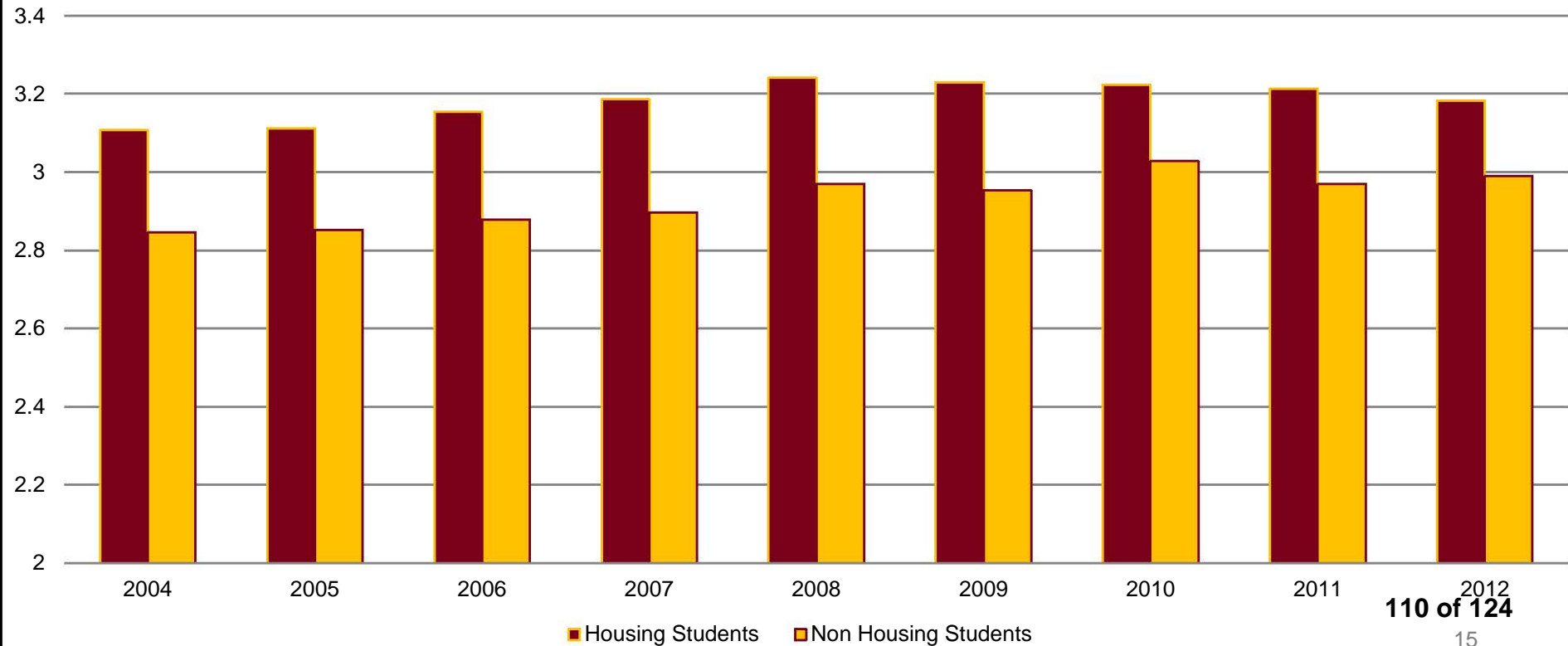


First-to-Second Year Student Retention





First-Year Student GPA Comparison





We Do the Residence Hall Experience Well

- A residence hall experience is a given
 - Students expect it, parents want it
 - Big Ten peers are building or preparing to build over 8,500 new residence hall beds
- The primary focus is on first-year students
 - Residence hall experience continues to be in high demand – 88% of first-year students choose it
- Current efforts have prioritized efficiencies in the interest of affordability and total cost of attendance
 - Will have the lowest room and board rates in the Big Ten next year, following two years being second-lowest





Recommitting to the Residence Hall Experience

- The Superblock will remain residential
 - attractive, convenient location
 - human-scale facilities
 - concentration of peers
 - outdoor gathering space
 - efficiencies of scale
- Reinvestment in existing facilities and programs
 - Pioneer Hall, Superblock dining
 - enhancing first-year curriculum



Formalize a Second-Year Experience Program



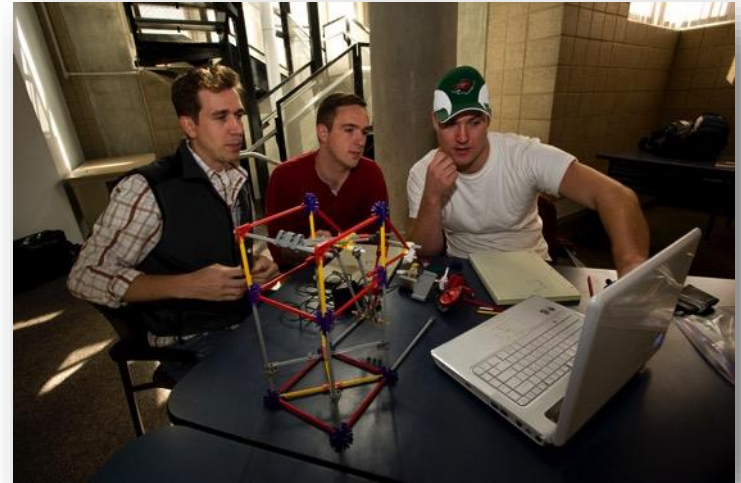


The greatest unrealized opportunity to impact student experience and success is in their second year



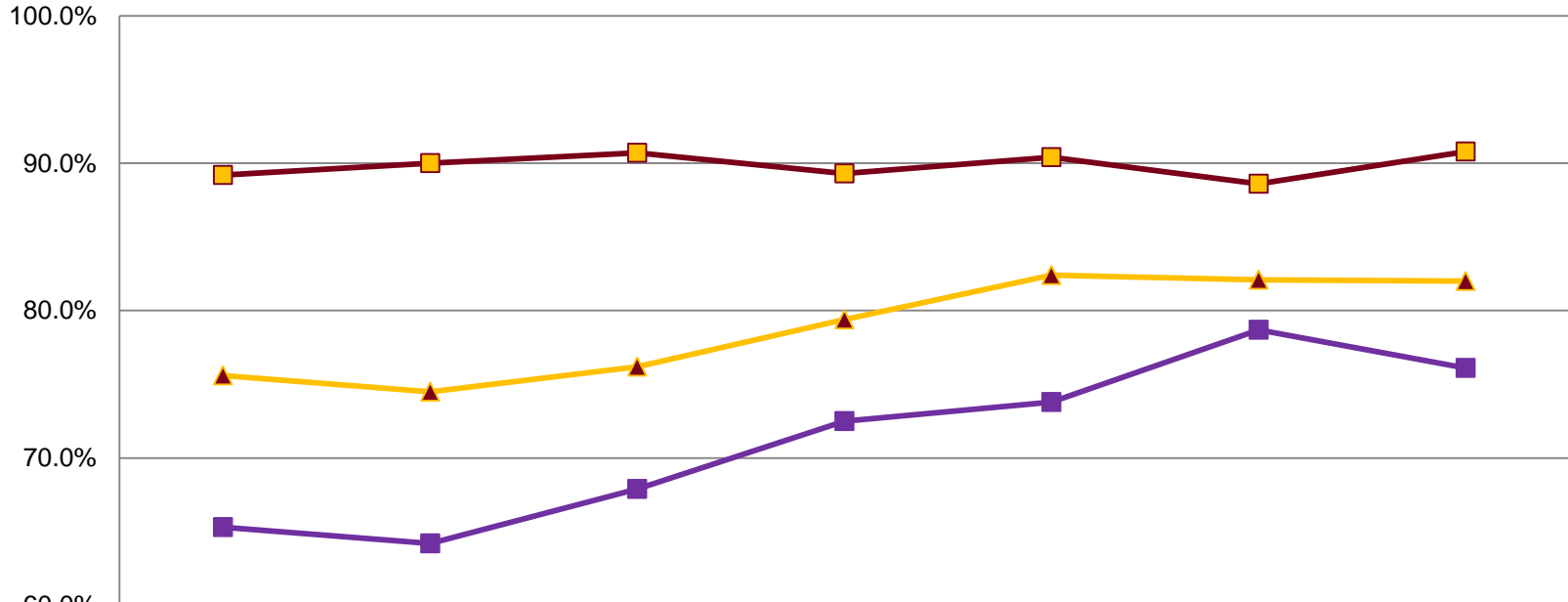
Second-Year Experience

- Students continue to benefit from intentionally designed services and programs
 - greater retention
 - impact on four-year graduation rates
- Ready for more independent living
- Cannot all be accommodated in University housing





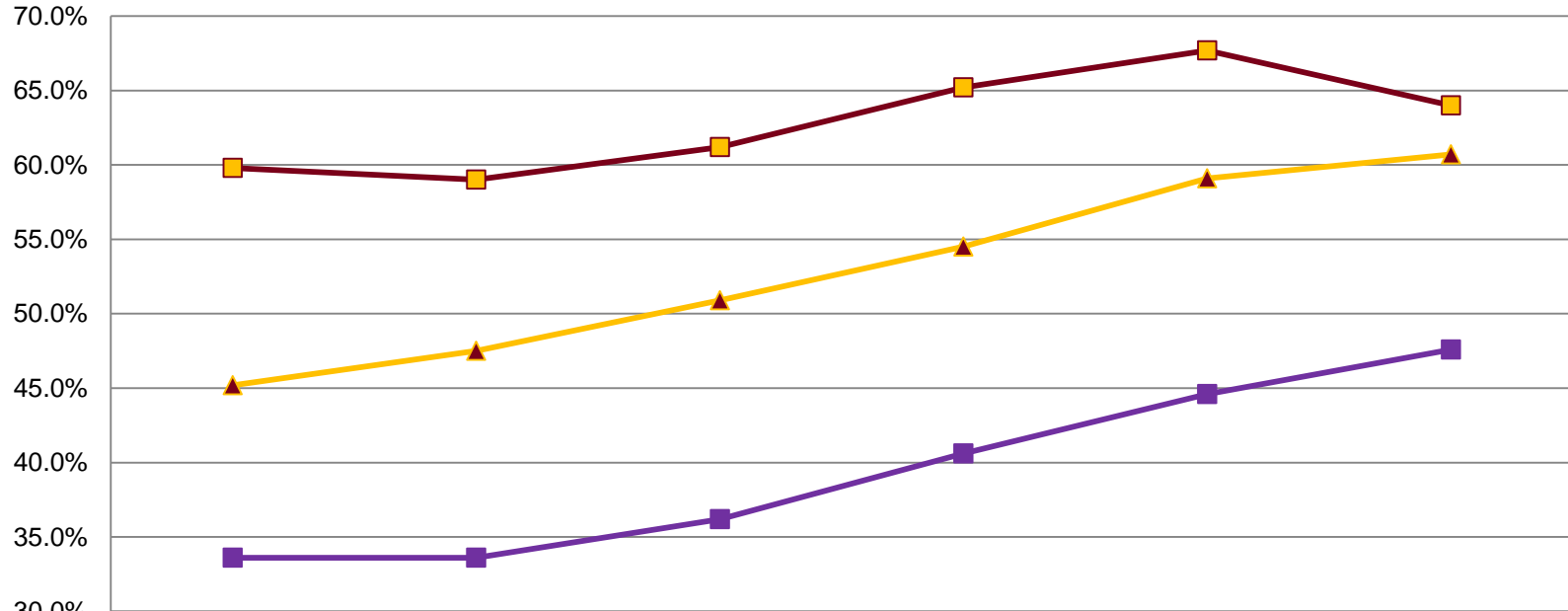
Second-to-Third Year Retention



■ 2 Years Live on Campus	89.2%	90.0%	90.7%	89.3%	90.4%	88.6%	90.8%
▲ 1 Year Live on Campus	75.6%	74.5%	76.2%	79.4%	82.4%	82.1%	82.0%
■ Non Housing Students	65.3%	64.2%	67.9%	72.5%	73.8%	78.7%	76.1%



Four-Year Graduation Rates



2 Years Live on Campus	59.8%	59.0%	61.2%	65.2%	67.7%	64.0%
1 Year Live on Campus	45.2%	47.5%	50.9%	54.5%	59.1%	60.7%
Non Housing Students	33.6%	33.6%	36.2%	40.6%	44.6%	47.6%



Formalizing a Second-Year Experience

- Develop a second-year experience program that can be delivered in University or non-University housing
- Identify facilities in which to deliver program
- Develop financial model to support long-term success





Why Public/Private Partnership?

- Students want the type of housing the market already provides
- Ability to meet institutional goals without committing limited University capital
- Flexibility to adapt to changing student demands
- Win/Win for both partners





Other Housing Constituencies

- Greek Community
 - Undergraduate and Graduate
 - Unique, long-standing relationship with the University
 - Affinity housing program in 17th Avenue Residence Hall
 - Positive impact on GPAs, graduation rates
 - Leadership development





Other Housing Constituencies

- Transfer students
 - Largely upper-division students
 - Need to find their place in the University, develop friendships
- Upper Division Undergraduate Students
 - Ready for independent living
 - Benefit from on-site professional management
- Graduate / Professional and Students with Families





Next Steps

- Research, develop, and implement a formal second-year experience program
- Identify partners for a non-University housing second-year experience pilot
- Advance Superblock reinvestment





Governance Questions

- Should the University reaffirm its position that the residential first-year experience is critical, and is an important strategy for retention and student success?
- Should the University formalize and prioritize a second-year experience program?
- What role should the University and the Foundation play in partnering with the City of Minneapolis, private developers, and others in supporting a successful student housing experience?
- What is the appropriate balance between housing cost, student experience, and the quality of supportive services?



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM



UniversityofMinn



UMNews



UofMN