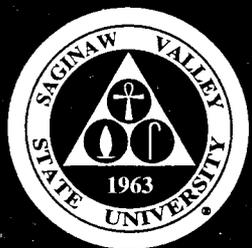


SVSU®
BOARD OF CONTROL
SPECIAL FORMAL SESSION
MINUTES

JULY 17, 2002



SAGINAW VALLEY STATE UNIVERSITY
BOARD OF CONTROL
JULY 17, 2002
SPECIAL FORMAL SESSION
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MINUTES
BOARD OF CONTROL
Special Formal Session
July 17, 2002
10:00 a.m.

Board of Control Room – Wickes Hall Third Floor

Present: Akbar
Braun
Gilbertson
Law
Sims
Vitito
Walpole (via conference call)
Yantz

Absent: DiCarlo

Others

Present: S. Barbus
G. Hamilton
S. Hocquard
T. Inman
M. Johnson
R. Maurovich
J. Muladore
C. Ramet
J. Stanley
R. Thompson
R. Yien
Press (3)

I. CALL TO ORDER

Chairman Vitito called the meeting to order at 10:04 a.m.

II. ACTION ITEMS

1) Resolution to Approve Construction and Financing of On-Campus Student Housing

RES-1506 **It was moved and supported that the following resolution be adopted:**

WHEREAS, SVSU has in recent years expanded its student housing capacity to enrich the campus environment, assist with efforts to diversify the student body and attract students to the University; and

WHEREAS, Existing housing facilities are fully occupied, and a shortage of living space is projected in future years;

NOW, THEREFORE, BE IT RESOLVED, That the President or the Vice President for Administration and Business Affairs is authorized to enter into contracts to construct student housing units, related parking facilities and roadway improvements in an amount not to exceed nine million dollars (\$9,000,000);

AND, BE IT FURTHER RESOLVED, That this project hereby is included in the list of projects authorized to be funded by the Series 2001B, General Revenue Bond Issue approved by a resolution adopted by the Board on October 16, 2000, as amended.

Trustee Sims, Chair of the subcommittee on housing issues, reported that she and Trustees Law and Yantz had met with University administrators on July 1st to examine the entire housing situation on campus. She then reviewed with the Board a document detailing the history of SVSU housing facilities, First Time in College students (FTICs) living in University housing, students residing in SVSU housing facilities by class standing, the retention of students in housing facilities, requests for single room options, and the percentage of on-campus residents compared to total enrollment from various state universities. (See Appendix One: History) She noted that over the past three years the average official fall occupancy in all of SVSU's housing facilities was at approximately 96 percent of capacity, and that only 17 percent of the University's students live on

campus, which is very low compared to the other public universities in the State.

Trustee Sims reviewed materials related to construction costs and proposed financing (See Appendix Two: Costs) and housing occupancy projections through Fiscal Year 2008 (See Appendix Three: Projections). A shortfall of 100 beds is being projected by the Fall of 2003.

Documents pertaining to comparative rental rates (See Appendix Four: Rates) and the impact the proposed new student housing would have on campus parking (See Appendix Five: Parking) were discussed.

President Gilbertson told the Board the proposed new housing would be constructed in a style which students prefer, and that the current environment for bidding and financing construction is very good.

The motion was APPROVED unanimously.

III. INFORMATION AND DISCUSSION ITEMS

2) President Gilbertson announced that Dr. Francis C. Dane had been selected as the first James V. Finkbeiner Chair in Ethics, and that Dr. Mamie T. Thorns will begin her duties as Special Assistant to the President for Diversity Programs in September.

3) Motion to Move to Informal Session to Discuss Labor Relations

BM-973 **It was moved and supported that the Board move to Informal Session to discuss labor relations.**

The motion was APPROVED unanimously.

The Board moved to Informal Session at 10:24 a.m. and reconvened in Formal Session at 11:18 a.m.

IV. ADJOURNMENT

4) Motion to Adjourn

BM-974 **It was moved and supported that the meeting be adjourned.**

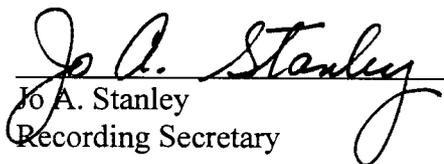
The motion was APPROVED unanimously.

The meeting was adjourned at 11:19 a.m.

Respectfully submitted:

Robert J. Vitito
Chairman

D. Brian Law
Secretary


Jo A. Stanley
Recording Secretary

REPORT TO THE BOARD OF CONTROL ON UNIVERSITY HOUSING ISSUES

July 17, 2002

1. History of SVSU Housing Facilities

Saginaw Valley State University embarked in the business of University-owned student housing in 1969 with the construction of Great Lakes Complex. Since the initial housing project, the capacity has more than tripled in the 33 years hence, as demonstrated by the following:

1969	Great Lakes Complex	344 residents
1971	Tranquil Complex	142 "
1987	Pine Grove Apartments (I)	136 "
1997	Pine Grove Apartments (II)	64 "
1999	Living Center	313 "
2000	University Village I	208 "
2001	University Village II	280 "
Current approximate capacity		1,487 residents

The occupancy in University housing facilities has been traditionally "healthy." Over the past three years the average official fall occupancy in all housing facilities was reported at approximately 96% of capacity. The average attrition between fall and winter semesters is under 4%.

A major theme of SVSU housing facilities is the range of choices available to students. At the present time, traditional freshmen are typically assigned to the First Year Suites, the complex that offers new students support, critical to the transition to college life. After the first year of residency, there are three housing complexes from which to choose and within each complex, housing options vary. A variety of dining plans are available, as well. Students may exercise significant control in contemplating their future housing decisions.

2. FTICs in University Housing

1999:	456
2000:	508
2001:	545
To date 2002:	556

3. Students Residing in SVSU Housing Facilities by Class Standing

	First Year Suites			Living Center			University Village			Pine Grove Apts.		
	1999	2000	2001	1999	2000	2001	1999	2000	2001	1999	2000	2001
Freshman	461	470	470	154	181	163	-	81	214	54	70	83
Sophomore	6	4	3	86	78	78	-	67	140	46	26	31
Junior	3	0	3	18	22	27	-	41	84	19	29	17
Senior	0	1	1	5	9	15	-	5	31	26	16	19
Graduate	0	0	0	2	3	2	-	1	5	14	14	15
Other	0	0	1	10	9	18	-	6	7	25	43	25

4. Retention of Students in University Housing Facilities

	To LIVING CENTER			To UNIVERSITY VILLAGE			To PINE GROVE APTS.		
	2000	2001	2002	2000	2001	2002	2000	2001	2002
From FYS	150	74	64	74	162	168	10	3	22
From LC	42	86	94	74	68	63	60	50	4
From UV	-	2	9	-	105	160	-	9	2
From PGA	-	5	0	-	7	4	-	2	23
	192	167	167	148	342	395	70	64	51

5. Student Requests for Single Room Options

Available singles identified in ().

First Years Suites (44)			Living Center (117)			University Village (486)			Pine Grove Apts. (64)			
2000	2001	2002	2000	2001	2002		2000	2001	2002	2000	2001	2002
59	57	71	185	188	161	Efficiency	44	49	57	82	71	33
						Single Bedroom	165	373	431			

Note: 2000 and 2001 numbers are FINAL, and 2002 are TO DATE.

6. Percentage of On-campus Residents Compared to Total Enrollment from Various State Universities

Based on Fall 2001 statistics

State University	Headcount	Residence Hall Occupancy	Apartment Occupancy	Total Resident Students/Headcount
Oakland	15,875	1,345	48	9%
SVSU	8,936	799	688	17%
Eastern Michigan	24,251	3,585	780	18%
Grand Valley	19,762	3,593	855	23%
Central Michigan	24,786	5,300	750	24%
Western Michigan	28,040	6,204	800	25%
Northern Michigan	8,557	2,200	422	31%
Lake Superior	3,123	900	94	32%
University of Michigan-AA	38,090	9,400	3,717	34%
Michigan Tech	6,587	2,171	349	38%
Ferris State	10,930	3,700	725	40%
Michigan State	44,227	14,000	3,500	40%

Rationale

The expansion of on campus housing capacity, as proposed in 1998, was seen as a means of increasing SVSU's enrollment capability. Additionally, a larger core of resident students provides for a different campus environment than that of a commuter institution. This past Fall Semester 545 new freshmen students resided on campus -- some 50% of the incoming freshmen class. Prior to 1998 only 37% of incoming new students lived on campus. This in combination with an expected student retention rate of 50% will result in an over capacity situation and could jeopardize future growth of the University.

Current Capacity

First Year Suites	486
Living Center	313
Village	486
Pine Grove Apartments	202
	1,487

Estimated Construction Costs

Project Size: 200 Beds	\$8,000,000
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Project Financing

The University issued general revenue bonds in FY2002 to finance various capital projects. Approximately \$8,000,000 of this issue was borrowed in anticipation of Creating the Future pledge payments. It is possible to substitute this project into the bond issue and avoid an estimated \$300,000 of bond issuance costs which would occur if separate project financing were pursued.

Annual Revenue & Expense

Rental Income	\$746,000
Operating Expenses	171,000
Debt Service	515,000
	686,000
Net Income	\$60,000

Saginaw Valley State University
Housing Occupancy Projections
FY2001 through FY2008

Student Category	FALL 2001 Actuals	FALL 2002 Projections	FALL 2003 Projections	FALL 2004 Projections	FALL 2005 Projections	FALL 2006 Projections	FALL 2007 Projections	FALL 2008 Projections
FTIC	545	569	583	603	623	644	667	690
New Transfer	0	0	0	0	0	0	0	0
New Graduate	0	0	0	0	0	0	0	0
Others	272	260	260	260	260	260	260	260
Returning (50%)	640	729	744	744	744	744	744	744
Total Occupancy	1,457	1,558	1,587	1,607	1,627	1,648	1,671	1,694
Total Capacity	1,487	1,487	1,487	1,487	1,487	1,487	1,487	1,487
Excess/(Shortfall)	30	(71)	(100)	(120)	(140)	(161)	(184)	(207)

Note: Others includes new transfer, new graduate and non degree.

Saginaw Valley State University
STUDENT HOUSING
Academic Year Rental Rates - Comparison
2002-2003

	<u>Monthly</u>	<u>Academic Year</u>
SVSU Pine Grove Apartments		
8 months, including utilities	\$ 428.75	\$ 3,430.00
 SVSU Living Center, 4/5-Bedroom		
8 months, including utilities	475.62	3,805.00
 Cardinal Townhomes		
10-Month Contract		
Base Rent*	365.00	3,650.00
Utilities	50.00	500.00
Cleaning Fee		50.00
	415.00	4,200.00
 Waterside Townhouses, 3-Bedroom		
Year Leases		
Base Rent (12 months)*	685.00	8,220.00
Utilities	75.00	900.00
	760.00	9,120.00
 Country Ridge Townhouses, 3-Bedroom		
Monthly		
Base Rent (10 months)*	775.00	7,750.00
Utilities	50.00	500.00
	\$ 825.00	\$ 8,250.00

* Additionally, students pay a damage deposit of approximately one half month's rent.

SAGINAW VALLEY STATE UNIVERSITY
CAMPUS PARKING

IMPACT OF NEW STUDENT HOUSING
-2002-

Parking Lot Capacity-Current	4,794
Regional Education Center-New	774
Living Center II (Proposed)-Net Loss if Located in Lot B	-238
Average Available Spaces in Lot B	
9:30A	320
2:30P	248
7:30P	402

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