

Residence Hall #4

Growing to house tomorrow's leaders

Ikenberry Commons

4th Street & Peabody Drive

Gross Square Footage: **160,000**

Capacity: **600-800 Beds**

Dining: **300 Seats**

Estimated Cost: **\$181.5 million**

Necessary Rate Increase: **2.5% - 6% annually**

Architecture & Engineering Bids: **In progress**



Residence Hall #4

- Increasing enrollment trends along with continued deferred maintenance require replacement of beds and additional beds to meet student expectations for the residential experience.
- University Housing needs to replace Taft-Van Doren (TVD) residence hall (currently not air-conditioned or ADA compliant) which includes demolition (\$1.5M) and construction of a new 500-bed hall with a new 300-seat dining facility (\$181.5M).
 - If the size of the incoming class continues at the current rate, the number of beds needed would be closer to 800 and anticipated funds needed would be higher.
- Consistent rate increases are needed for any financial scenario to 'catch up' from previous fiscal years of not receiving increases to cover annual inflation rates.
- Rate increases from 2.5% to 6% are needed each fiscal year. Higher rate increases (5% to 6%) are needed within the first five years to meet this goal.
- Receiving minimal rate increases (no more than 2%) will result in net losses in the millions every fiscal year, culminating in over \$170M by FY35.

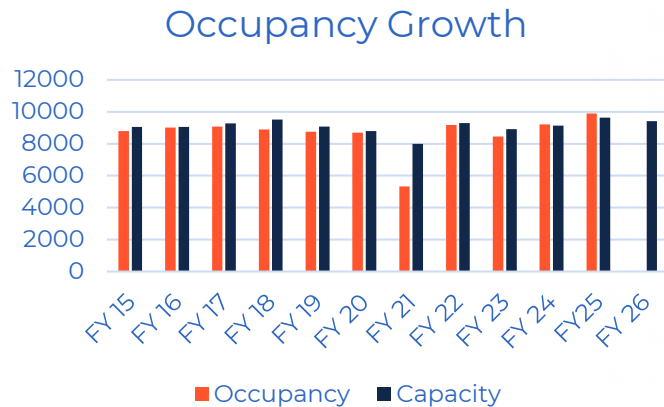
Collaborations with System Treasury Operations, Facilities & Services, Provost Budget Office, and potential campus partner.



University Housing Increased Demand & Funding

	FY21 (COVID)	FY22	FY23	FY24	FY25	FY26
Room & Board Rate Increase Needed	6.95%	6.00%	6.08%	11.71%	6.14%	5.05%
Room & Board Rate Increase Request (SFAC)	3.00%	2%	2%	8.00%	6.14%	5.00%
Room & Board Rate Increase Approved (BOT)	3.65% *Public + Board Liability (.65%)	2%	1.80%	5.00%	5.00%	TBD
Annual Inflation Rate (calendar year ending 12/31)	1.23%	4.69%	8%	5.00%	5.00%	TBD
Deficit, if applicable	(\$28,285,865)		(\$438,000)			
Funds Moved to Reserves	\$0	\$12,100,000	\$0	\$8,400,000	TBD	TBD
Factors Impacting R&B Increase	Food Costs Utilities, Campus Salary Program, COVID Impacts, Minimum Wage Increase,	Food Costs, COVID Impacts, Deferred Capital Projects Utilities, Mandatory Expenses (R&R, Financial Aid), Campus Salary Program, Minimum Wage Increase	Food Costs, COVID Impacts, Deferred Capital Projects Utilities, Mandatory Expenses (R&R, Financial Aid), Campus Salary Program, Minimum Wage Increase, Employee Wage Increases/ Compression	Food Costs, COVID Impacts, Deferred Capital Projects Utilities, Mandatory Expenses (R&R, Financial Aid), Campus Salary Program, Minimum Wage Increase, Employee Wage Increases (Union Contracts), Inflation	Food Costs, COVID Impacts, Deferred Capital Projects Utilities, Mandatory Expenses (R&R, Financial Aid), Campus Salary Program, Minimum Wage Increase, Employee Wage Increases (Union Contracts), Inflation, Emergency Projects	Food Costs, Deferred Capital Projects Utilities, Mandatory Expenses (R&R, Financial Aid), Campus Salary Program, Employee Wage Increases (Compression), Negotiated Union Contracts, Inflation, Emergency Projects
First Year Enrollment Target (SFAC presentation)	7600+	7600+	7700+	7800+	8000+	8700+
Occupancy Budgeted Number	3040 (40%)	7220 (95%)	7315 (95%)	7527 (96.5%)	8281 (98%)	TBD
10th Day First Year Student Enrollment	7530	8303	7955	8325	9008	TBD
1% difference in rate= \$1M+ in revenue depending on particular fiscal year (FY22=\$1.13M; FY23=\$1.15M; FY24=\$1.21M; FY25=\$1.32M; FY26=\$1.44M)						

University Housing Opportunities & Challenges



Current opportunities:

- Support growing enrollment demands for new construction, renovation and maintenance of housing infrastructure.
- Implement and evaluate the residential curriculum learning outcomes to illustrate the impact of the Illinois Residential Experience on student well-being, community engagement, social responsibility, lifelong learning, and identity and cultural exploration.
- Continue efforts to recruit, develop and retain a diverse staff invested in supporting the university's mission and delivering exceptional service to our customers.

Current challenges:

- Consistent and adequate rate increases to support necessary new construction.
- Campus' lack of a long-term, strategic enrollment plan presents a stumbling block for planning, revenue growth and occupancy expansion.
- Increased demand for student mental health supports present a growing training need for program staff.
- The University of Illinois and State Universities Civil Service System hiring guidelines and rules continue to be a barrier in filling positions in a timely manner.



Funding

- While enrollment has increased, budgets have not
- Seeking collaborations with Colleges and Central Units to support all students
- Emergency Deans Fund continues to realize annual gap (~\$60-80K annually)
- Advancement efforts are centering on seeking support for basic needs, food pantry, first-generation student support

