

**BOARD OF TRUSTEES  
UNIVERSITY OF THE DISTRICT OF COLUMBIA  
UDC RESOLUTION NO. 2016 -\_\_**

**SUBJECT: APPROVAL OF LEASING AGREEMENT FOR ADDITIONAL UNITS FOR  
3003 VAN NESS PROPERTY (PREVIOUSLY ARCHSTONE)**

**WHEREAS**, pursuant to D.C. Code § 38-1202.01 (a) (2001 ed.), the Board of Trustees possesses all powers necessary or convenient to accomplish its statutorily prescribed objects and duties, including the power to make, deliver, and receive deeds, leases and other instruments and to take title to real and other property in its own name; and

**WHEREAS**, pursuant to 8B DCMR §2100.1, the President of the University, subject to Board approval, is authorized to enter into real estate lease agreements with any person, partnership, corporation, or other entity; and

**WHEREAS**, pursuant to 8B DCMR §2100.3, the President shall lease as he deems to be in the interest of the University and necessary for the accommodation of University activities; and

**WHEREAS**, pursuant to 8B DCMR §2100.7 and §2100.8 acquisition of space by lease will be by negotiation, and on the basis most favorable to the University with due consideration to maintenance and operation efficiency and only at charges consistent with prevailing scales in the community for comparable facilities; and

**WHEREAS**, the University enrolls students from across the country and the world who need access to safe and affordable housing close to the Van Ness Campus, and the University currently has no on-campus student housing options; and

**WHEREAS**, the apartment leases have been negotiated on a basis most favorable to the University with due consideration to maintenance and operation efficiency, and the lease terms and conditions are normal and customary for leases of this type, and are consistent with prevailing scales in the community for comparable facilities;

**WHEREAS**, leasing 15 additional units at 3003 Van Ness and the 2 staff units at AVA Van Ness would allow for housing an additional 64 students;

**THEREFORE, BE IT RESOLVED**, that the Board of Trustees authorizes the President of the University to enter into fifteen (15) lease agreements at the property located at 3003 Van Ness St. NW and two (2) lease agreements at AVA Van Ness, with each lease not to exceed one (1) year.

Submitted by the Academic and Student Affairs Committee

July 12, 2016

Submitted by the Audit, Budget and Finance Committee

July 14, 2016

Submitted by the Operations Committee

July 20, 2016

Approved by the Board of Trustees

July 26, 2016

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Elaine A. Crider  
Chairperson of the Board



**FISCAL IMPACT STATEMENT**

**TO:** The Board of Trustees  
**FROM:** Managing Director of Finance *David L. Finkler*  
**DATE:** June 21, 2016  
**SUBJECT:** UDC Residential Housing - 3003 Van Ness and AVA Van Ness

**Conclusion**

It is concluded that the University will generate sufficient income in student housing fees (at 100% occupancy) to cover \$404K in additional costs for residential housing at 3003 Van Ness and AVA Van Ness, respectively. The additional costs are attributed to a net increase of 15 rental units brought online to accommodate sixty four (64) additional students at 3003 Van Ness as well as the ancillary costs associated with the increased number of units.

**Subsidy**

The projected annual cost for the 15 additional units with associated ancillary costs is \$403,742

Below are the costs associated with the units to be added at Van Ness and AVA Van Ness:

Annual Projected Cost: Non-Athlete Students	Rate	Counts	Period	Amount
Units at 3003 Van Ness	Various	15	15	\$411,252
2 bedroom student units @ AVA Van Ness	\$3,095	-2	12	(\$74,280)
1 bedroom staff unit @ AVA Van Ness	\$1,945	2	12	\$46,680
Apartment Turnovers	\$400	9	2	\$7,200
Carpet shampoo @ AVA Van Ness	\$125	10	1	\$1,250
Insurance Fees	\$100	15	1	\$1,500
RA Staffing (2 staff)/Annual				\$23,040
Deposits (AVA Van Ness)	\$5,905	-2		(\$11,900)
Amenity Fees (AVA Van Ness)	\$500	-2		(\$1,000)
<b>Total Annual Projected Cost</b>				<b>\$403,742</b>

### Financial Impact

This request has been approved based on the information provided. There are no anticipated risks at this time.

### Risks and Impacts

Risk Assumptions	Impacts
Demand is lower than projected	A student survey was completed which identified the number of students interested in apartments far greater than the number of apartments that UDC will sublease. That is, there is excess demand for available student apartments. Excess demand may not persist after the semester begins since students may make alternative housing arrangements & may no longer require housing to fill units becoming vacant during the semester
Students are unable/unwilling to pay rent	Students will be screened by the Office of Financial Aid to ensure that they can pay
	For students who are paying using financial aid, room costs will be deducted directly from the student's award
	Students who do not pay their bill in full in one semester will not be eligible for housing in the subsequent semesters.
Cost to vacate property	<ol style="list-style-type: none"><li>1) Identifying new housing options @ 3003 Van Ness and AVA Van Ness</li><li>2) Removal of partitioned walls.</li><li>3) Storage/Disposal of furniture, fixtures, &amp; equipment at 3003 Van Ness</li></ol>



## MEMORANDUM

**To:** Ronald F. Mason Jr.  
President, University of the District of Columbia

**From:** Dr. William Latham  
Chief Student Development and Success Officer

**Date:** June 17, 2016

**Re:** Student Housing for All University Students

In November of 2016 it was decided to eliminate the Housing program for all non-student athletes. That decision was driven by our need to address the \$4.4M dollar budget deficit due to the reduction of the Mayor's MARC for FY17. Eliminating subsidized housing contributed \$250K to addressing the budget deficit at that time. Since that time, the following have occurred:

- Budget pressures have been lightened: The \$7.6M in increased funding for FY17 allows us more degrees of freedom
- Better understanding of the actual subsidy: We believe we can increase the rent paid by students by \$700 per year to cover the actual housing costs (eliminating the subsidy assuming full occupancy).
- DC-UP is proving successful and we believe it critical for their success to have these students in University housing: As of today our Board-approved DC-UP plan has netted 9 scholarships for sales/vals, and 3.7 scholars. Our recently launched Student Success effort will be focused on these students and there is ample research stating the relationship to student success and on-campus housing. Assuming this Housing plan is approved, we plan to highly encourage the students who have been offered stipends for FY 17 to live in the units. After FY 17 all students who receive the award will be required to use the housing stipend university provided housing
- We have better analytics on students and their need for housing; our estimate is that we stand to lose approximately \$5M over the next 3 years in tuition revenue without a housing program

We are asking that the Board approves keeping all of the leases that are up for renewal and approve the leasing of one new unit at 3003 Van Ness (this is to replace one staff unit that has already been leased out). If we do not gain Board approval we will not be able to get these modified units in the future.

In full candor, there is a risk. That risk is related to timing. Given we are in June/July many students may have already gotten housing accommodations or decided not to attend the University from lack of housing and thus of the units not taken by athletics, we may not reach 100% occupancy.

There are a range of 64 beds available after our estimate of potential demand being filled by athletics (they have requested 78 spaces). This exposure is \$403,000 but we have had enough inquiries that we expect most, if not all of the rooms to be rented if we begin to market immediately.

Again, we are looking for the Board to officially approve this at the July session but will need to start advertising to students immediately to gain the highest advantage in filling spaces.