



Item: AF: A-3

AUDIT AND FINANCE COMMITTEE

Tuesday, February 18, 2014

SUBJECT: REQUEST FOR APPROVAL OF PROPOSED 2014-15 HOUSING RENTAL RATES.

PROPOSED COMMITTEE ACTION

Review and recommend to the Board of Trustees approval of the proposed Housing rental rates for the next fiscal year.

BACKGROUND INFORMATION

The Department of Housing and Residential Life is proposing rate increases for the 2014-15 fiscal year. FAU Housing operates as an auxiliary operation and must maintain a positive cash flow and meet minimum debt service coverage ratio as required under bond covenants. The proposed increases are necessary to meet these requirements.

Fall/Spring: Single and Double Rooms: Average increase of 1.6%

Summer: Single and Double Rooms: Average increase of 1.6%

IMPLEMENTATION PLAN/DATE

Fall 2014.

FISCAL IMPLICATIONS

Rate proposal will increase contract revenue by approximately \$105,000.

Supporting Documentation: Power Point Presentation on Housing Rate Increase Proposal

Presented by: Dr. Charles Brown, Sr. Vice President for Student Affairs

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Division of Student Affairs

Department of Housing and Residential Life

Proposed 2014-2015 Housing Rental Rates



FLORIDA ATLANTIC UNIVERSITY.

Making Waves



February 2014

Highlights and Goals for FAU Housing

- Retention of students to improve graduation rates
- Provide stability in rates for current residents in order to increase the number of returning students to FAU Housing
- Continue to meet our fixed costs (debt service, overhead, and minor repairs & renovations)
- Reinstate the Living Learning Communities
- Average occupancy rate over the last 5 years has been 93%

Proposed Changes for 2014-2015

- Consulted with each of the Residence Hall Association Councils
- Current students who sign up by April 30 will retain the 2013-14 rate
- For new students and current students who sign up after April 30, there will be an average rate increase of 1.6% for 2014-15

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Examples of Average Rate Changes

Facility	Current Rate (sign up by April 30, 2014)	Proposed Rate (after April 30, 2014)	\$ Increase/Semester
University Village Apts 4 bedroom (single)	\$4,045	\$4,100	\$55
Heritage Park Towers (single)	\$4,012	\$4,100	\$88
Glades Park Towers (single)	\$4,012	\$4,100	\$88
Innovation Village North 4 bedroom (single)	\$5,006	\$5,100	\$94
Innovation Village South 4 bedroom (single)	\$4,690	\$4,800	\$110

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2014-2015 Rate Increases at SUS Universities*

<u>School</u>	<u>Anticipated Rate Increase</u>
Florida A&M University	None
Florida Gulf Coast University	None
Florida International University	None
Florida State University	3% average
New College of Florida	None
University of Central Florida	None
University of Florida	3%
University of North Florida	3.9% average
University of South Florida	None
University of West Florida	2.87% average (already approved)

*Pending BOT approval.

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2014-2015 Rate Changes

Housing Facilities	Sign up by April 30th	Proposed	\$ Change 13-14 vs. 14-14	% Change 13-14 vs. 14-15	Capacity
	2013-14	2014-15			
Algonquin Hall					
Single	2,966	3,000	34	1.1	94
Indian River Towers					
Double	3,237	3,300	63	1.9	280
Single	4,407	4,500	93	2.1	324
University Village Apartments					
4-Bedroom (Single)	4,045	4,100	55	1.4	338
Double (Studio)	3,085	3,100	15	0.5	145
1-Bedroom (Single, Efficiency)*	4,500	4,500	-	0.0	45
Heritage Park Towers					
Double (Suite A)	2,938	3,000	62	2.1	42
Double (Suite C)	3,537	3,600	63	1.8	464
Single (Suite B)	4,012	4,100	88	2.2	96
Glades Park Towers					
Double (Suite A)	2,938	3,000	62	2.1	42
Double (Suite C)	3,537	3,600	63	1.8	464
Single (Suite B)	4,012	4,100	88	2.2	96
Average Rate (older buildings)	3,601	3,658	57	1.6%	

* New rate type for 2014-15.

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2014-2015 Rate Changes

Housing Facilities	Sign up by April 30th	Proposed	\$ Change 13-14 vs. 14-14	% Change 13-14 vs. 14-15	Capacity
	2013-14	2014-15			
Innovation Village Apartments North					
4-Bedroom (Single)	5,006	5,100	94	1.9	360
2-Bedroom (Single)	5,311	5,400	89	1.7	238
1-Bedroom (Single)	5,537	5,600	63	1.1	7
Innovation Village Apartments South					
4-Bedroom (Single)	4,690	4,800	110	2.3	593
1-Bedroom (Single)	5,537	5,600	63	1.1	7
Average Rate (IV Buildings)	5,216	5,300	84	1.6%	
Parliament Hall					
Double	3,237	3,300	63	1.9	192
Single	4,407	4,500	93	2.1	420
Average Rate (Parliament)	3,822	3,900	78	2.0%	
Jupiter - All Single Rooms					
Hall 1	4,294	4,300	6	0.1	146
Hall 2	4,294	4,300	6	0.1	146
Average Rate (Jupiter)	4,294	4,300	6	0.1%	
Average Rate	4,049	4,116	66	1.6%	

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