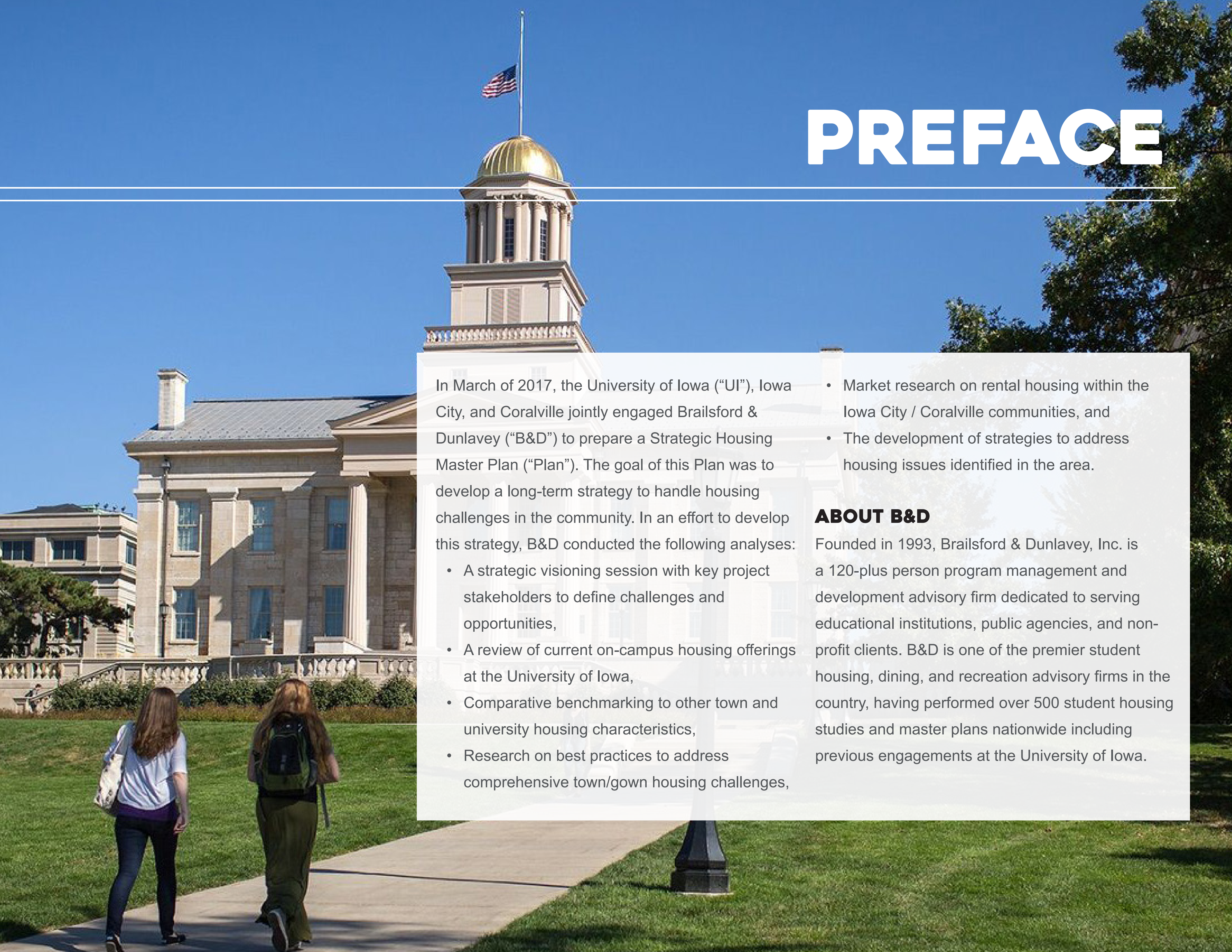
STRATEGIC HOUSING MASTER PLAN

University of Iowa, Iowa City, & Coralville

December 2017

BRAILSFORD & DUNLAVEY



PREFACE

In March of 2017, the University of Iowa ("UI"), Iowa City, and Coralville jointly engaged Brailsford & Dunlavey ("B&D") to prepare a Strategic Housing Master Plan ("Plan"). The goal of this Plan was to develop a long-term strategy to handle housing challenges in the community. In an effort to develop this strategy, B&D conducted the following analyses:

- A strategic visioning session with key project stakeholders to define challenges and opportunities,
- A review of current on-campus housing offerings at the University of Iowa,
- Comparative benchmarking to other town and university housing characteristics,
- Research on best practices to address comprehensive town/gown housing challenges,
- Market research on rental housing within the Iowa City / Coralville communities, and
- The development of strategies to address housing issues identified in the area.

ABOUT B&D

Founded in 1993, Brailsford & Dunlavey, Inc. is a 120-plus person program management and development advisory firm dedicated to serving educational institutions, public agencies, and non-profit clients. B&D is one of the premier student housing, dining, and recreation advisory firms in the country, having performed over 500 student housing studies and master plans nationwide including previous engagements at the University of Iowa.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Brailsford & Dunlavey ("B&D") was engaged to help the University of Iowa, Iowa City, and Coralville develop a strategy to address housing challenges in the community which include the following:

- The loss of affordable housing options in close proximity to Downtown Iowa City
- Increased pressure on rental options in surrounding neighborhoods due to enrollment growth
- Growing numbers of upper-division and graduate students in the private rental market due to an on-campus housing supply that has not increased with enrollment
- The proliferation of renter-occupied houses in neighborhoods that were once predominantly owner-occupied leading to reduced supply, diminished character, and strained resources

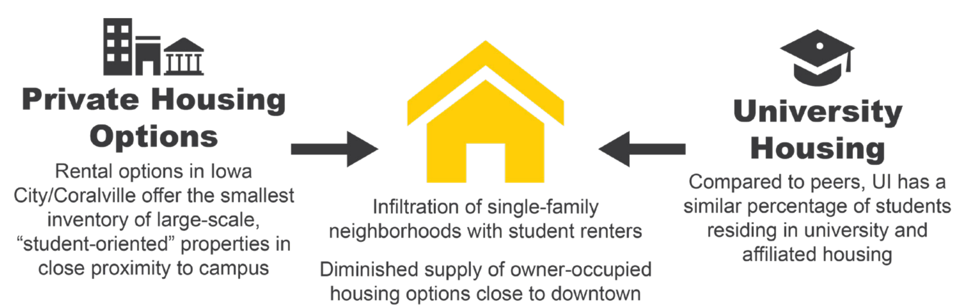
B&D initiated a comprehensive planning process to further identify and understand housing challenges within the community. The goals of this process were three-fold:

1. Analyze existing conditions within the multi-family rental housing market serving University of Iowa students and the adjacent communities in Iowa City and Coralville,
2. Compare housing characteristics (on and off campus) to those in other comparable town/gown communities through a benchmarking analysis, and
3. Identify and synthesize best practices utilized within these other town/gown communities.

KEY FINDINGS OF ASSESSMENT

UI has a similar percentage of students residing in university and affiliated housing when compared to peer institutions. University of Iowa's housing program, based on fall 2017 data, houses 26% of the total enrollment versus a peer average of 28%. Comparing off-campus rental options shows that the market for UI students offers the smallest inventory of "student-oriented" properties. Iowa City and Coralville's limited number of large-scale student housing developments has led to a higher than average percentage of students occupying housing within the general rental market. These key findings, coupled with low vacancy rates and adjacency of campus and downtown has contributed to housing shortages and incompatibility issues seen across the community.

The 2019 delivery of additional large-scale, "student-oriented" properties will reduce the percent of students occupying units in the general rental market. However, to reach a more comfortable proportion, additional university beds and/or student-oriented properties would need to be added to the market.



STRATEGIES

B&D outlined a series of recommended strategies to explore based on an understanding of the housing challenges within this community, demographic trends, and best practices nationwide. While it is recognized that a holistic, multi-faceted approach to addressing these challenges is ideal, individual strategies are organized into private market strategies, University of Iowa strategies, and hybrid approaches.

PRIVATE MARKET STRATEGIES

- Development Zones: Development zones or districts have been created in many campus towns in an effort to control the location, scale, and aesthetics of student housing development. The zones typically allow for increased flexibility with regards to height and density in locations that would be most attractive to student housing developers with the goal of taking pressure away from single-family, owner-occupied neighborhoods.

- Strategic Land Acquisition: To spur private development within specific areas, cities have strategically acquired and assembled land with the purpose of redevelopment by the private sector. After gaining control of the land the city can choose to undergo a process to find a suitable development partner willing to build the amount, type, and scale of student housing stipulated through a competitively bid process.

- Partnerships with Existing Land Owners: With the vast majority of sites in close proximity to the University of Iowa built-out, a realistic approach may be partnering with select property owners to redevelop. Iowa City and/or Coralville could incentivize redevelopment and work with stakeholders to ensure efforts align with the shared needs of the community.

HYBRID APPROACHES

- Mixed-Use Development on University Land: An opportunity to facilitate necessary student housing development, along with other uses, would be to enable privately-developed facilities on university land which meet specific usage and design standards.

- Certified / Affiliated Housing: An approach that other institutions have utilized to transfer financing and construction risks and responsibilities to the private sector is through a certified or affiliated housing program. While this type of arrangement could come in many varieties, in general it allows for the university to market private properties in exchange for housing constructed, maintained, and operated according to standards set by the institution.

UI STRATEGIES

- Second Year Live-On Requirement: B&D performed a preliminary analysis on the housing need required to accommodate a second year live-on requirement at the University of Iowa. Based on both future enrollment growth and capture rates assumptions, there would be a projected need for an additional 2,845 – 3,465 beds on campus by fall 2025 to accommodate this requirement. While implementing a 2nd year residency requirement would provide many ancillary benefits to the institution, this magnitude of construction would require significant institutional will, capital funds, and land availability.

- Demand-Based Housing Increase: Absent a live-on requirement, there may be additional students interested in living on campus if the options were desirable. This approach would increase on-campus residents while limiting the number of upper-division students moving off campus.

MOVING FORWARD

As a town/gown community, University of Iowa, Iowa City and Coralville face interconnected housing challenges of affordability, proximity to downtowns and campus, enrollment growth, and increasing rental pressures. A combination of the discussed strategies will help UI, Iowa City and Coralville move towards their primary housing and development goals.

This Strategic Housing Master Plan is intended to act as a framework for further discussion between the three entities to define the specific approaches moving forward. Immediate next steps recommended include determining the appropriate mix of strategies to implement, developing a long-term on-campus housing plan at UI, and conducting preliminary conversations with the private market development community to gauge interest and market conditions.

This page has been left intentionally blank.

INTRODUCTION

Brailsford & Dunlavey was engaged to help the University of Iowa, Iowa City, and Coralville develop a strategy to address housing challenges identified in the community. At the outset of this Plan, B&D met with key stakeholders from all three entities to discuss the primary challenges that this Plan should address. The initial strategic session also included discussions on a vision for the future of these communities that this Plan should respond to.

CHALLENGES:

- The loss of affordable housing options in close proximity to Downtown Iowa City
- Continued enrollment growth of the university has increased pressure on rental options in surrounding neighborhoods
- On-campus housing supply has not increased with enrollment, pushing increasing numbers of upper division and graduate students into the private rental market
- The proliferation of renter-occupied houses in neighborhoods that were once predominantly owner-occupied has reduced supply, diminished character, and strained resources

GOALS:

- Preserve affordable and walkable single-family housing options
- Concentrate multi-family development where infrastructure and resources are in place to support it
- Improve the balance of owner- versus renter-occupied housing units across the community
- Explore opportunities to increase on-campus housing offerings that could support enrollment growth and lessen student impact on the private housing market

ASSESSMENT

B&D initiated a comprehensive research and analysis effort to further identify and understand housing challenges within the community. The goals of this process were three-fold:

1. Analyze existing conditions within the multi-family rental housing serving University of Iowa students and the adjacent communities in Iowa City and Coralville,
2. Compare housing characteristics within the communities to those in other comparable town/gown communities through a benchmarking analysis, and
3. Identify and synthesize best practices utilized within these other town/gown communities.

B&D conducted a variety of primary and secondary research to gather benchmarking data and understand best practices related to strategies. Telephone interviews were conducted with city managers, development directors, planners, and relevant university representatives in all communities. Discussion topics included formal town/gown relationships, housing issues experienced in the communities, approaches to address these housing issues, and the overall residential development climate. Through these conversations, B&D gained a clearer understanding of the relationship between on- and off-campus student housing and specifics on the strategies implemented to address local housing issues, including development plans, neighborhood master plans, housing and infrastructure projects, zoning code development incentives and protections, and university housing growth.

The town/gown peer benchmarking examined how similar institutions and their local communities supply housing to students and the resulting impact on their general housing markets. The group of peers, selected by university and community stakeholders, included the following:

- Indiana University (Bloomington, IN)
- Purdue University (West Lafayette / Lafayette, IN)
- University of Arizona (Tucson, AZ)
- University of Florida (Gainesville, FL)
- University of Georgia (Athens-Clarke County, GA)
- University of Illinois (Urbana-Champaign, IL)
- University of Kansas (Lawrence, Kansas)
- University of Virginia (Charlottesville, VA)
- University of Wisconsin (Madison, WI)
- Colorado State University (Fort Collins, CO)*

**Recommended for inclusion by B&D after discussions with the International Town and Gown Association (ITGA) regarding best practices in town/gown relationships.*

I. EXISTING CONDITIONS & TOWN/GOWN BENCHMARKING

B&D's town/gown benchmarking methodology utilized Internet research, Co-Star data, and telephone interviews to examine university and off-campus housing offerings. The intention was to compare the housing offerings available to University of Iowa students (both on and off campus) to those available at the other identified institutions. To normalize the data across communities, B&D compared these figures to enrollment, the communities' supply of student-oriented properties, and the general rental housing stock. Student-oriented properties are defined as properties that cater specifically to student renters with offerings such as individual bed leases, academic lease terms, roommate matching, all-inclusive utilities and student centric amenities. The general rental market is considered all other units available for rent in the community, excluding the student-oriented properties or on-campus / affiliated student housing.

University of Iowa Housing Capture Rates from Fall 2017 (Exhibit 1)

Classification	Existing Capture Rates	Current Occupants (Fall 2017)
First-Time Freshmen	95%	4,756
Sophomores	15%	918
Other undergraduates	6%	750
Graduate/Prof Students	10%	894
ALL	**22%**	**7,318**

Beginning with the university housing supply, the University of Iowa's housing stock predominately caters to a freshman resident profile. **Exhibit 1** outlines that without any live-on requirement UI captures over 90% of first-time freshmen and 15% of second year students based on fall 2017 enrollment and housing data provided to B&D. In total, UI houses 22% of its entire population on campus.

In fall 2017, UI's bed count increased to 7,858 with the opening of Catlett Hall and, concurrently, taking existing university-owned and leased beds (Burlington, Davenport, Dubuque North, Parklawn and Hawkeye Drive) offline.

PEER BENCHMARKING

On-campus Housing Supply Peer Analysis (Exhibit 2)

University	Total Enrollment	University Beds	Greek Beds	% Can House	Off-Campus Students
UNIVERSITY OF IOWA	33,564	7,858	935	26%	24,771
Indiana University	49,695	13,445	3,350	34%	32,900
Purdue University	40,451	12,950	2,925	39%	24,576
University of Arizona	43,625	6,921	1,175	19%	35,529
University of Florida	52,367	9,066	1,575	20%	41,726
University of Georgia	36,574	7,610	1,650	25%	27,314
University of Illinois, Urbana-Champaign	43,893	13,359	2,500	36%	28,034
University of Kansas	27,565	5,301	2,105	27%	20,159
University of Virginia	23,898	6,617	580	30%	16,701
University of Wisconsin, Madison	43,336	8,697	NA	20%	34,639
AVERAGE	39,497	9,182	1,866	28%	28,653

B&D compared the percentage of total enrollment that can be housed in university housing across all institutions. In relation to the peer average (28%), University of Iowa's housing program (fall 2017) can accommodate a slightly lower proportion of students. As seen in **Exhibit 2**, UI's total enrollment is approximately 15% smaller than the peer average. Therefore, despite a much smaller overall housing inventory, UI houses a similar percentage of their student body.

The Off-Campus Students figure in **Exhibit 2** is calculated by subtracting the total number of on-campus students, Greek housing residents, and a 5% assumption for "non-renters" (i.e. those living at home with family or who own a home) from total enrollment. This number is intended to portray those students renting within the private market.

It is important to note that since 2011, only four peers have added or are currently pursuing additional beds on campus (Purdue University, University of Kansas, University of Florida and University of Arizona). As of spring 2017, the remaining peer institutions are currently not planning to increase bed capacity. Significant changes in the number of off-campus students seen in **Exhibit 2** would likely put greater pressures on local rental markets. With nearly three quarters of UI students living off campus, student renters are a significant segment of the local rental market.

A similar chart to **Exhibit 2** comparing all Big Ten Schools and Iowa Regent Universities can be found in **Appendix C** showing that UI is slightly below the average among these institutions when comparing on-campus housing stock as a percentage of total enrollment.

Community Demographics – Housing (Exhibit 3)

University	City	Total Housing Units	% SF	% MF	% Owner Occupied	% Rent Occupied	Rental Vacancy Rate
UNIVERSITY OF IOWA	IOWA CITY, IA	30,259	55%	45%	48%	52%	2%
	CORALVILLE, IA	8,287	58%	42%	55%	45%	5%
Indiana University	Bloomington, IN	33,388	46%	54%	34%	66%	5%
Purdue University	West Lafayette, IN	14,836	38%	62%	30%	70%	3%
	Lafayette, IN	33,122	63%	37%	47%	53%	6%
University of Arizona	Tucson, AZ	206,342	66%	34%	49%	51%	9%
University of Florida	Gainesville, FL	56,924	47%	53%	38%	62%	11%
University of Georgia	Athens, GA	51,529	57%	43%	41%	60%	12%
University of Illinois, Urbana-Champaign	Urbana, IL	17,915	45%	55%	38%	62%	9%
	Champaign, IL	36,803	56%	44%	47%	53%	7%
University of Kansas	Lawrence, KS	38,189	62%	38%	46%	54%	7%
University of Virginia	Charlottesville, VA	19,886	62%	38%	44%	56%	5%
University of Wisconsin, Madison	Madison, WI	108,824	49%	51%	48%	52%	2%
	Average	54,690	54%	46%	43%	57%	6%

An analysis of the overall community rental markets was conducted to determine the impact of student renters and the context in which the universities are located. The examination of the off-campus housing market utilized the U.S. Census' American Community Survey's 2015 5-year estimates.

Iowa City and Coralville together provide nearly 40,000 housing units (see **Exhibit 3**). Iowa City and Coralville have similar proportions of single family to multi-family housing. With UI's campus adjacency to Iowa City's downtown, it is not surprising that Iowa City has a slight majority renter-occupied housing market compared to Coralville. In relation to its peers, Iowa City and Coralville retain two of the highest owner occupancy percentages.

Importantly, both Iowa City and Coralville have strong housing markets with low rental vacancy rates. This should not be unexpected as the low vacancy rates are contributing to the challenges this Plan is intending to resolve. Moving forward, town/gown coordination is critical to ensuring a strategic mix of housing that keep a desirable number of owner- vs. renter-housing options without oversaturating the market.

Student-Oriented Off-Campus Market (Exhibit 4)

University	City	Off-Campus Students	"Student Oriented" Beds	% in "Student Oriented"
UNIVERSITY OF IOWA	IOWA CITY, IA CORALVILLE, IA	24,771	3,485	14.1%
UNIVERSITY OF IOWA (FUTURE)	*IOWA CITY, IA CORALVILLE, IA*	*25,446**	*6,404*	*25.2%*
Indiana University	Bloomington, IN	32,900	8,599	26.1%
Purdue University	West Lafayette, IN Lafayette, IN	24,576	9,234	37.6%
University of Arizona	Tucson, AZ	35,529	9,689	27.3%
University of Florida	Gainesville, FL	41,726	22,230	53.3%
University of Georgia	Athens, GA	27,314	11,282	41.3%
University of Illinois, Urbana-Champaign	Urbana, IL Champaign, IL	28,034	16,899	60.3%
University of Kansas	Lawrence, KS	20,159	5,466	27.1%
University of Virginia	Charlottesville, VA	16,701	5,315	31.8%
University of Wisconsin, Madison	Madison, WI	34,639	6,385	18.4%
	AVERAGE	28,635	9,898	33.7%

**Future University of Iowa refers to fall 2019 and assumed a 1% enrollment growth.*

For additional data comparing housing affordability amongst the UI market and the peer communities see **Appendix E.**

As stated earlier, student-oriented beds are those in purpose-built properties specifically targeting student renters. Student-oriented properties can create concentrated neighborhoods of students with specific amenities and features. Since these types of developments often cater exclusively to student renters they can help relieve pressure on the general rental market. **Exhibit 4** depicts the number of student-oriented beds found in the off-campus markets, as reported by CoStar and B&D market research. The percent of off-campus students living in the student-oriented properties indicates the concentration of each institution's off-campus population within this type of development.

Between Iowa City and Coralville, the UI student body is served by the smallest student-oriented market (3,485 beds). Currently, only about 15% of off-campus students are residing in student-oriented properties. The peer average for percent of off-campus students living in student-oriented properties, 34%, is double that seen in the University of Iowa market. In addition to being the lowest proportion of student-oriented beds among all institutions, most student-oriented properties in Iowa City and Coralville are small in scale. The majority of these properties are under 60 units, or less than 150 beds, and are owned by local developers versus national student housing developers seen in other large campus markets.

Accounting for pipeline projects in Iowa City and Coralville, however, results in an additional 2,919 student-oriented beds scheduled to be available by 2019. This will increase the percent of students living in student-oriented properties to 25%, but still remain well below the benchmark average of 34% (which assumes no additional student-oriented beds in these other markets). Assuming a 1% annual growth in enrollment at UI and therefore, additional off-campus students, an extra 2,000 student-oriented beds would be needed to reach the peer average percent in student oriented beds by 2019.

For a map of all student oriented properties in the University of Iowa market see **Appendix D.**

Student Renter Impact on General Rental Markets (Exhibit 5)

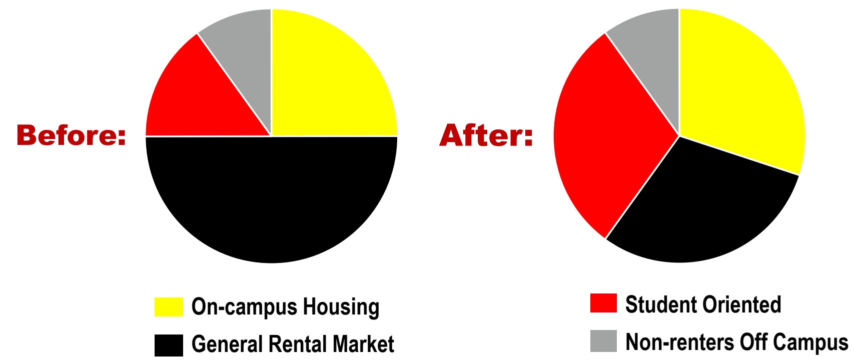
University	City	Off-Campus Students in General Renter Market	Off-Campus Units Occupied by Students	Total Rental Units	Total Rentals Units (Excluding. SO)	% of General Rental Market Occupied by Students
UNIVERSITY OF IOWA	IOWA CITY, IA CORALVILLE, IA	20,047	8,910	15,157 3,494	16,867	53%
UNIVERSITY OF IOWA (FUTURE)	*IOWA CITY, IA* *CORALVILLE, IA*	17,770	7,898	16,125 4,625	19,251	41%
Indiana University	Bloomington, IN	22,656	10,069	20,032	16,289	62%
Purdue University	West Lafayette, IN Lafayette	14,113	6,273	9,334 16,225	21,486	29%
University of Arizona	Tucson, AZ	24,064	10,695	105,668	101,470	11%
University of Florida	Gainesville, FL	17,410	7,738	29,886	21,414	36%
University of Georgia	Athens, GA	14,666	6,518	25,807	21,380	30%
University of Illinois, Urbana-Champaign	Urbana, IL Champaign, IL	9,733	4,326	9,678 17,565	19,794	22%
University of Kansas	Lawrence, KS	13,685	6,082	18,880	16,609	37%
University of Virginia	Charlottesville, VA	10,551	4,689	10,017	7,866	60%
University of Wisconsin, Madison	Madison, WI	26,522	11,788	54,294	50,528	23%
	AVERAGE	17,345	7,709	33,604	29,370	36%

In an effort to assess the impact of student renters on the overall market, B&D went one step further and isolated those students residing outside of either university housing or student-oriented properties. In order to calculate this figure, the number of students in student-oriented properties was subtracted from the total number of off-campus students. The remaining students represents the number of students assumed to be residing in Iowa City and Coralville's general rental market. The same methodology was applied to the peer institutions. **Exhibit 5** shows that despite UI's enrollment being 15% less than the peer average, the percent of students living in the general rental market (53%) is higher than the peer average (36%). This is an important finding showing that the low number of student-oriented beds may be directly contributing to the housing challenges within the community.

Comparing these remaining student renters to the overall market shows that 53% of Iowa City and Coralville's combined rental markets are occupied by students. **Exhibit 5** shows considerable variation across the communities as larger housing markets are able to absorb these residents within their broader housing stock. For instance, larger metropolitan areas such as Tucson, AZ and Madison, WI see students occupying 11% and 23% of their general rental market, respectively. Smaller housing markets such as Bloomington, IN and Charlottesville, VA have a heavier dependency on student renters at 60% or higher. A higher percentage suggests the market relies more on student tenants and thus vulnerable to significant fluctuations in enrollment.

Iowa City and Coralville's limited number of large-scale student housing developments has led to a higher than average percentage of students occupying housing within the "general rental" market. This, coupled with low vacancy rates and adjacency of campus and downtown has contributed to housing shortages and incompatibility issues seen across the community. The 2019 delivery of additional large-scale, student-oriented properties will reduce the percent of students occupying units in the general rental market to 41%, nearing the peer average. However, to reach a more comfortable proportion, additional university beds and/or student-oriented properties would need to be added to the market. **Exhibit 6,** while not to scale, graphically illustrates how a combination of both strategies could over time help relieve the pressure on the general rental market from students.

Illustration of Student Housing Options Before & After Strategy Implementation (Exhibit 6)



KEY TAKEAWAYS
Existing Conditions

1. When compared to other institutions, UI has a similar percentage of students residing in university and affiliated housing.
2. The off-campus community surrounding UI offers the smallest inventory of "student-oriented" properties. Large developments scheduled to open in the coming years will increase supply, but still remain below the peer average.
3. The limited number of large-scale student housing developments, in combination with low vacancy rates and proximity between university & downtown, has contributed to housing shortages and incompatibility issues.

II. TOWN/GOWN BEST PRACTICES

B&D's benchmarking research provided quantitative data allowing for comparison between institutions including potential gaps in housing stock, causes of major housing challenges, and identification of issues to resolve. Town/gown case studies consist of qualitative research that provide a clearer understanding of the housing climate within each community and best practices used to address on- and off-campus housing issues.

The additional context provided through these case studies allowed for the identification of similarities and differences to UI as well as how various approaches could be applied to the local Iowa City and Coralville markets. Overall, the town/gown case studies are organized into two strategic approaches to addressing on- and off-campus housing issues: proactive and reactive development strategies. Additional details on town/gown case studies and best practices can be found in **Appendix A** and **B**.

OVERALL HOUSING ISSUES

Through the conversations with various stakeholders within each community and/or institution, B&D learned that UI's peer institutions face many similar housing issues. Most prominently, student renter behavioral concerns, single-family neighborhood development pressures, and affordability concerns were discussed. However, place specific issues, including the proximity of downtowns in relation to campuses and current private development climates result in varying issues and degrees of concern over student renters in the general rental market.

A summary of consistent housing issues and factors seen in the case study research are outlined below:

- Single-family neighborhood encroachment by student renters
- Location of campus in relation to downtown, geographic boundaries, and size of metro area influence the severity of housing conflicts
- Low vacancy rates and growing institutions exacerbate housing affordability concerns for students and the broader rental market
  + Affordable inventory (rent and own) has been pushed further from the core leading to strained existing resources, infrastructure, and community amenities

TOWN/GOWN RELATIONSHIPS

Overall, the UI, Iowa City and Coralville relationship is a unique collaboration. The majority of peer universities and their respective communities are not engaging in strategic conversations surrounding housing from a holistic town/gown perspective. The following trends summarize the most typical town/gown relationships:

TYPICAL TRENDS

Town/gown relationships

1. Partnerships are commonly developed in response to housing conflicts (i.e., community outreach groups, committees, university neighborhood associations)
2. Several institutions have proactively developed formal partnerships to guide development
   + P3 developments, infrastructure projects, collaboration on strategic plans
   + Joint funding of projects to spur development
3. Limited coordination to evaluate student housing-specific supply and demand from both university and private market perspectives

DEVELOPMENT APPROACHES

Multiple strategies are followed by communities to tackle housing challenges. However, the most common approaches can be organized into two overarching categories:

I. Proactive Approaches
II. Reactive Approaches

These strategies illustrate how municipalities effectively address housing issues related to student renters and their market impact. Proactive development strategies are, in general, attempts to get ahead of the private market and primarily involve incentivizing development or removing barriers (regulatory or financial) in an effort to have more control over the location, scale or types of development. Reactive strategies respond to current conditions with an emphasis on regulations and outreach programs controlling student renter behavior or addressing owner/occupancy affordability issues.

While many of these approaches have been successful across the country they should not be viewed as one-size-fits-all. Each community has unique characteristics and challenges that require customized solutions. The approaches outlined below are solely meant to provide an overview of what has been implemented in other communities to attempt to resolve similar housing challenges. The next section, Strategy, discusses options that may be more appropriate for UI, Iowa City, and Coralville.

Proactive Development Approaches

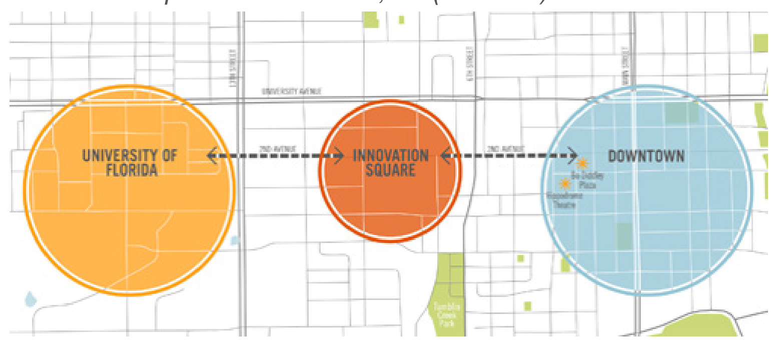
The most common proactive approaches identified in the research and conversations are summarized below:

1. Creation of development districts to prioritize and encourage higher-density projects in strategic locations (i.e., areas with a heavy proliferation of student renters, away from single-family neighborhoods, convenient access to transit)
    + ***Example (Athens-Clarke County, Georgia)*** - Created a Future Development Map that guides intensity of development by areas of town, proximity to corridors and relationship to zoning districts. The county also uses the map to ensure quality of developments by maintaining greater oversight on developments that initially fail to pass "by right," and seek variances. The University of Georgia and neighboring private properties lie in a specific University District, which is "governed by an agreement jointly adopted by the University and the community coordinating development of these areas," more specifically when dealing with University expansion. The Future Development map began in 2000 and is revisited annually.

2. Elimination of parking and FAR ("floor-to-area ratio") requirements
    + ***Example (Champaign, IL)*** - Strategically incentivized development in designated near-campus zones by eliminating parking requirements. Champaign also utilizes height limits and setback requirements instead of FAR requirements.

3. Zoning code simplification
    + ***Example (Gainesville, FL)*** - Streamlined zoning in "Innovation Square" allowing for development flexibility and encourage mixed-use projects. The technology/science/research focused district is a development collaboration between the Gainesville Community Redevelopment Agency, the University of Florida, and the City of Gainesville to reclaim 16 acres between campus and downtown. A recent project is Infinity Hall, a 312-bed university housing facility completed in collaboration with Signet Development.

Innovation Square - Gainesville, FL (Exhibit 7)



4. Increase downtown/near campus densities
   + ***Example (Athens-Clarke County, GA)*** - Commercial downtown district overlay zone allows for “critical mass” density (200 beds/acre) to get students adjacent to campus in the downtown and out of single-family neighborhoods.

5. Up-zone single-family neighborhoods overtaken by student rentals to allow for redevelopment

6. Down-zone specific neighborhoods to preserve single-family housing stock from development encroachment
   + ***Example (Urbana,IL)*** - Down-zoned the east campus border in the mid-1990s from multi-family to single-family/duplex while concurrently allowing concentrated development south of Green Street. In addition, the corridor connecting downtown Urbana to campus allows a limited scale of uses prohibiting lot consolidation for large-scale apartment growth.

7. Utilization of TIF District funding
   + ***Example (West Lafayette, IN)*** - $120M “State Street Corridor” infrastructure project is jointly funded through the University and City TIF funds. The infrastructure project primed the area for future development, including an eventual 2,000-3,000 private student beds steering renters away from residential neighborhoods.

8. Infrastructure projects as a development catalyst
   + ***Example (Fort Collins, CO)*** - The Bus Rapid Transit line & West Elizabeth Transit Corridor infrastructure improvements (bike lanes, pedestrian underpass, and street scape improvements) steer new developments along transit corridors leading to campus. The federally funded Bus Rapid Transit line (MAX) was built in 2015.

The majority of these development approaches include ways to spur and influence development in strategic locations. An outcome of enabling this was that several institutions experienced student renters vacating house rental neighborhoods as new purpose-built developments opened. Examples include:

+ ***Example (Madison, WI)*** - Combating a housing shortage, policy-driven shifts such as, zoning changes and specified areas designated for additional height allowances allowed for higher density development that aligned with market demand for large-scale housing projects. The opening of attractive, purpose-built developments closer to campus shifted many students away from single-family house rentals.
+ ***Example (West Lafayette, IN)*** - The public-private partnership (P3) joint venture “State Street Corridor” infrastructure project was implemented as development catalyst for large student-oriented properties along the improved transit corridor. A goal of this project is to open up a new part of town to students and relieve single-family neighborhoods.
+ ***Example (Lawrence, KS)*** - The Oread Neighborhood Plan up-zoned portions of a single-family neighborhood adjacent to campus which had transitioned into primarily student house rentals. The overlay districts allow for higher-density housing and mixed-use development.

West Elizabeth Corridor Plan (Exhibit 8)

Reactive Development Approaches

Reactive development approaches can be summarized into the following:

1. Occupancy limits as a mechanism to monitor the mass of student renters in lower-density residential areas
   + ***Example (Athens-Clarke County, GA)*** - Restricts the number of unrelated persons allowed to rent a unit (i.e. two for single family districts and four in the mixed-density district in Athens-Clarke County near University of Georgia).

2. Noise ordinances to enforce nuisance student rental behavior in single-family neighborhoods

3. Rental housing inspection programs run by the city to ensure buildings are maintained to a certain quality and safety standard
   + ***Example (Champaign, IL)*** - Provides inspections for the University of Illinois' private-certified housing program.

4. Behavioral programs / educational outreach for student renters (i.e. “how to be a good neighbor“) often conducted at the beginning of the academic year
   + ***Example (Urbana, IL)*** - Joint (City and University) outreach program distributes “welcome packets” to off-campus students to inform student renters of residential neighborhood regulations (i.e. noise and trash ordinances). Urbana and UIUC’s joint fire station conducts fire safety outreach programming to students.

5. Owner/occupancy rehab and ownership assistance programs to address affordability barriers (similar to the UniverCity program)
   + ***Example (Madison, WI)*** - Small cap TIF program funds owner-occupancy rehab projects in neighborhoods seeing a loss of student renters. Over the past decade, the Bassett Neighborhood was granted 23 loans ($1.9 million). The Greenbush neighborhood’s small cap TIF also covers South Park and Mills Streets where new large scale developments are built. The increment captured from the new developments fund the owner-occupancy rehab program to transition the Greenbush units from rentals. A key to the program’s success is awarding funds to owner-occupied homes that would “anchor blocks” provide a diversity of housing stock, and encourage improvements to neighboring homes.

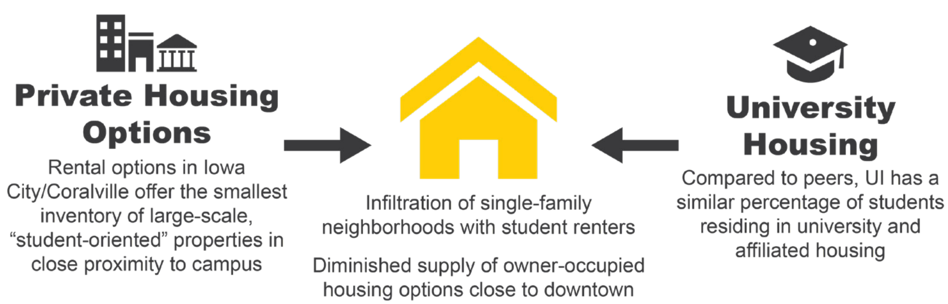
   + ***Example (Charlottesville, VA)* -** Established an Affordable Housing Fund (city contributes $600,000 annually and $800,000 additional funds pledged for 2018). Developers make contributions to the housing fund if they are seeking rezoning or special use permits.

STRATEGIES

Following extensive market research, benchmarking, and discussions with university and community stakeholders, B&D developed strategies to address the housing challenges identified earlier in this document. These strategies outline high-level approaches and are meant to serve as a guide to inform future conversations between relevant stakeholders and decision makers in Iowa City, Coralville, and at the University of Iowa. Once the recommended approach has been agreed upon, further assessment of specific plans, policies, and implementation tactics is suggested.

This Plan has highlighted several factors that are likely influencing the housing challenges experienced in the community. **Exhibit 9** below summarizes these major drivers appearing to result in the infiltration of single-family neighborhoods with student renters and a diminished supply of owner-occupied housing options close to Downtown Iowa City / Pentacrest.

Housing Problem Statement (Exhibit 9)



While B&D recognizes that a holistic, multi-faceted approach to addressing these challenges is ideal, individual strategies are organized into three categories:

I. Private Market Strategies
II. University of Iowa Strategies
III. Hybrid Approaches

This approach does not imply that the solution should solely be the responsibility of either the University of Iowa or Iowa City / Coralville. A holistic approach mixing multiple strategies and utilizing collaboration between the multiple entities is a preferred solution.

Strategy Spectrum (Exhibit 10)

PRIVATE MARKET STRATEGIES

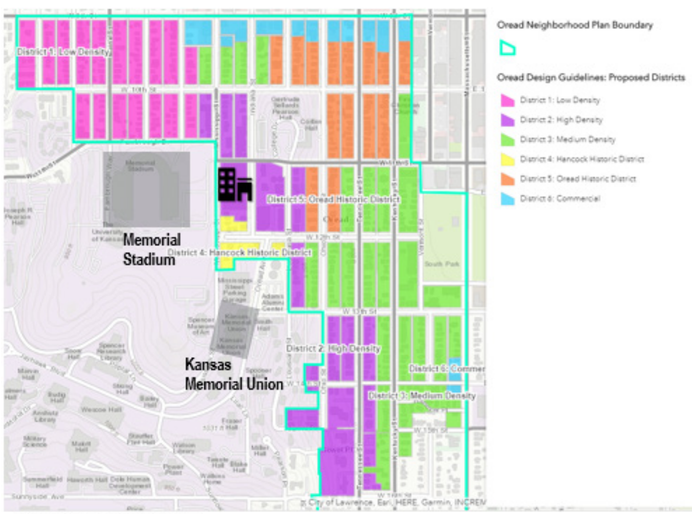
Private market strategies entail options that are assumed as primarily Iowa City or Coralville responsibilities with the intent of directly impacting the rental market within one or both of these communities. The general strategies outlined are largely derived from examples utilized in comparable campus towns as a way to spur private development in a location and scale that can help address broader housing challenges.

Development Zones

Development zones or districts have been created in many of the campus towns researched in an effort to control the location, scale, and aesthetics of student housing development. Several examples of these development zones were overlay districts in neighborhoods directly adjacent to that particular campus edge. These locations typically contain a mixed housing stock and are ripe for redevelopment. The zones typically allow for increased flexibility with regards to height and density in locations that would be most attractive to student housing developers. Such conditions include:

1. Close proximity to campus and desirable commercial uses (less than a 10-minute walk),
2. Access to transportation/ along highly visible corridors,
3. Aging / retrofitted housing stock (usually single –family and small scale multi-family buildings with little to no building amenities),
4. Incompatible adjacent uses, and
5. Vacant or less than desirable commercial / industrial properties.

Oread Neighborhood Plan in Lawrence, Kansas (Exhibit 11)



Sources: City of Lawrence, Kansas

Allowing increased density development to occur in these zones has the benefit of taking development pressure away from neighborhoods that the city would like to preserve as predominantly single-family, owner-occupied housing.

An example of this type of development zone is the Lawrence, Kansas Oread Neighborhood Plan (**Exhibit 11**), which is adjacent to the University of Kansas. The HERE at Lawrence across from Memorial Stadium was the first purpose-built development realized from this plan.

Further study of local attributes, zoning codes, and site characteristics is needed to identify locations that would be appropriate in Iowa City and Coralville. One potential area that should be considered for a development zone due to its proximity to campus is the Johnson / Van Buren corridor between Burlington and the railroad tracks.

Strategic Land Acquisition

An additional approach to spur private development within specific areas is for a city to strategically acquire and assemble land with the purpose of future redevelopment by the private sector. After gaining control of the land the city can choose to undergo a process to find a suitable development partner willing to build the amount, type, and scale of student housing stipulated through a competitively bid process. The city may also choose to prepare the site for development to make it more attractive to potential development partners. While obvious challenges of this strategy are having the necessary capital and land available for acquisition, the potential benefits of development control and long-term financial return (through ground lease proceeds) are significant.

Madison, Wisconsin has been working on this approach by utilizing land banking with a long-term goal of assembling land for future development including student housing. In 2010, the City's budget appropriated $5 million for a land banking fund to purchase parcels within an existing development plan or special area plan where, "no development is forthcoming due to overall economic conditions or the financial condition of the developer," (City of Madison Land Banking Fund Guidelines). Land banking in conjunction with TIF funding and infrastructure improvements subsidizes and targets development specifically in Madison's Capital East District. Through an RFP process, a significant, underutilized site was developed into a mixed-use market rate rental building, The Constellation. As a result, this district's redevelopment is underway with additional projects under construction and in the pipeline. One of the primary goals of Madison's 2016 Economic Development Strategy is to implement a more aggressive land banking effort through a Municipal Real Estate Development Fund. Such funds would go towards repositioning "development zone" sites through land banking and pre-development costs. The city can then engage developers that align with Madison's objectives of growing the tax base and vision of strategic housing development in "priority areas."

Partnerships with Existing Land Owners

An alternative strategy to land acquisition and development is to encourage redevelopment through partnerships with existing land owners. With the vast majority of sites in close proximity to the University of Iowa built-out, a realistic approach may be partnering with select property owners to redevelop. Iowa City and/or Coralville could incentivize redevelopment and work with stakeholders to ensure efforts align with the shared needs of the community. Sites in close proximity to the University of Iowa should be prioritized as they are most suitable for student housing development and would require less transportation and parking needs.

HYBRID APPROACH

Hybrid solutions are viewed as more collaborative partnerships in which both the municipalities and university would participate. These solutions would encourage private development but involve certain levels of input, control, or oversight from University of Iowa, Iowa City and Coralville.

Mixed-Use Development on University Land

An opportunity to facilitate necessary student housing development would be to enable privately-developed facilities on university land. Development could be controlled in a way that meets specific usage and design standards adhering to the needs of both the university and the community. Additionally, depending on the ownership structure, if these are privately-owned and financed they could still generate property tax revenue for the municipality. Advantages of this approach include that new student housing beds are delivered without financing from the university, additional property tax revenue is created, and guidelines can be set to ensure standards (construction, maintenance, design, etc.) are upheld. Further exploration on the specifics of this approach at the University of Iowa including land availability, feasibility, and the legality are necessary.

Examples of this type of arrangement can be found at University of Wisconsin-Madison and University of Illinois at Urbana-Champaign. In both cases, mixed-use developments that fulfill student housing needs were constructed on university land. The example in Madison, 333 E. Campus Mall, also includes approximately 225,000 square feet of student services space that was sold back to the university in a condominium arrangement.

333 East Campus Mall, University of Wisconsin-Madison (Exhibit 12)

Certified / Affiliated Housing

An approach that other institutions have utilized to transfer student housing financing and construction risks and responsibilities to the private sector is through a certified or affiliated housing program. While this type of arrangement could come in many varieties, in general it allows for the university to market private properties in exchange for housing constructed, maintained, and operated according to standards set by the institution.

A prominent example of this type of arrangement exists at the University of Illinois at Urbana-Champaign. The university has a private-certified housing program that provides over 3,000 beds in 15 facilities that are privately-owned on non-university land. Each facility must adhere to strict residence life programming requirements and pass annual facility inspections in exchange for residents fulfilling the university's first-year live-on requirement. Buildings are annually inspected by Champaign or Urbana officials to ensure they meet fire safety, occupancy standards, and maintenance requirements. Residential life staff within private certified housing is separate from the university residence life staff but undergoes training and works closely with other campus entities.

UI STRATEGIES

University of Iowa strategies are options for the campus to respond to the community-wide housing challenges by accommodating additional students in on-campus housing. These options would be the responsibility of the university. While the proactive and reactive development strategies are grounded more on the municipal side of the spectrum, an additional avenue for relieving pressure on the existing rental market would be for increased university capacity accompanied by a second year live-on requirement.

Second Year Live-On Requirement

B&D performed a preliminary analysis on the housing need required to accommodate a second year live-on requirement at the University of Iowa. Based on both future enrollment growth and capture rates assumptions, there is a projected need for an additional 2,845 – 3,465 new beds on campus by fall 2025 (**Exhibit 13**).

There are significant factors for UI to consider if planning to implement this policy change. To demonstrate the potential scale and site requirements, B&D developed a high-level phasing scenario and programs for these new facilities.

Second Year Housing Need Analysis (Exhibit 13)

2nd Year Housing Residents	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025
At Current Capture Rates	918	927	936	946	955	955	955	955	955
After Policy Enforcement									
65% capture rate	3,864	3,903	3,942	3,981	4,021	4,021	4,021	4,021	4,021
70% capture rate	4,162	4,203	4,245	4,288	4,331	4,331	4,331	4,331	4,331
75% capture rate	4,459	4,503	4,548	4,594	4,640	4,640	4,640	4,640	4,640
Additional Beds Needed to Accommodate 2nd Year Live-On									
65% capture rate	2,755	2,565	2,657	2,750	2,843	2,843	2,843	2,843	***2,843***
70% capture rate	3,052	2,865	2,960	3,056	3,153	3,153	3,153	3,153	***3,153***
75% capture rate	3,349	3,166	3,264	3,362	3,462	3,462	3,462	3,462	***3,462***

The assumption was that five, 600- bed facilities would be constructed. In order to account for non-apartment residential communities appropriate for second year students, B&D assumed 275 gross square feet per bed to allow for adequate community, programming, and academic space. However, the expansion of a university housing program at a 3,000 bed scale would put increased pressures on existing university resources and infrastructure. For instance, assuming non-apartments would be constructed, new dining space must be offered. Accounting for these five phases of housing along with two new dining centers amounts to over 880,000 gross square feet (see **Exhibit 14**). In addition to the significant site requirements to accommodate these facilities, the university would need to consider other components such as parking, green space, transportation, and academic resources to name a few. Needless to say, this magnitude of construction would require substantial capital funds, institutional will, and land in order to implement.

Despite the obvious challenges to implementing a second year live-on requirement policy there are numerous student developmental advantages to keeping more second years in on-campus housing. Many studies have shown that students who live on campus during their second year have higher retention rates, are more likely to graduate, and are more engaged in the campus culture. [1,2]

As UI continues to explore this option, attention should be given to these additional considerations:

- Increase the scale of individual projects to shorten the phasing timeline
- Various delivery methods including public-private partnerships could allow for quicker delivery along with the transfer of financing and other risks to a third-party.
- Private-certified housing offerings (mentioned earlier) could satisfy a live-on requirement

Potential Housing and Dining Program (Exhibit 14)

Project Summary	Housing SF	Dining SF	TOTAL
Project 1	165,200	34,800	200,000
Project 2	165,200		165,200
Project 3	165,200		165,200
Project 4	165,200	23,700	188,900
Project 5	165,200		165,200
TOTAL	826,000	58,500	884,500

1. Pascarella & Terenzini. “How College Affects Students,” 2005.
2. Gallup-Purdue Index. It’s Not ‘Where’ You Go to College, But ‘How’ You Go to College, 2014.

Potential Housing Phasing Plan (Exhibit 15)

Building	Beds	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025	Fall 2026	Fall 2027
Residence Halls											
Future Project #1	600	Offline	Offline	Offline	Online	Online	Online	Online	Online	Online	Online
Future Project #2	600	Offline	Offline	Offline	Offline	Online	Online	Online	Online	Online	Online
Future Project #3	600	Offline	Offline	Offline	Offline	Offline	Online	Online	Online	Online	Online
Future Project #4	600	Offline	Offline	Offline	Offline	Offline	Offline	Online	Online	Online	Online
Future Project #5	600	Offline	Offline	Offline	Offline	Offline	Offline	Offline	Online	Online	Online
TOTAL NEW BEDS		**0**	**0**	**0**	**600**	**1,200**	**1,800**	**2,400**	**3,000**	**3,000**	**3,000**

Demand-Based Housing Increase

An alternative method for UI to explore is offering additional on-campus housing for upper-division or graduate students. Absent a live-on requirement, there may be additional students that would choose to live on campus if the options were desirable. This approach would increase on-campus capacity to limit the number of upper-division students moving off campus. This method relies on the potential to capture upper-division students that would currently prefer to live on campus if new beds were provided at the optimal location, unit mix, and price point.

The current upper-division offerings on campus are limited with a capture rate at only 6% or only 750 students (as shown earlier in **Exhibit 1**). Further study to quantify this potential demand is recommended. Specific details on the type, location, and cost of these housing options would need to be understood prior to initiating next steps.

MOVING FORWARD

As a town/gown community, University of Iowa, Iowa City and Coralville face interconnected housing challenges of affordability, proximity to downtowns and campus, enrollment growth, and increasing rental pressures. These challenges present a collaborative opportunity to holistically address issues and transform the town/gown housing experience. A combination of the previously discussed strategies will help UI, Iowa City and Coralville move towards their primary housing and development goals:

- Preserve affordable and walkable single-family housing options
- Concentrate multi-family development where infrastructure and resources are in place to support it
- Improve the balance of owner- versus renter-occupied housing units across the community
- Explore opportunities to increase on-campus housing offerings that could support enrollment growth and lessen student impact on the private housing market

This Strategic Housing Master Plan is intended to act as a framework for further discussion between the three entities to define the specific approaches moving forward. Collaboration in the planning phase will allow for coordinated development that enhances and strengthens the entire town/gown community.

IMMEDIATE NEXT STEPS

University of Iowa, Iowa City, & Coralville

1. Determine specific strategies to address housing
   + Appropriate mix of UI + private market strategies
2. Market Sounding
   + Preliminary conversations to solicit development community feedback intended to gauge interest, market conditions, and feasibility
   + Can be done through either informal one-on-one conversations or a more structured RFI process
3. Determine long-term on-campus housing plan
   + Opportunity to accommodate more upperdivision students
   + Study feasibility of a 2nd year live-on requirement

APPENDICIES

The following appendices are provided as supplemental information to the preceding report. The PowerPoint files include content developed for meetings held at the University of Iowa with representatives from Iowa City and Coralville present on May 18 and July 27, 2017. While the majority of the information presented during these meetings is reflected in the report narrative, the PowerPoint slides have been updated to reflect UI's fall 2017 enrollment / housing data.

TABLE OF CONTENTS

APPENDIX A

STRATEGIC HOUSING MASTER PLAN

UNIVERSITY OF IOWA, IOWA CITY & CORALVILLE

MAY 18, 2017

BRAILSFORD & DUNLAVEY

INSPIRE. EMPOWER. ADVANCE.

AGENDA

STRATEGIC HOUSING MASTER PLAN

1 Campus Context

2 Town/Gown Benchmarking

3 Town/Gown Case Studies

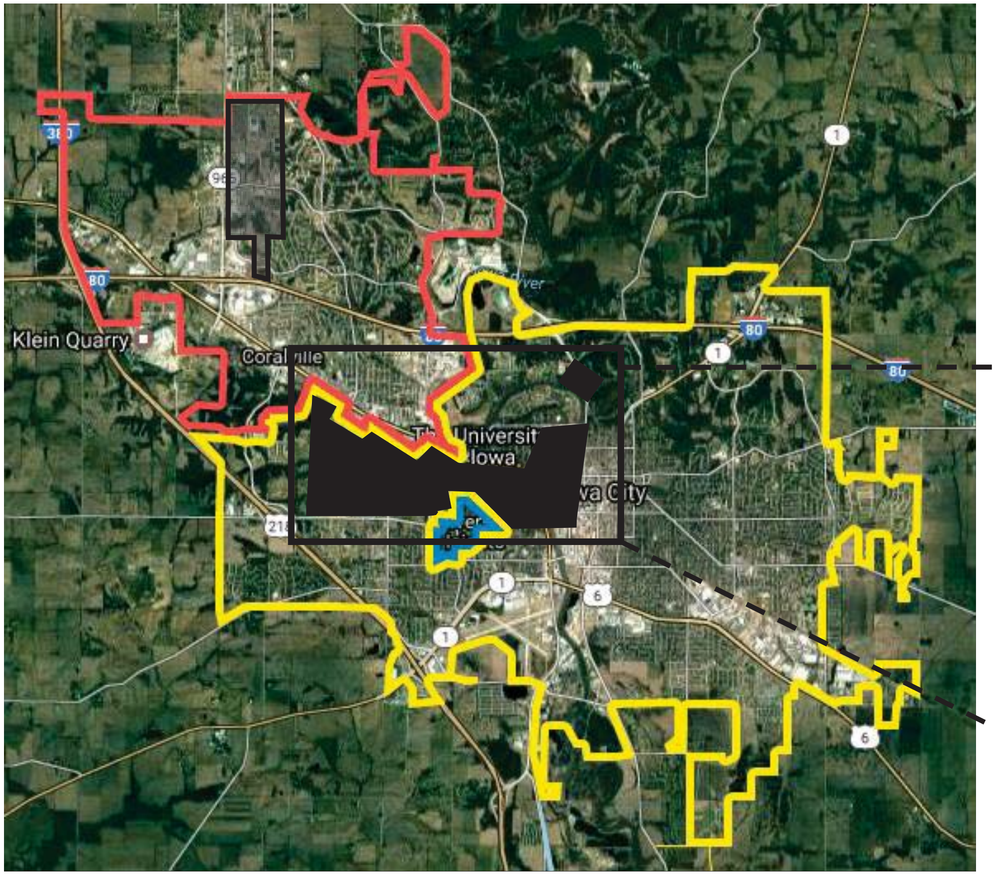
4 UI Housing Supply

5 Discussion & Next Steps

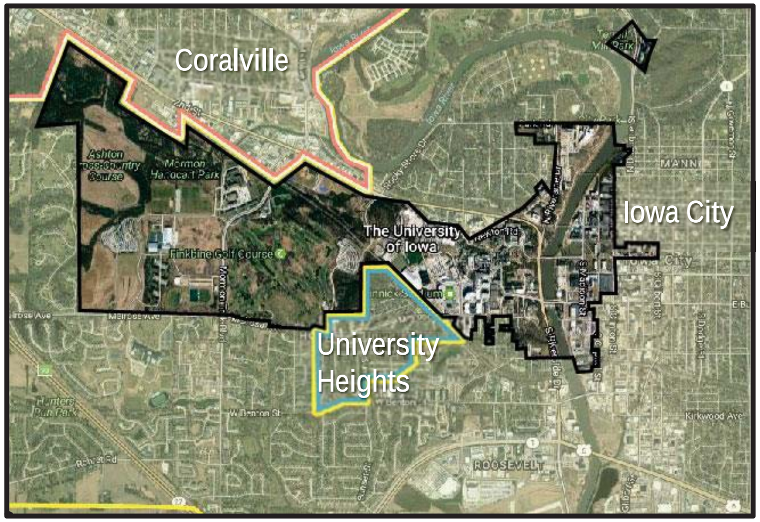
CAMPUS CONTEXT

GREATER CAMPUS REGION

AREA MAP



- Iowa City
- Coralville
- University Heights
- University of Iowa Campus
- University of Iowa Research Park



EXISTING CONDITIONS

STRATEGIC HOUSING MASTER PLAN

Challenges

- Loss of affordable housing options in close proximity to Downtown Iowa City
- Enrollment growth of university has increased pressure on rental options in surrounding neighborhoods
- Consistent on-campus housing supply has pushed increasing numbers of upper division and graduate students into the private rental market
- Proliferation of renter-occupied houses in neighborhoods that were once predominantly owner-occupied has reduced supply, diminished character, and strained resources

Goals

- Preserve affordable and walkable single-family housing options
- Concentrate multi-family development where infrastructure and resources are in place to support it
- Provide a better balance between owner- and renter-occupied housing units
- Consider possibilities (2ND year live-on) to increase on-campus housing supply to support enrollment growth and keep pressure off of the community

TOWN/GOWN BENCHMARKING

BENCHMARKING

TOWN/GOWN RELATIONSHIPS

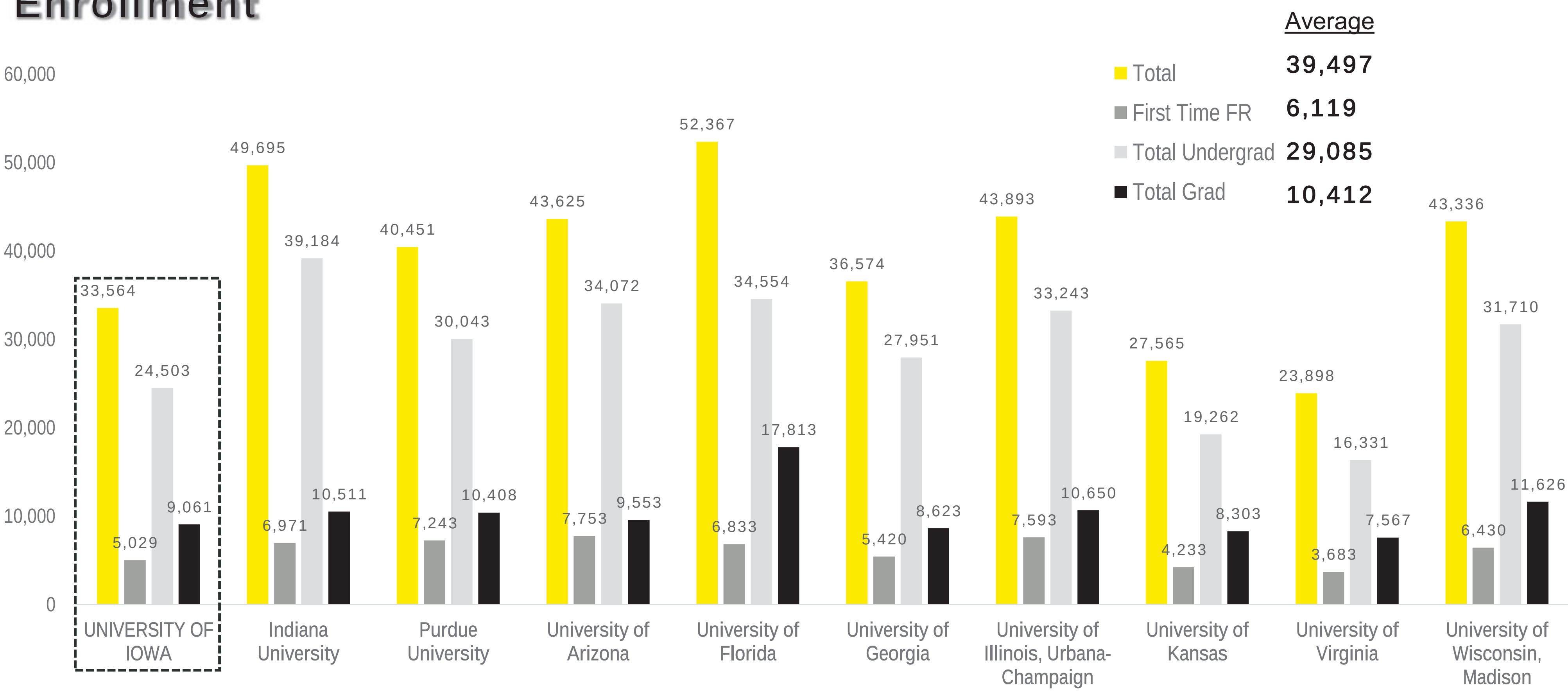
- **Studied 11 Town/Gown relationships**
  - Indiana University (Bloomington, IN)
  - Purdue University (West Lafayette, IN)
  - University of Arizona (Tucson, AZ)
  - University of Florida (Gainesville, FL)
  - University of Georgia (Athens-Clarke County, GA)
  - University of Illinois (Urbana, IL)
  - University of Illinois (Champaign, IL)
  - University of Kansas (Lawrence, Kansas)
  - University of Virginia (Charlottesville, VA)
  - University of Wisconsin (Madison, WI)
  - Colorado State University (Fort Collins, CO)

10 institutions/ 11 cities

COMPARATIVE DEMOGRAPHICS

ENROLLMENT

Enrollment



Sources: 2016 Common Data Sets; Institution's enrollment figures; UI 2017 enrollment data

COMPARATIVE DEMOGRAPHICS

FIRST-TIME FRESHMAN ON-CAMPUS HOUSING

University	First-Time Freshman Housing Capture Rate	Freshman Live-on Requirement
UNIVERSITY OF IOWA	**95%**	**N**
Indiana University	94%	Y
Purdue University	94%	N
University of Arizona	73%	N
University of Florida	83%	N
University of Georgia	98%	Y
University of Illinois, Urbana-Champaign	99%	Y
University of Kansas	64%	N
University of Virginia	100%	Y
University of Wisconsin, Madison	93%	N

NO **sophomore** live-on requirements

89% Average First-Time Freshmen capture rate

Sources: 2016 & 2015 Common Data Sets; Institutional housing policies; UI 2017 housing and enrollment data

COMPARATIVE DEMOGRAPHICS

ON-CAMPUS HOUSING

University	Total Enrollment	University Beds	Greek Beds	% Can House	Off-Campus Students
UNIVERSITY OF IOWA	**33,564**	**7,858**	**935**	**26%**	**24,771**
Indiana University	49,695	13,445	3,350	34%	32,900
Purdue University	40,451	12,950	2,925	39%	24,576
University of Arizona	43,625	6,921	1,175	19%	35,529
University of Florida	52,367	9,066	1,575	20%	41,726
University of Georgia	36,574	7,610	1,650	25%	27,314
University of Illinois, Urbana-Champaign	43,893	13,359	2,500	36%	28,034
University of Kansas	27,565	5,301	2,105	27%	20,159
University of Virginia	23,898	6,617	580	30%	16,701
University of Wisconsin, Madison	43,336	8,697	NA	20%	34,639
AVERAGE	39,497	9,182	1,866	28%	28,653

Recently/currently pursuing additional beds

Purdue University (current)
University of Kansas (current)
University of Florida (2016)
University of Arizona (2011)

NOT planning to increase capacity

Indiana University
University of Georgia
University of Illinois, Urbana-Champaign
University of Wisconsin-Madison
University of Virginia

University beds includes: Residence Halls, Graduate Housing, Private Certified Housing & Affiliated Housing

COMPARATIVE DEMOGRAPHICS

RENTAL HOUSING + STUDENT DEMAND

University	City	Off-Campus Students	"Student Oriented" Beds	% in "Student Oriented"
UNIVERSITY OF IOWA	IOWA CITY, IA CORALVILLE, IA	**24,771**	3,485	14.1%
UNIVERSITY OF IOWA (FUTURE)	*IOWA CITY, IA CORALVILLE, IA*	*25,446**	*6,404*	*25.2%*
Indiana University	Bloomington, IN	32,900	8,599	26.1%
Purdue University	West Lafayette, IN Lafayette, IN	24,576	9,234	37.6%
University of Arizona	Tucson, AZ	35,529	9,689	27.3%
University of Florida	Gainesville, FL	41,726	22,230	53.3%
University of Georgia	Athens, GA	27,314	11,282	41.3%
University of Illinois, Urbana-Champaign	Urbana, IL Champaign, IL	28,034	16,899	60.3%
University of Kansas	Lawrence, KS	20,159	5,466	27.1%
University of Virginia	Charlottesville, VA	16,701	5,315	31.8%
University of Wisconsin, Madison	Madison, WI	34,639	6,385	18.4%
	AVERAGE	28,635	9,898	33.7%

Sources: 2015 ACS 5-year Estimates, U.S. Census Bureau; CoStar

Iowa City / Coralville will add 2,919 "student-oriented" beds by 2019.

*Assumed 1% growth on the number of off-campus students to match enrollment growth assumption.

2,000 additional beds needed to reach average.

COMPARATIVE DEMOGRAPHICS

RENTAL HOUSING + STUDENT DEMAND

University	City	Off-Campus Students	"Student Oriented" Beds	% in "Student Oriented"	Non-Renters* (Living w/ Parents or Owners)	Students Residing in General Rental Market
UNIVERSITY OF IOWA	IOWA CITY, IA CORALVILLE, IA	**24,771**	3,485	14.1%	1,239	20,047
UNIVERSITY OF IOWA (FUTURE)	*IOWA CITY, IA CORALVILLE, IA*	*25,446**	*6,404*	*25.2%*	*1,272*	*17,770*
Indiana University	Bloomington, IN	32,900	8,599	26.1%	1,645	22,656
Purdue University	West Lafayette, IN Lafayette, IN	24,576	9,234	37.6%	1,229	14,113
University of Arizona	Tucson, AZ	35,529	9,689	27.3%	1,776	24,064
University of Florida	Gainesville, FL	41,726	22,230	53.3%	2,086	17,410
University of Georgia	Athens, GA	27,314	11,282	41.3%	1,366	14,666
University of Illinois, Urbana-Champaign	Urbana, IL Champaign, IL	28,034	16,899	60.3%	1,402	9,733
University of Kansas	Lawrence, KS	20,159	5,466	27.1%	1,008	13,685
University of Virginia	Charlottesville, VA	16,701	5,315	31.8%	835	10,551
University of Wisconsin, Madison	Madison, WI	34,639	6,385	18.4%	1,732	26,522
	AVERAGE	28,635	9,898	33.7%	1,432	17,345

Sources: 2015 ACS 5-year Estimates, U.S. Census Bureau; CoStar

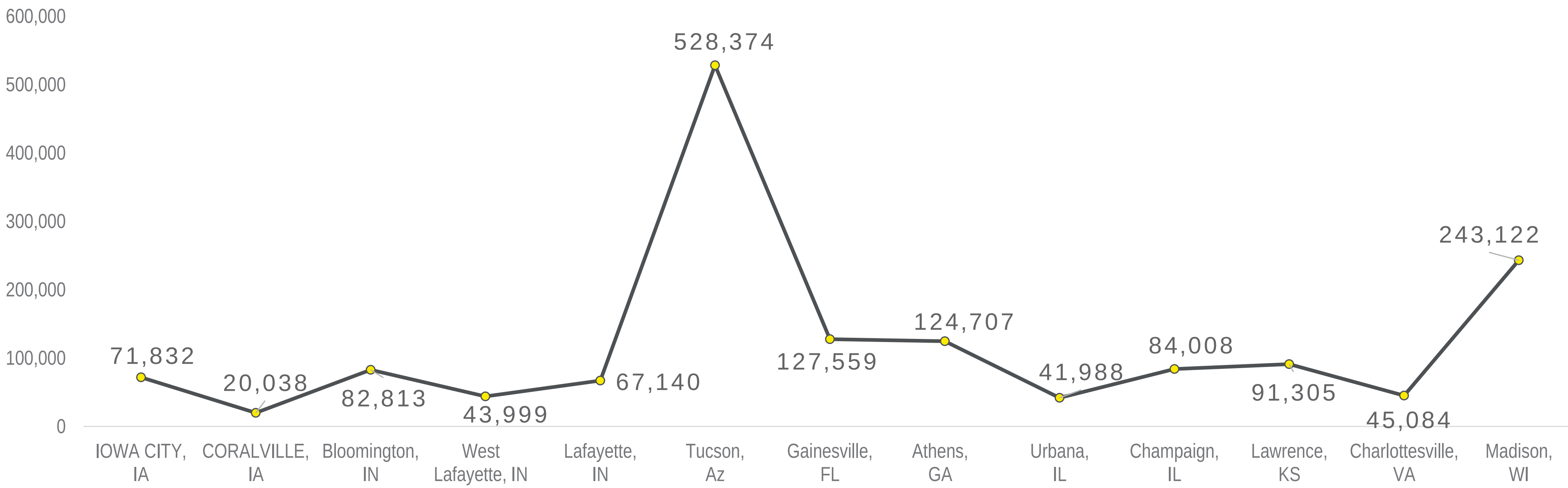
*5% of off-campus students

COMPARATIVE DEMOGRAPHICS

CITY POPULATOINS

Population Estimates

Average Population: 125,402



Sources: 2015 ACS 5-year Estimates, U.S. Census Bureau

COMPARATIVE DEMOGRAPHICS

HOUSING

University	City	Total Housing Units	% SF	% MF	% Owner Occupied	% Rent Occupied	Rental Vacancy Rate
UNIVERSITY OF IOWA	IOWA CITY, IA	**30,259**	**55%**	**45%**	**48%**	**52%**	**2%**
	CORALVILLE, IA	**8,287**	**58%**	**42%**	**55%**	**45%**	**5%**
Indiana University	Bloomington, IN	33,388	46%	54%	34%	66%	5%
Purdue University	West Lafayette, IN	14,836	38%	62%	30%	70%	3%
	Lafayette, IN	33,122	63%	37%	47%	53%	6%
University of Arizona	Tucson, AZ	206,342	66%	34%	49%	51%	9%
University of Florida	Gainesville, FL	56,924	47%	53%	38%	62%	11%
University of Georgia	Athens, GA	51,529	57%	43%	41%	60%	12%
University of Illinois, Urbana-Champaign	Urbana, IL	17,915	45%	55%	38%	62%	9%
	Champaign, IL	36,803	56%	44%	47%	53%	7%
University of Kansas	Lawrence, KS	38,189	62%	38%	46%	54%	7%
University of Virginia	Charlottesville, VA	19,886	62%	38%	44%	56%	5%
University of Wisconsin, Madison	Madison, WI	108,824	49%	51%	48%	52%	2%
	Average	54,690	54%	46%	43%	57%	6%

Sources: 2015 ACS 5-year Estimates, U.S. Census Bureau

COMPARATIVE DEMOGRAPHICS

RENTAL HOUSING + STUDENT DEMAND

University	City	Off-Campus Students in General Renter Market	Off-Campus Units Occupied by Students	Total Rental Units	Total Rentals Units (Excluding. SO)	% of General Rental Market Occupied by Students
UNIVERSITY OF IOWA	IOWA CITY, IA CORALVILLE, IA	20,047	8,910	15,157 3,494	16,867	53%
UNIVERSITY OF IOWA (FUTURE)	*IOWA CITY, IA* *CORALVILLE, IA*	17,770	7,898	16,125 4,625	19,251	41%
Indiana University	Bloomington, IN	22,656	10,069	20,032	16,289	62%
Purdue University	West Lafayette, IN Lafayette	14,113	6,273	9,334 16,225	21,486	29%
University of Arizona	Tucson, AZ	24,064	10,695	105,668	101,470	11%
University of Florida	Gainesville, FL	17,410	7,738	29,886	21,414	36%
University of Georgia	Athens, GA	14,666	6,518	25,807	21,380	30%
University of Illinois, Urbana-Champaign	Urbana, IL Champaign, IL	9,733	4,326	9,678 17,565	19,794	22%
University of Kansas	Lawrence, KS	13,685	6,082	18,880	16,609	37%
University of Virginia	Charlottesville, VA	10,551	4,689	10,017	7,866	60%
University of Wisconsin, Madison	Madison, WI	26,522	11,788	54,294	50,528	23%
	AVERAGE	17,345	7,709	33,604	29,370	36%

Sources: 2015 ACS 5-year Estimates, U.S. Census Bureau; CoStar

**Off-campus students in general renter market divided by 2.25 students to estimate number of off-campus units occupied by students*

TOWN/GOWN BENCHMARKING

SUMMARY

- When compared to other institutions, UI has a similar percentage of students residing in university and affiliated housing
- The off-campus community surrounding UI offers the smallest inventory of "student-oriented" properties
  - Accounting for large developments in the pipeline this number remains below the average for comparable campus towns
- The limited number of large-scale student housing developments in combination with low vacancy rates and proximity between university & downtown creates housing shortages and incompatibility issues

TOWN/GOWN CASE STUDIES

CASE STUDIES

GENERAL TOWN/GOWN HOUSING THEMES

Overall Housing Issues

- Single-family neighborhood encroachment by student renters is common
  - Dependent on location of campus in relation to downtown, geographic boundaries, and size of metro area
- Several institutions have seen student renters vacating house rentals for new purpose-built, amenitized developments
- Housing affordability issues due to low vacancy rates & large institutions affect not only students but general market
  - Affordable inventory (rent & own) pushed further from core and available transportation, resources, and amenities

Town/Gown Relationships

- Most common partnerships are developed in response to housing conflicts (i.e. outreach groups, committees, university neighborhood associations)
- Several institutions have proactively developed formal partnerships to guide development
  - P3 developments, infrastructure projects, collaboration on strategic plans
  - Joint funding of projects to spur development
- Limited coordination in understanding student housing-specific supply/demand

Proactive Development Strategies

- Identify **Development Districts** to encourage higher-density projects in locations that have seen a heavy proliferation of student renters and/or have convenient access to transit, amenities, and resources
- Removing **development barriers**:
  - Eliminating parking & FAR requirements
  - Increasing downtown/near campus densities
  - Up-zoning SF neighborhoods eroded by rentals beyond repair
- **Down-zoning** specific neighborhoods to preserve single-family character
- **TIF Districts** used to help fund infrastructure improvements, owner/occupancy rehab program, and to allow for greater control
- **Infrastructure projects** as a development catalyst

Reactive Development Strategies

- Occupancy limits
- Noise ordinances
- Rental housing inspection programs run by the city
- Behavioral programs / **educational outreach** for student renters ("how to be a good neighbor")
- Affordable Housing **Owner/Occupancy rehab** & ownership assistance programs

CASE STUDIES

PURDUE UNIVERSITY, WEST LAFAYETTE

Interlocal Cooperation Agreement

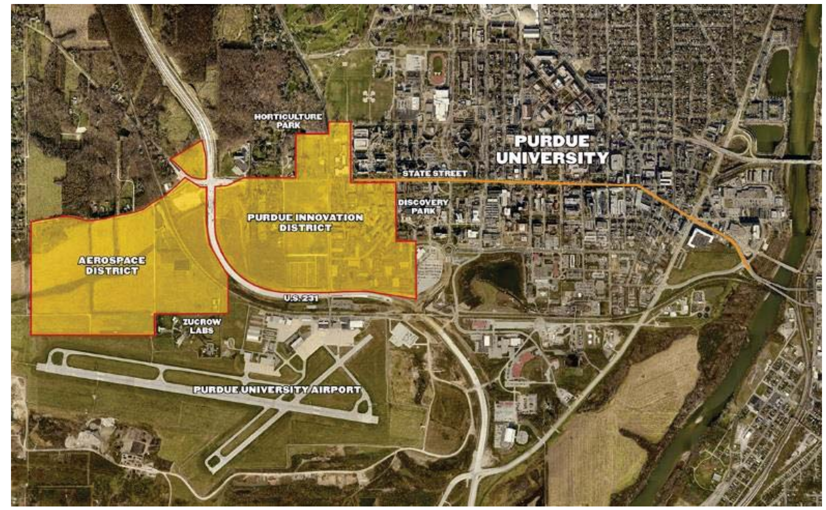
- Purdue University annexed into West Lafayette in 2014
  - GOAL: foster private development, attract Purdue grads & entrepreneurs
  - Joint Board & Management Team comprised of mayoral and Purdue president appointees

State Street Corridor Project

- DEVELOPMENT CATALYST: Infrastructure improvements to prime corridor for development
- $120 million joint funded infrastructure project
  - Roadway, streetscape, bike/ped improvements
- GOAL: Attract large student housing developments around “State Street corridor project” and away from single-family neighborhoods
  - 2,000-3,000 new beds by 2019
  - TIF district utilized with housing developments that can be taxed to capture the “increment”
- Innovation District Master Plan
  - Joint Foundation + West Lafayette Master Plan
  - $1 billion investment to attract tech companies with Purdue partnerships
  - 7 million sf (research facilities, office, retail, conference, hotel space)

University Housing

- Expand to house up to 50% of undergraduates



City Contact: Erik Carlson, Director of Development

CASE STUDIES

UNIVERSITY OF ILLINOIS, URBANA & CHAMPAIGN

Student Housing Issues

- Mixed housing leads to zoning and neighborhood compatibility issues
- Tax base erosion from University land purchases (30% tax exempt)
- Developers have more leverage with "twin cities"
  - Champaign: removed from campus and single family neighborhoods not threatened by student renters; removed development barriers (parking/ FAR requirement)
  - Urbana: restrictive regulation on multi-family development; outreach programs to influence behaviors and limit conflicts

Gregory Place Apartments

- P3 development that allowed UIUC to add housing/retail and generates tax revenue:
  - University owns the land and developer owns the improvements
  - City preserves tax base by levying property taxes on improvements
- University and City agreement established regarding intensity of development
- Urbana created a new district around the site with higher review standards to protect city and university interests

Private Certified Housing

- Privately-owned and operated housing that fulfills UIUC live-on requirement
- Buildings are inspected by Champaign
- Allows university to expand capacity without building

City Contact: Elizabeth Tyler, City Planner/ Community Development

CASE STUDIES

UNIVERSITY OF WISCONSIN, MADISON

Significant Housing Growth

- Strong rental market with low vacancy rates driven by UW student demand shifts and general population growth
- Developments began on "easy" sites; transitioned to large projects downtown, focus shifting to neighborhoods adjacent to SF neighborhoods

Housing Strategy Committee

- Bankers, realtors, developers, and UW real estate faculty issue annual housing report recommending:
  - Student high-rise district, up-zone & allow for micro-units near campus
  - Connect Madison Economic Development Strategy

Connect Madison

Development Districts

- Identify areas beyond downtown with capacity for more intense development
  - Near transit, proximate to retail & amenities that could support additional units

Land Banking

- City purchasing large parcels and subsidizing for development
  - RFP's issued to outline development objectives
- Looking to create a fund for repositioning parcels and establish acquisition targets and outcomes

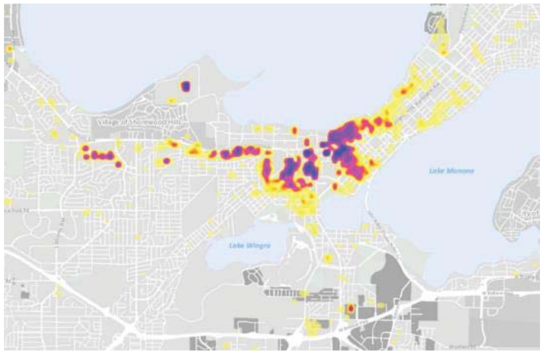
City Contact: Matt Wachter, Housing Strategist, City of Madison

TIF Districts

- TIF district funds revitalization of neighborhoods that lost student renters
  - Increment from the new developments captured to help fund transition from rental to owner occupied units
  - $80,000 loans for renovation, debt forgiven, land restricted to owner occupied for 10 years

Affordable Student Housing

- City investigating partnership with university financial aid
  - Refer students from low-income families to live in TIF funded building (ex. with 10% below market rate student units)



Source: 2016 Madison Biennial Housing Report

BRAILSFORD & DUNLAVEY

CASE STUDIES

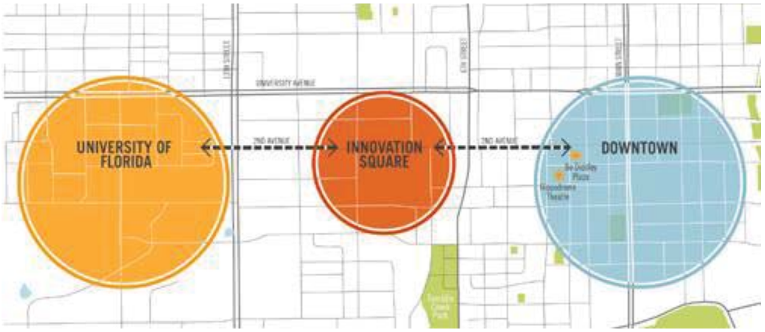
UNIVERSITY OF FLORIDA, GAINESVILLE

College Park / University Heights Redevelopment Area

- University expansion
- Concentrate students within walking / biking distance to campus
- Encouraging technology / medical related research and enterprises to commercial and industrial districts currently under utilized
- 5 infrastructure improvement projects completed to prime area for development

Innovation Square:

- Tech / science / research oriented development with housing and commercial space
- Collaboration between Gainesville Community Redevelopment Agency, University of Florida, and City of Gainesville
- Reclaimed 16 acres between downtown Gainesville and University of Florida
- Community Redevelopment Agency streamlined and simplified zoning code to allow for flexibility and spur mixed-use development in area
- Infinity Hall: 312 bed University Housing project opened in fall 2015
  - Entrepreneurial LLC
  - P3 with Signet Development



CASE STUDIES

COLORADO STATE UNIVERSITY, FORT COLLINS

Community Housing Shortage

- Low-vacancy rates, limited supply of multi-family housing, increasing rents
- Enrollment, young professional & retirement population growth
- Single-family neighborhood preservation issues
- National development companies focused on student housing market

Student Housing Action Plan (2013)

- Joint group of City and University representatives
- *"The purpose of this effort was to work with Colorado State University (CSU), Front Range Community College (FRCC), neighbors, students, property owners, developers, and other stakeholders to identify **strategies to address the increasing need for multi–family student housing**, identify key issues for development or redevelopment, and identify potential impacts and compatibility issues"*
- Examines enrollment growth, current on-campus beds and pipeline off-campus projects to evaluate supply & demand of student housing in Fort Collins

Community Liaison

- Position began in 2001; **joint funded by city and university**
- Time split in half between the entities
- Brings student voice to planning boards

City Contact: Emily Allen – Community Liaison & Cameron Gloss

Infrastructure / Transit Projects

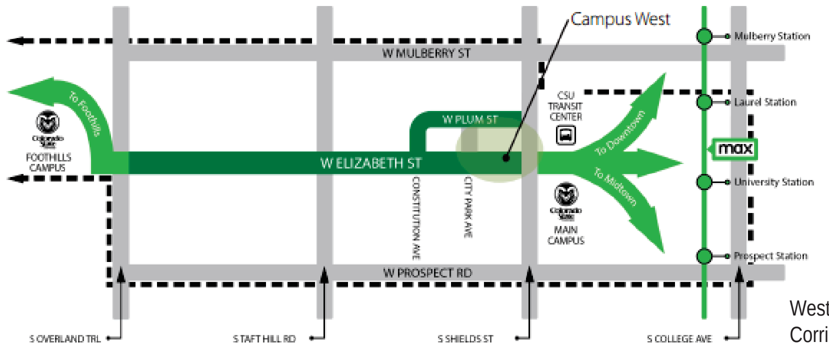
- **Transportation improvements:** BART, West Elizabeth Transit Corridor
- Development catalysts

West Central Area Plan

- Neighborhood plan focused on a district with a high density of students near CSU's campus (79% rentals)

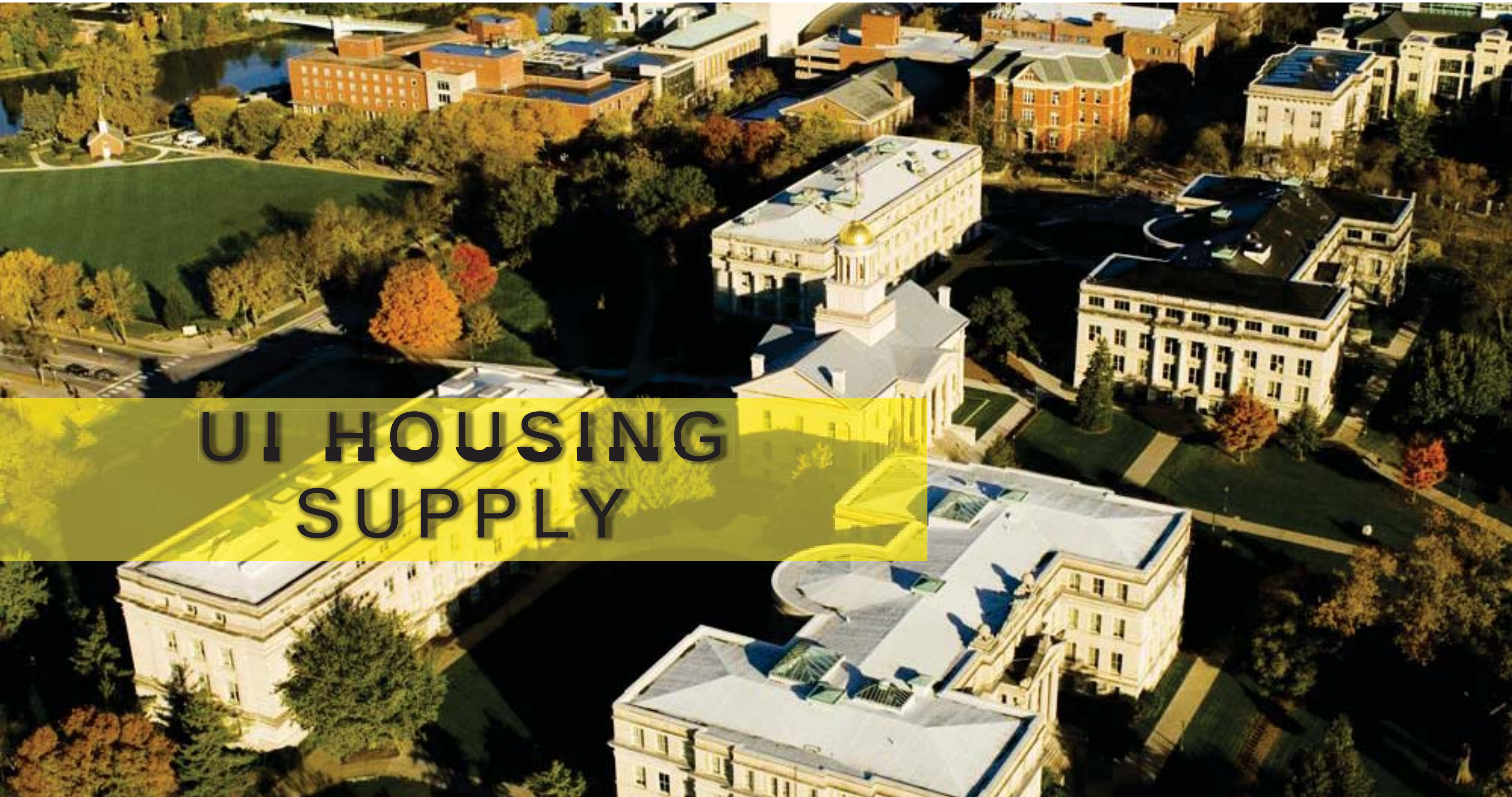
University Housing

- Used off-campus housing as an example to build a competitive product for upper division and international students
- **University goals of providing housing for all freshmen, international students & 25% of returning students**



West Elizabeth Transit Corridor Plan

UI HOUSING SUPPLY



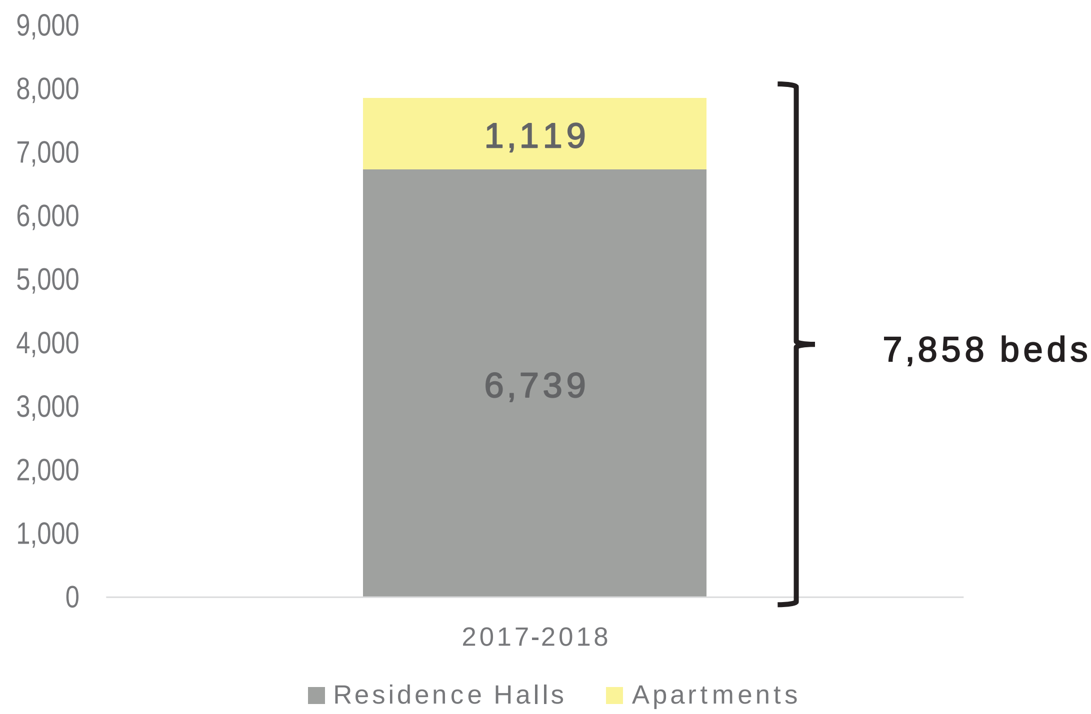
UNIVERSITY HOUSING

SUPPLY – FALL 2017

Residence Halls	Capacity
Burge Hall	992
Catlett Hall	1,049
Currier Hall	628
Daum Hall	330
Hillcrest Hall	824
Mayflower Hall	1,027
Petersen Hall	516
Rienow Hall	488
Slater Hall	489
Stanley Hall	396

Apartments	Capacity
Bloomington House	48
Centerstone	118
Dubuque South	59
Aspire at West Campus	894

University Housing Breakdown



*Apartment supply includes Aspire and leased beds

THE UNIVERSITY OF IOWA

UNIVERSITY HOUSING

CURRENT CAPTURE RATES & ENROLLMENT

Classification	Existing Capture Rates	Current Occupants (Fall 2017)
First-Time Freshmen	95%	4,756
Sophomores	15%	918
Other undergraduates	6%	750
Graduate/Prof Students	10%	894
ALL	**22%**	**7,318**

University of Iowa Enrollment: ***Assumes 1% annual increases through Fall 2020***

	Fall 2017 (Actual)	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025
First-Time Freshmen	5,029	5,079	5,130	5,181	5,233	5,233	5,233	5,233	5,233
Sophomores	5,945	6,005	6,065	6,125	6,187	6,187	6,187	6,187	6,187
Juniors	5,754	5,811	5,869	5,928	5,987	5,987	5,987	5,987	5,987
Seniors	6,196	6,258	6,321	6,384	6,448	6,448	6,448	6,448	6,448
Other Undergrads	1,579	1,595	1,611	1,627	1,643	1,643	1,643	1,643	1,643
Post-Graduates	1,353	1,367	1,381	1,394	1,408	1,408	1,408	1,408	1,408
Professionals	1,879	1,898	1,917	1,936	1,955	1,955	1,955	1,955	1,955
Graduate Students	5,829	5,887	5,946	6,005	6,065	6,065	6,065	6,065	6,065
	33,564	33,900	34,239	34,581	34,927	34,927	34,927	34,927	34,927

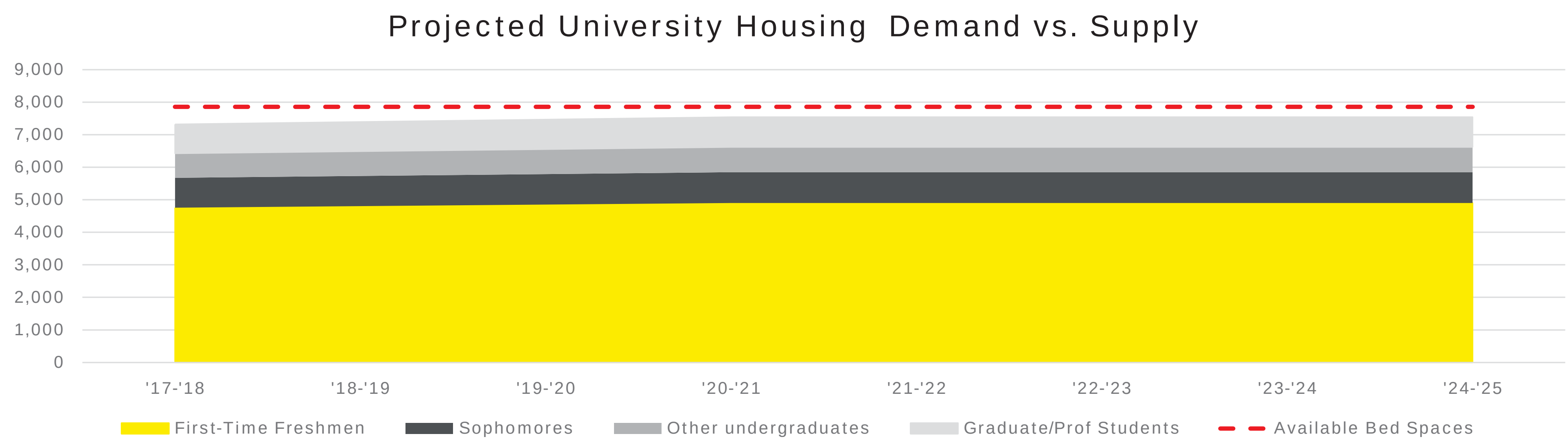
*Enrollment growth based on Board of Regents report from February 24-25, 2016 stating *"enrollment at the University of Iowa is projected to steadily increase from the FY2016 enrollment of 32,150 to 34,599 in FY2021"*

UNIVERSITY HOUSING

FUTURE HOUSING NEED

Projected University Housing Needs – Assuming same capture rates

	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025
First-Time Freshmen	4,756	4,804	4,852	4,900	4,900	4,900	4,900	4,900	4,900
Sophomores	918	927	936	946	946	946	946	946	946
Other undergraduates	750	758	765	773	773	773	773	773	773
Graduate/Prof Students	894	903	912	921	921	921	921	921	921
Total Demand	7,318	7,391	7,465	7,540	7,540	7,540	7,540	7,540	7,540



UNIVERSITY HOUSING

2nd YEAR LIVE-ON REQUIREMENT

2nd Year Housing Residents	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025
At Current Capture Rates	918	927	936	946	955	955	955	955	955
After Policy Enforcement									
65% capture rate	3,864	3,903	3,942	3,981	4,021	4,021	4,021	4,021	4,021
70% capture rate	4,162	4,203	4,245	4,288	4,331	4,331	4,331	4,331	4,331
75% capture rate	4,459	4,503	4,548	4,594	4,640	4,640	4,640	4,640	4,640
Additional Beds Needed to Accommodate 2nd Year Live-On									
65% capture rate	2,755	2,565	2,657	2,750	2,843	2,843	2,843	2,843	***2,843***
70% capture rate	3,052	2,865	2,960	3,056	3,153	3,153	3,153	3,153	***3,153***
75% capture rate	3,349	3,166	3,264	3,362	3,462	3,462	3,462	3,462	***3,462***

Projected need for 2,845 – 3,462 NEW beds to handle 2nd year live-on requirement by 2025

DISCUSSION & NEXT STEPS

DISCUSSION & NEXT STEPS

STRATEGIC HOUSING MASTER PLAN

- Confirm assumptions & data
- Additional research on best practice "specifics"
- Develop strategies for UI / Iowa City / Coralville
- Market sounding
  - Preliminary conversations to solicit development community feedback intended to gauge interest, market conditions, and feasibility
  - Can be done through either informal one-on-one conversations or a more structured RFI process

STRATEGIC HOUSING MASTER PLAN

UNIVERSITY OF IOWA, IOWA CITY & CORALVILLE

BRAILSFORD & DUNLAVEY

INSPIRE. EMPOWER. ADVANCE.

This page has been left intentionally blank.

APPENDIX B

STRATEGIC HOUSING MASTER PLAN

UNIVERSITY OF IOWA, IOWA CITY & CORALVILLE

JULY 27, 2017

BRAILSFORD & DUNLAVEY
INSPIRE. EMPOWER. ADVANCE.

AGENDA

STRATEGIC HOUSING MASTER PLAN

1 Review of Findings / Context

2 Strategies

3 Discussion & Next Steps

AGENDA

STRATEGIC HOUSING MASTER PLAN

- **Work Completed**
  - Project Initiation / Strategic Analysis
  - On-Campus Housing Scenarios
  - Case Studies / Best Practices
  - Off-Campus Market Research
  - Strategy Development

- Indiana University (Bloomington, IN)
- Purdue University (West Lafayette, IN)
- University of Arizona (Tucson, AZ)
- University of Florida (Gainesville, FL)
- University of Georgia (Athens-Clarke County, GA)
- University of Illinois (Urbana, IL)
- University of Illinois (Urbana-Champaign, IL)
- University of Kansas (Lawrence, Kansas)
- University of Virginia (Charlottesville, VA)
- University of Wisconsin (Madison, WI)
- Colorado State University (Fort Collins, CO)

CAMPUS CONTEXT

TOWN/GOWN HOUSING

PROBLEM STATEMENT

University Housing:

Compared to peers, UI has a similar percentage of students residing in university and affiliated housing

- Infiltration of single-family neighborhoods with student renters

- Diminished supply of owner-occupied housing options close to downtown

Private Housing Options:

Rental options in Iowa City / Coralville offer the smallest inventory of large-scale, “student-oriented” properties in close proximity to campus

COMPARATIVE DEMOGRAPHICS

RENTAL HOUSING + STUDENT DEMAND

University	City	Off-Campus Students	"Student Oriented" Beds	% in "Student Oriented"
UNIVERSITY OF IOWA	IOWA CITY, IA CORALVILLE, IA	**24,771**	3,485	14.1%
UNIVERSITY OF IOWA (FUTURE)	*IOWA CITY, IA CORALVILLE, IA*	*25,446**	*6,404*	*25.2%*
Indiana University	Bloomington, IN	32,900	8,599	26.1%
Purdue University	West Lafayette, IN Lafayette, IN	24,576	9,234	37.6%
University of Arizona	Tucson, AZ	35,529	9,689	27.3%
University of Florida	Gainesville, FL	41,726	22,230	53.3%
University of Georgia	Athens, GA	27,314	11,282	41.3%
University of Illinois, Urbana-Champaign	Urbana, IL Champaign, IL	28,034	16,899	60.3%
University of Kansas	Lawrence, KS	20,159	5,466	27.1%
University of Virginia	Charlottesville, VA	16,701	5,315	31.8%
University of Wisconsin, Madison	Madison, WI	34,639	6,385	18.4%
	AVERAGE	28,635	9,898	33.7%

Sources: 2015 ACS 5-year Estimates, U.S. Census Bureau; CoStar

Iowa City / Coralville will add 2,919 "student-oriented" beds by 2019.

2,000 additional beds needed to reach average.

*Assumed 1% growth on the number of off-campus students to match enrollment growth assumption.

TOWN/GOWN HOUSING
STRATEGY

If we provide more <u>student-oriented</u>, <u>"certified / affiliated"</u>, or <u>on-campus beds</u>:

- Percentage of general rental market options occupied by students decreases,
- Percentage of student renters in purpose-built student housing increases, and
- Single-family neighborhoods transition back to owner-occupied housing.

Before:

After:

On-campus Housing
General Rental Market
Student Oriented
Non-renters Off Campus

TOWN/GOWN HOUSING

STRATEGIES

Hybrid Approach

Private Market Strategies

- Development zones / incentives
- Land banking
- Partnership with existing land owners

Hybrid Approach

- Certified/affiliated off-campus housing
- Jointly-funded infrastructure investment
- Private rental housing with university services

UI Strategies

- 2nd year live-on
- Capture unmet demand

STRATEGIES

STRATEGIES

SPUR PRIVATE DEVELOPMENT

Private Market Solutions

- Zoning overlay districts in strategic areas that **incentivize development in strategic areas**
- Lawrence, Kansas: Oread Neighborhood Plan (2010)
  - **Design guidelines** paired with 5 overlay districts
  - Zones planned specifically for student housing development (District 2 – High Density)
  - **Lot consolidation** & large scale development allowed
    - The HERE at Lawrence: 1st project as a result of plan
  - **Upzoned SF area that was run-down by student rentals for higher intensity use** (mainly in medium density – District 3)
  - Single-family housing preservation (Historic Districts)

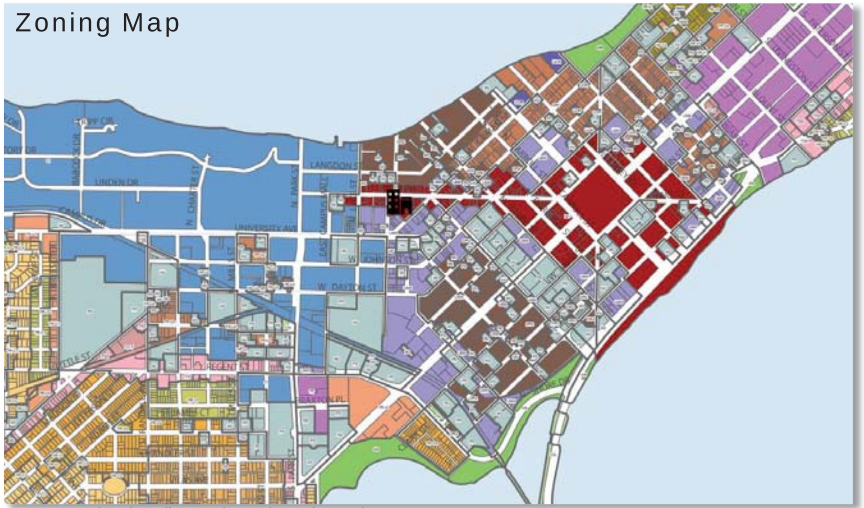
Sources: City of Lawrence, Kansas

The HERE at Lawrence

Private Market Solutions

- Strategic acquisition of land
  - Development Map linked to **land banking** efforts resulting in parcel repositioning via RFP process
- Areas where students live proximate to downtown and campus are predominately zoned:
  - PD Planned Development District
  - Downtown Core District
  - Urban Mixed Use District
  - Downtown Residential 2
  - Both DC and UMX have stricter review standards and fall under the Downtown Urban Design Guidelines
- Downtown Height Map
  - Secondary map outlines 8 areas where buildings can exceed max by 2 stories
  - Existing buildings higher than max are allowed to be redeveloped at their existing height as a Conditional Use

Zoning Map



Sources: City of Madison, Wisconsin zoning code

Additional Height Map

The HUB at Madison

Private Market Solutions

Partnerships with Existing Property Owners

- Limited land availability in close proximity to campus
  - Desirable land is concentrated with several local owners
- Opportunity to capitalize on relationships with local developers / land owners to (re)develop / densify their land

Single-Family Housing Investment

- Property tax increment from new development goes towards single-family home rehab
- TIF Districts established to fund UniverCity program

STRATEGIES

MIXED-USE DEVELOPMENT ON UNIVERSITY LAND

Hybrid Solution: Mixed-Use

UW-Madison 333 East Campus Mall

- Integrates private student housing and University services
  - 350 apartment units
  - 130,000 sf retail space (grocery store, Walgreens, food court, small retail)
  - 225,000 sf of student services space
- On University land
  - University floors are UW-M owned condos (3-12)

UIUC Gregory Place Apartments

- P3 development that allowed UIUC to add housing/retail and generates tax revenue:
  - University owns the land and developer owns the improvements
  - City preserves tax base by levying property taxes on improvements
- University and City agreement established regarding intensity of development
- Urbana created a new district around the site with higher review standards to protect city and university interests

333 E Campus Mall

Gregory Place Apartments

UW Student Services Tower Tenants by Floor

11	Registrar/Vice Provost Office
10	Bursar/Registrar
9	Financial Aid
8	University Health Services
7	University Heath Services: Counseling
6	University Health Services
5	University Health Services
4	Student Activity Center
3	Student Activity Center
2	Retail
1	Retail

Hybrid Solution: Certified / Affiliated Housing

University of Illinois Private Certified Housing

- Provides approximately 3,000 beds across 15 facilities
- All on privately-owned land
- Fulfills 1st year live-on requirement but must meet Private Certified Housing Certification Standards
  - Residence Life Programming and Facility Inspections

Relevance to UI

- Provides UI an opportunity to encourage new purpose-built student housing that adheres to certain standards (pricing, quality, programming)
- In exchange for certification / affiliation, developers would reduce occupancy risk
- Could fulfill future live-on requirement and spare UI the expense of constructing all new housing

STRATEGIES

2nd YEAR LIVE-ON REQUIREMENT

University Solution: 2nd Year Live-On

2nd Year Housing Residents	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025
At Current Capture Rates	918	927	936	946	955	955	955	955	955
After Policy Enforcement									
65% capture rate	3,864	3,903	3,942	3,981	4,021	4,021	4,021	4,021	4,021
70% capture rate	4,162	4,203	4,245	4,288	4,331	4,331	4,331	4,331	4,331
75% capture rate	4,459	4,503	4,548	4,594	4,640	4,640	4,640	4,640	4,640
Additional Beds Needed to Accommodate 2nd Year Live-On									
65% capture rate	2,755	2,565	2,657	2,750	2,843	2,843	2,843	2,843	***2,843***
70% capture rate	3,052	2,865	2,960	3,056	3,153	3,153	3,153	3,153	***3,153***
75% capture rate	3,349	3,166	3,264	3,362	3,462	3,462	3,462	3,462	***3,462***

Projected need for approximately 3,150 NEW beds

STRATEGIES

PROJECTED SPACE NEEDS

How would we accommodate this?

- Potential program options:
- 5 phases of 600 beds each
- Semi-suite units with appropriate community space (275 GSF / Bed)
- Dining included in 1st phase and 4th phase to accommodate new on-campus students

Project Summary	Housing SF	Dining SF	TOTAL
Project 1	165,200	34,800	200,000
Project 2	165,200		165,200
Project 3	165,200		165,200
Project 4	165,200	23,700	188,900
Project 5	165,200		165,200
TOTAL	826,000	58,500	884,500

Project #1 - Housing Program

Space	Unit SF	Quantity	Total SF	Occupants/Unit	Total Occupants
Student Rooms					
Semi-Suite (single)	450	20	9,000	2	40
Semi-Suite (double)	550	136	74,800	4	544
RA / Staff Rooms					
RA / Peer Mentor Single	350	15	5,250	1	15
RD Apartment (2BR Apt)	900	1	900	1	1
				Total Number of Beds	600
Resident Services					
Laundry Rooms	800	2	1,600		
Mail / Package Services	500	1	500		
Vending	80	1	80		
Public Restrooms	80	2	160		
Social / Program Spaces					
Building Lobby / Entry	1000	1	1,000		
Community Lounge	750	2	1,500		
Multipurpose Rooms	800	2	1,600		
Floor Lounges	350	10	3,500		
Study Rooms	150	10	1,500		
Housing Admin Space					
Front Desk	500	1	500		
Front Desk Storage	100	1	100		
Reception / Sitting Area	200	1	200		
Mail / Package Room	500	1	500		
Open Work Area - Student Staff	250	1	250		
Campus Housing Staff Offices	120	3	360		
Floor Support Spaces					
Custodial Closet	100	10	1,000		
Trash / Recycling Rooms	100	10	1,000		
Supply Storage	80	4	320		
Building Storage	750	1	750		
IT / Electrical Rooms	100	10	1,000		
Total Net Square Footage			107,370		
Building Core & Circulation at		65%	57,830		
Gross Square Footage			165,200		

STRATEGIES

PHASING

- $350M+ projected project costs for full implementation to accommodate 2nd year live-on housing needs
- **Phasing options:**
  - Increase scale of individual projects
  - Opportunities to "ease" into policy enforcement

Building	Beds	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025	Fall 2026	Fall 2027
Residence Halls											
Future Project #1	600	Offline	Offline	Offline	Online	Online	Online	Online	Online	Online	Online
Future Project #2	600	Offline	Offline	Offline	Offline	Online	Online	Online	Online	Online	Online
Future Project #3	600	Offline	Offline	Offline	Offline	Offline	Online	Online	Online	Online	Online
Future Project #4	600	Offline	Offline	Offline	Offline	Offline	Offline	Online	Online	Online	Online
Future Project #5	600	Offline	Offline	Offline	Offline	Offline	Offline	Offline	Online	Online	Online
TOTAL NEW BEDS		0	0	0	600	1,200	1,800	2,400	3,000	3,000	3,000

STRATEGIES

FURTHER EXPLORATION

Additional Questions

- Land available to accommodate new on-campus neighborhood(s) or add scale to existing
  - Provide appropriate student life resources and academic support services
- Examine various delivery methods including public-private partnerships
- Explore upperdivision housing demand absent a live-on requirement
  - *How many additional upperdivision students would choose to live in university housing if provided at the optimal location, unit mix, and price point?*

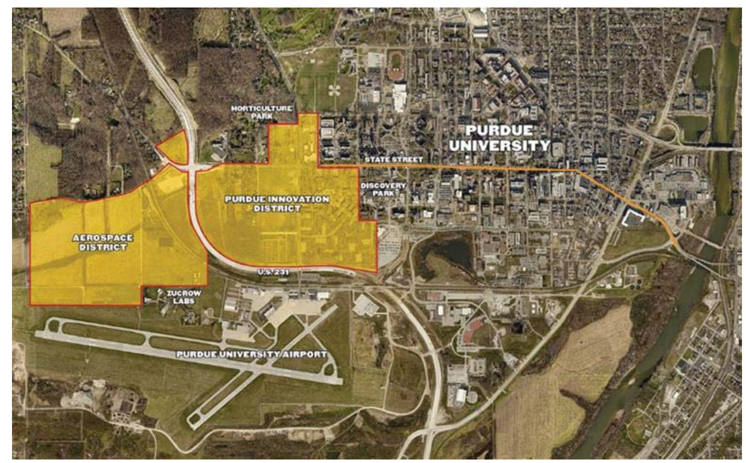
Classification	Existing Capture Rates	Current Occupants (Fall 2017)
First-Time Freshmen	95%	4,756
Sophomores	15%	918
Other undergraduates	6%	750
Graduate/Prof Students	10%	894
ALL	**22%**	**7,318**

STRATEGIES

PURDUE UNIVERSITY

Purdue University – Innovation Place Apartments

- 841 bed mixed-use apartment complex
- Designated for upperdivision and graduate students
- "Academicizing housing" - strong ties between housing and academic units
- 1st phase of goal to provide on-campus housing for **50%** of student population (3,000 new beds)



Private Market Solutions

- Development zones / incentives to spur new off-campus student housing
- Land banking - strategic acquisition of land for future development purposes
- Partnerships with existing land owners to (re)develop land

Hybrid Approach

- Certified / affiliated housing
- Private rental housing on university land
- Jointly-funded infrastructure investments

UI Strategies

- 2nd year live-on requirement

Option 1

- Capture unmet demand

Private Market Solutions

- Development zones / incentives to spur new off-campus student housing
- Land banking - strategic acquisition of land for future development purposes
- Partnerships with existing land owners to (re)develop land

Hybrid Approach

- Certified / affiliated housing
- Private rental housing on university land
- Jointly-funded infrastructure investments

UI Strategies

- 2nd year live-on requirement
- Capture unmet demand

Option 1A

Private Market Solutions

- Development zones / incentives to spur new off-campus student housing
- Land banking - strategic acquisition of land for future development purposes
- Partnerships with existing land owners to (re)develop land

Option 2

Hybrid Approach

- Certified / affiliated housing
- Private rental housing on university land
- Jointly-funded infrastructure investments

UI Strategies

- 2nd year live-on requirement
- Capture unmet demand

Private Market Solutions

- Development zones / incentives to spur new off-campus student housing
- Land banking - strategic acquisition of land for future development purposes
- Partnerships with existing land owners to (re)develop land

Hybrid Approach

- Certified / affiliated housing
- Private rental housing on university land
- Jointly-funded infrastructure investments

Option 3

UI Strategies

- 2nd year live-on requirement
- Capture unmet demand

Private Market Solutions

- Development zones / incentives to spur new off-campus student housing
- Land banking - strategic acquisition of land for future development purposes
- Partnerships with existing land owners to (re)develop land

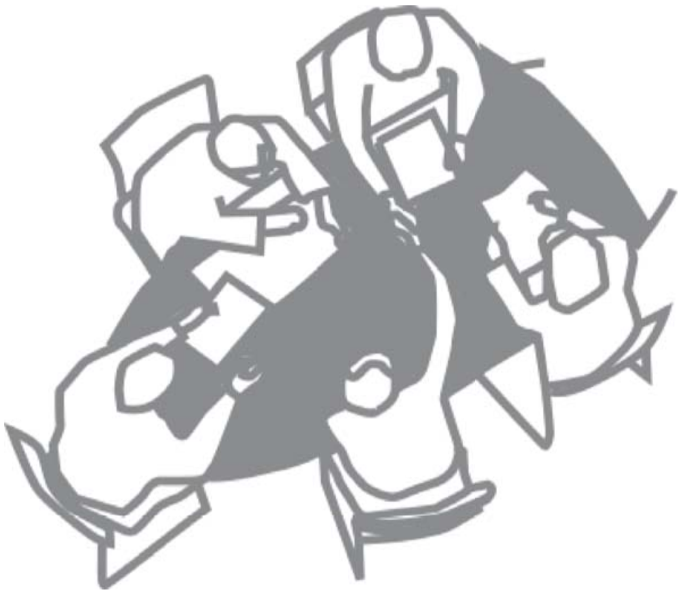
Hybrid Approach

- Certified / affiliated housing
- Private rental housing on university land
- Jointly-funded infrastructure investments

Option 4

UI Strategies

- 2nd year live-on requirement
- Capture unmet demand



DISCUSSION

STRATEGIC HOUSING MASTER PLAN

UNIVERSITY OF IOWA, IOWA CITY & CORALVILLE

JULY 27, 2017

BRAILSFORD & DUNLAVEY
INSPIRE. EMPOWER. ADVANCE.

This page has been left intentionally blank.

APPENDIX C

COMPARATIVE DEMOGRAPHICS

IOWA REGENT & BIG TEN UNIVERSITY PEERS

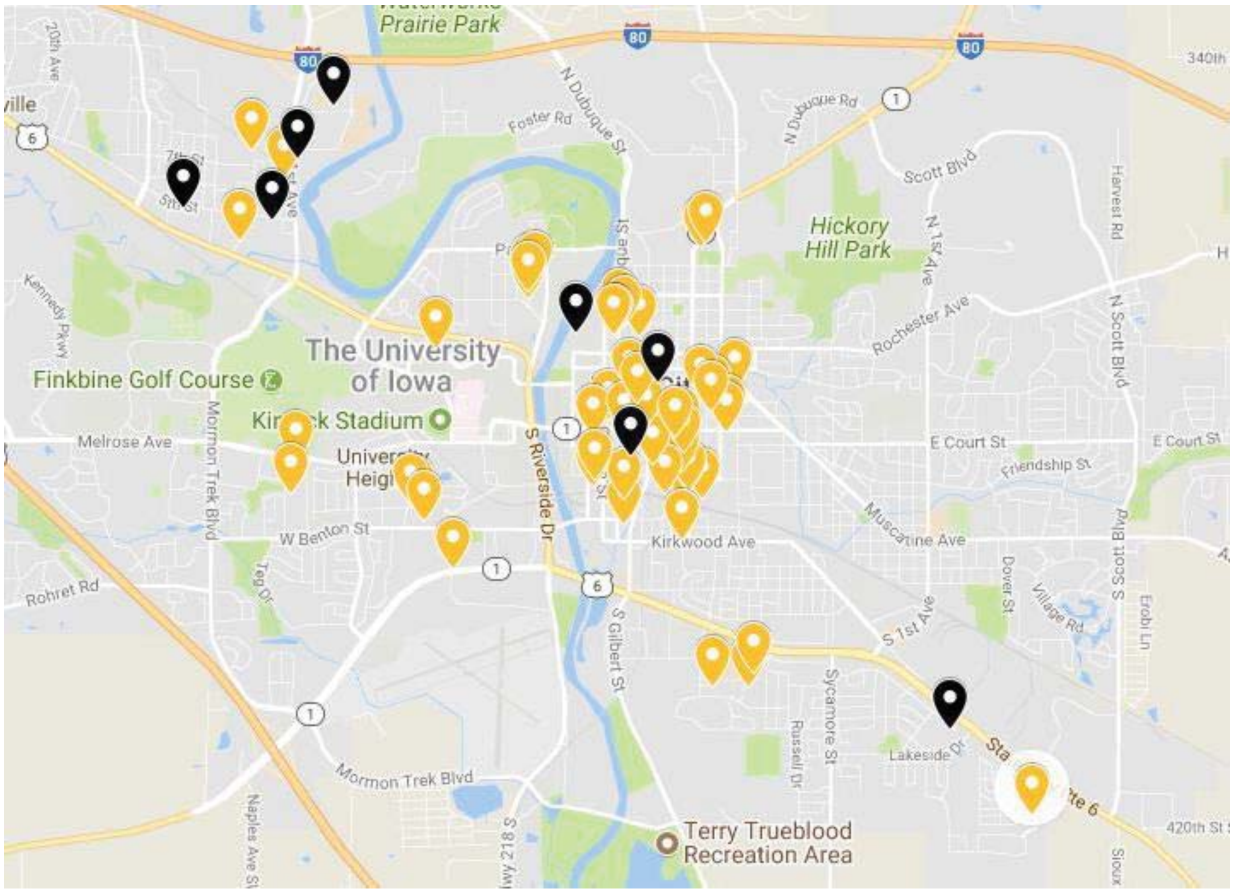
	University	Total Enrollment	University Beds (NOT including Greek Beds)	% Can House (NOT including Greek Beds)
	UNIVERSITY OF IOWA	**33,564**	**7,858**	**23%**
Iowa Regent Universities	Iowa State	**36,321**	**11,861**	**33%**
	University of Northern Iowa	**11,907**	**4,954**	**42%**
Big Ten Universities	Indiana University	49,695	13,445	27%
	Purdue University	40,451	12,950	32%
	University of Illinois, Urbana-Champaign	43,893	13,359	30%
	University of Wisconsin, Madison	43,336	8,697	20%
	University of Minnesota	47,364	7,116	15%
	University of Michigan	44,718	9,500	21%
	Northwestern University	21,842	5,013	23%
	Penn State University*	47,789	NA	NA
	University of Nebraska	25,897	7,162	28%
	Ohio State University	59,482	14,859	25%
	Michigan State	50,344	17,492	35%
	Rutgers University - New Brunswick	50,146	16,141	32%
	University of Maryland	39,083	12,374	32%
	AVERAGE	40,365	10,852	28%

** Penn State on-campus bed count is variable as they are currently undergoing multi-year renovation and new construction project of their on-campus housing (north + east housing areas).*

APPENDIX D

OFF-CAMPUS MARKET

EXISTING AND PIPELINE PROJECTS



High concentration in downtown / near campus in Iowa City.

Pipeline projects are scattered and most are NOT within walking distance to campus.

LEGEND:
Existing
Pipeline Projects

Source: CoStar data, B&D research, Iowa City and Coralville data

APPENDIX E

AFFORDABILITY COMPARISON

PEER INSTITUTIONS

University	City	Avg. Monthly Effective Rent - (2mi radius from campus)	Median Gross Monthly Rent	Median Monthly Owner Costs	Housing Costs as % of Income	Median Household Income
UNIVERSITY OF IOWA	Iowa City	$936	$898	$1,230	25%	$46,562
	Coralville		$897	$1,179	25%	$62,077
University of Kansas	Lawrence	$702	$853	$1,229	26%	$49,937
University of Arizona	Tucson	$733	$804	$969	25%	$39,575
University of Georgia	Athens	$752	$849	$1,084	30%	$35,159
Purdue University	West Lafayette	$796	$936	$734	27%	$36,729
University of Florida	Gainesville	$852	$869	$793	28%	$36,156
University of Illinois Urbana-Champaign	Champaign	$929	$866	$894	26%	$47,499
	Urbana		$708	$907	24%	$34,367
Indiana University	Bloomington	$981	$866	$750	28%	$35,671
Colorado State University	Fort Collins	$991	$1,102	$1,343	27%	$58,036
University of Virginia	Charlottesville	$1,203	$990	$1,443	26%	$52,121
University of Wisconsin-Madison	Madison	$1,331	$938	$1,395	25%	$56,638
	AVERAGE	**$928**	**$890**	**$1,073**	**26%**	$45,425

KEY TAKEAWAYS:

- UI is one of 6 institutions with higher rents closer to campus, however, having downtown adjacent to campus also contributes to the higher price point
- UI's median gross monthly rent is aligned with the peer average
- The owner-occupancy markets in Iowa City and Coralville are on the higher-end
- Housing costs as a % of income remains just under the average, whereas median household income is $1,000 more in Iowa City and Coralville is $15,000 above average
- With adjacent campus and downtowns, new developments in these areas will increase the overall average rents for the UI, Iowa City and Coralville communities

AFFORDABILITY COMPARISON

PEER INSTITUTIONS

University	City	Avg. Monthly Effective Rent - (2mi radius from campus)	Median Gross Monthly Rent	Median Monthly Owner Costs	Housing Costs as % of Income	Median Household Income
UNIVERSITY OF IOWA	Iowa City	$936	$898	$1,230	25%	$46,562
	Coralville		$897	$1,179	25%	$62,077
University of Kansas	Lawrence	$702	$853	$1,229	26%	$49,937
University of Arizona	Tucson	$733	$804	$969	25%	$39,575
University of Georgia	Athens	$752	$849	$1,084	30%	$35,159
Purdue University	West Lafayette	$796	$936	$734	27%	$36,729
University of Florida	Gainesville	$852	$869	$793	28%	$36,156
University of Illinois Urbana-Champaign	Champaign	$929	$866	$894	26%	$47,499
	Urbana		$708	$907	24%	$34,367
Indiana University	Bloomington	$981	$866	$750	28%	$35,671
Colorado State University	Fort Collins	$991	$1,102	$1,343	27%	$58,036
University of Virginia	Charlottesville	$1,203	$990	$1,443	26%	$52,121
University of Wisconsin-Madison	Madison	$1,331	$938	$1,395	25%	$56,638
	AVERAGE	**$928**	**$890**	**$1,073**	**26%**	$45,425

Notes:
Average Monthly Effective Rent is per unit within a 2mi radius of each campus's' student union
Source: CoStar data
Median gross monthly rent is used directly from the American Community Survey and represents the median monthly costs for renters paying cash rent.
Median selected owner costs are used directly from the American Community Survey and represent the median monthly costs of owners with a mortgage
Source: Center for Neighborhood Technology Housing and Transportation Affordability Index - https://htaindex.cnt.org/

This page has been left intentionally blank.


BRAILSFORD & DUNLAVEY