



TOPIC: Frostburg State University: Discussion of Student Housing

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: March 31, 2016

SUMMARY: The Committee asked for a follow-up discussion of student housing at its Spring meeting.

As you will recall, during the November meeting Frostburg indicated that at 5,756 headcount and 4,852 FTE students, the Fall 2015 enrollment is the largest in University's 117-year history. A record number of international students were also enrolled, with more seeking admission in the Spring. Frostburg has just under 1,700 beds in traditional campus residence halls. The newest was built in 1976, and there is no existing debt. Five buildings have been renovated since 2008 and currently, there is no waiting list. In Fall 2003, a public/private partnership was formed with MEDCO to provide a 400 bed housing facility on ground leased from the University. The facility, called "Edgewood Commons," has been filled for 3 years and is now generating ground rent.

A demand study by a consultant was updated in late October, 2015. The study made note of the robust off-campus housing stock and surveyed student preferences. The consultants identified demand for housing that could occur if the University built a new residence hall. Their survey noted interest by about 400 students currently living off campus in moving to campus if a new building was available that provided desired room configurations and amenities at a competitive cost. Furthermore, if Frostburg enacted a policy to require all qualifying Freshmen and Sophomores to live on campus, another 350 bed demand could be generated. The net of these two actions, less the current vacancies, totals a demand for roughly 600 new beds.

Frostburg has developed a financing plan that they will review in general terms at the meeting. They will also review the progress of their cooperative efforts with MEDCO. Given the need to approve the financial parameters of a new housing project within the context of the overall System-wide bond program, weigh the priority of this project with requests from other institutions, and to address matters of student affordability, the Committee deferred action on this matter until the upcoming Capital Budget cycle. This request will be part of our comprehensive discussion at the annual capital workshop in May.

ALTERNATIVE(S): This item is presented for information purposes only.

FISCAL IMPACT: This item is presented for information purposes only.

CHANCELLOR'S RECOMMENDATION: This item is presented for information purposes only.

COMMITTEE RECOMMENDATION: ACCEPTED FOR INFORMATION

DATE: 3/31/16

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923
