

## COMMISSION FOR HIGHER EDUCATION

Friday, October 14, 2011

### **DECISION ITEM C-2:                    Residence Hall Expansion at Indiana University Southeast**

#### **Staff Recommendation**

That the Commission for Higher Education recommend approval to the State Budget Agency and the State Budget Committee the following project: *Residence Hall Expansion at Indiana University Southeast*. Staff recommendations are noted in the staff analysis.

#### **Background**

By statute, the Commission for Higher Education must review all projects to construct buildings or facilities costing more than \$500,000, regardless of the source of funding. Each repair and rehabilitation project must be reviewed by the Commission for Higher Education and approved by the Governor, on recommendation of the Budget Agency, if the cost of the project exceeds seven hundred fifty thousand dollars (\$750,000) and if any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students. Such review is required if no part of the project is paid by state appropriated funds or by mandatory student fees and the project cost exceeds one million five hundred thousand dollars (\$1,500,000). A project that has been approved or authorized by the General Assembly is subject to review by the Commission for Higher Education. The Commission for Higher Education shall review a project approved or authorized by the General Assembly for which a state appropriation will be used. All other non-state funded projects must be reviewed within ninety (90) days after the project is submitted to the Commission.

The Trustees of Indiana University respectfully request authorization to proceed with the construction of the sixth of six residence hall facilities at the IU Southeast campus. The final building will consist of 87 new beds and 70 new parking spaces for students living on campus. Estimated cost is \$5.3 million with funding from debt issuances, gift funds and campus funds.

#### **Supporting Document**

*Residence Hall Expansion at Indiana University Southeast, October 14, 2011.*

# RESIDENCE HALL EXPANSION AT INDIANA UNIVERSITY SOUTHEAST

## Project Description and Staff Analysis

### PROJECT DESCRIPTION:

This project constructs a new two-story, 34,790 gross square foot (gsf) residence hall located at the south side of the existing five-building, student-housing complex on the IUS campus in New Albany. This new facility will consist of 87 beds and will be comprised of 43 percent double occupancy bedrooms with shared bathrooms for each 2 students and 57 percent single occupancy, semi-suite bedrooms with baths for each 2 students. The building will have a collaborative great room, computer lab, study lounge, and laundry facilities. Expanded parking for approximately 70 vehicles, site lighting, storm-water management, and emergency stations are included.

### RELATIONSHIP TO MISSION AND LONG-RANGE PLANNING

The completion of this project is consistent with planning developed by the Department of Residential Life and Housing and approved by the Indiana University Board of Trustees. Once completed, this additional facility would continue to foster the recruitment and retention of students while providing students with an appropriate living area and environment serving the academic mission of IUS.

### NEED AND EXPECTED CONTRIBUTION TO EDUCATIONAL SERVICES

The addition of this facility will meet current and future demands for on-campus housing, and it supports campus, university, and state goals regarding student retention, persistence to graduation, and course/degree completion.

The IUS campus is at a critical juncture. Fall occupancy rates for the first three years were 95 percent in 2008; 98 percent in 2009; and 100 percent in 2010, and it is currently at 100 percent occupancy for the Fall 2011 semester. A sixth facility/lodge is needed to support the increased demand and need for housing.

Residential students have the opportunity to enhance their educational experience by living, connecting, and studying on campus without the numerous distractions that typically accompany off-campus housing arrangements and situations. Accordingly, this project supports campus goals regarding student retention and persistence to graduation. It also supports the Indiana Commission for Higher Education's *Reaching Higher Initiative* by (1) expanding an environment that fosters course and degree completion, and (2) strengthening existing relationships with Ivy Tech and Purdue (students from these two institutions are eligible to live in the facilities/lodges).

### ALTERNATIVES CONSIDERED

Indiana University has determined the project as described here is the best option to meet the required needs. Therefore, no other alternatives were considered for this project.

### RELATIONSHIP TO LONG-RANGE FACILITY PLANS

This project was developed within the parameters of the campus master plan of Indiana University Southeast.

### HISTORICAL SIGNIFICANCE

Indiana University does not consider any of the buildings or structures affected by this project to be historically significant.

## RELATIONSHIP TO OTHER CAPITAL IMPROVEMENT PROJECTS

This project is not physically dependent upon any other Indiana University construction project. No other projects are directly dependent upon its completion.

## STAFF ANALYSIS

Currently, there are approximately 400 beds at the IUS campus located in 5 separate residence hall structures. The requested project is the final phase of the current residence hall system at IUS as approved by the IU Board of Trustees (BoT). Staff would note that during the development and approval of the current residence hall facilities at the IUS campus, the IU BoT voted to build 5 of the 6 proposed residence halls on campus in order meet student demand while not creating a surplus of capacity.

As of the fall of 2011, occupancy rates for on-campus housing at IUS is at 100%, with a waiting list of roughly 100 students. IU, PU and Ivy Tech students live in the current on-campus housing, with roughly two third of the population being in-state students and the other third from either Kentucky or other states. When on-campus housing opened in 2008, occupancy levels were at 95%. Current CHE policy allows for regional campuses to construct on-campus housing if the project meets certain criteria and the population of on-campus housing is no more than 10% of the total student body. Currently, IUS is at 5.5% of on-campus housing versus the total student body. This project would increase the proportion to 6.7% upon completion.

Regarding alternative locations for development, the IUS property is land locked by residential or industrial zoned property. Other housing options for students range from 5 to 12 miles from campus. Potential private development is being explored; however, with this project being the final phase of current on-campus housing at IUS, IU requests to complete the project and will look at potential private development in the future.

The overall facility will be very simple, consisting mostly of housing, with study space for students, lounge areas and laundry facilities. Parking will be expanded to allow for students to park near the new facility in order to ensure safety and security.

Funding for the project will be primarily from revenue bonds issued by IU; however 19% of the project cost will be covered by gift funds from a local donor. The campus will also provide 6% of the cost through campus funds.

Staff recommends the Commission provide a favorable review of the project.

PROJECT SUMMARY  
REPAIR AND REHABILITATION

INSTITUTION: Indiana University                      CAMPUS: Southeast  
PROJECT TITLE: Residence Hall Expansion                      BUDGET AGENCY NO.: A-9-12-1-08  
\_\_\_\_\_  
INSTITUTION'S PRIORITY: \_\_\_\_\_

---

---

**PROJECT SUMMARY DESCRIPTION (ATTACHMENT A)** – This project constructs a new two-story, 34,790 gross square foot (gsf) residence hall located at the south side of the existing five-building, student-housing complex on the IUS campus in New Albany. This new facility will have 87 beds consisting of double occupancy bedrooms and single occupancy, semi-suite bedrooms. The project also includes a collaborative great room, computer lab, study lounge, laundry facilities, expanded parking for 70 vehicles, site lighting, storm-water management and emergency stations.

---

**SUMMARY OF NEED AND NET CHANGE IN CONTRIBUTION TO EDUCATIONAL SERVICES PROVIDED BY INSTITUTION (ATTACHMENT B)** – The addition of this facility will meet current and future demands for on-campus housing, and it supports campus, university, and state goals regarding student retention, persistence to graduation, and course/degree completion.

---

**SPACE DATA (ATTACHMENT C)**

PROJECT SIZE:    34,790 GSF    24,346 ASF    70% ASF/GSF

NET CHANGE IN CAMPUS ACADEMIC/ADMINISTRATIVE SPACE: N/A ASF

---

**TOTAL PROJECT BUDGET (ATTACHMENT D)**

TOTAL ESTIMATED COST:                      \$5,300,000                      \$/GSF    \$152

ANTICIPATED DATE OF PROJECT COMPLETION:                      June 2013

---

**ANTICIPATED SOURCES OF FUNDING (ATTACHMENT E)**

Auxiliary Revenue Bonds (IC 21-35-3) to be repaid by Residential Life and Housing Operating Revenues	\$4,000,000
Gift	\$1,000,000
Campus Funds	\$ 300,000
TOTAL BUDGET	<u>\$5,300,000</u>

---

**ESTIMATED CHANGE IN ANNUAL OPERATING BUDGET AS A RESULT OF THIS PROJECT**

**(ATTACHMENT F)**

\$473,700                      ( X ) INCREASE                      ( ) DECREASE