



CAPSTONE ON-CAMPUS MANAGEMENT



Case Study

ADDING HOUSING TO CAMPUS

A Mid-Stream Check-in with Glen Oaks Community College



Glen Oaks
COMMUNITY COLLEGE

In the Fall of 2017, Glen Oaks Community College opened a brand-new residence hall, introducing on-campus housing for the first time.

COCM team members sat down with Glen Oaks President David Devier, Dean of Students Tonya Howden, and Dean of Finance Bruce Zakrzewski this summer to check in and get their takes on the process and how the new residential community is impacting their campus.

GLEN OAKS COMMUNITY COLLEGE TEAM:



David Devier
President



Tonya Howden
Dean of Students



Bruce Zakrzewski
*Dean of Finance and
Administrative Services*

COCM: What was happening on your campus that prompted the need to add student housing?

David: I think the overall downturn in non-traditional student enrollment because everybody went back to work. That's one of the contributing factors. And then the fact that if we wanted to do any kind of creative niche programs, we would probably have to have an opportunity for students to come from a distance and then have a place to stay. And thirdly, discontentment among the athletes as the housing they could find in the area was sub-par and causing issues.

Tonya: There was also a lack of availability of housing in the county. (A market study indicated that local housing was 98.7% occupied.)

COCM: What factors did you consider in your decision?

David: We saw (living on campus) as a broad experience that we could provide for students - a more traditional college experience. A way to energize our campus. A way to engage students at a much deeper level than we could if they were just driving in for a class and blasting out of here. And from a financial point of view, the theory is that (housing) can pretty much pay for itself and you're attracting students you wouldn't have otherwise attracted. That's a good thing.

COCM: Once you decided to move forward, what were your steps?

David: We sanctioned a study of the local housing and we visited other campus. We formed a steering committee consisting of internal staff members. (We) identified a developer that had helped other schools, including Michigan schools, to come up with a way to finance it. (Initially, the model was that the developer would secure investors and finance the project). And then one day I learned about USDA Rural Development funding - a low-interest program that can help rural community colleges. I did a little investigation, ran it by Bruce, and started asking questions. All of a sudden, we completely changed our plan - not without some stress I might say - and we headed down the path to secure a 2 and 3/8 percent interest loan from the USDA. This meant we would own and operate the community going forward (rather than the developer).

COCM: You chose COCM as a management partner to join your team as you brought this new community online. What

were some of your goals for the management partnership?

Tonya: As the person who handles conduct and Title IX, without any residential experience myself, I wanted the support that Capstone would provide in assisting with any issues that may arise on campus to make sure that we were handling things the way they should be and provide support to the housing staff so that I wasn't handling every single issue that arose.

COCM: And over the next year or two, what are some of the goals you have for the program to grow and develop?

Tonya: Well, I want to fill it first. We have a really good director and we have an interim assistant director right now. I want to make sure they have the support they need to continue the program and keep students in the building. I think that's what I'm looking for. We've seen success with the programming they're doing, and I think the more of that we can do, we'll retain more residents.





COCM: What are some of the challenges you've faced so far?

Tonya: Most of the (residents) are from out of the county, and many are from out of state. There's that initial shock of "I've moved from the city and now I'm living in the middle of a corn field." It's important that they feel a part of the community. A lot of them are dealing with homesickness and that's a challenge - we lost some residents at the winter break for those reasons.

COCM: How has the new housing community been received by the campus?

David: It's changed the campus significantly when we're in session, of course. You can't just lock up and go home and forget this place for the weekend (any more). I also think there are still folks that are somewhat concerned that the return on investment may not be that good, or that the issues that came (with housing) aren't worth the trade-off of having more students and being able to do niche programs and those kinds of things. I think the positives outweigh the negatives, though. I think the whole coming onto campus, driving down the drive, and seeing this edifice - that is very, very impressive. I think Tonya has probably had a lot of workload changes because of it ...

Tonya: Yes. I'll be the first to admit that when we started talking about housing, my first thought was, "oh boy, my job's going to change quite a bit." My conduct cases have quadrupled, but on the positive side, I love the fact that we feel like a college campus now. You know, sitting outside one day eating lunch, I was watching students walk back and forth from housing to the main building. It just felt like a larger community... it felt more like the college experience that students would expect, and so I think that (adding housing) is definitely a good thing.

COCM: How have the students responded (to adding housing)?

David: The (students) in housing are very happy. It's the reason many of them stayed all year. I think the (students) not in housing had a little bit of envy.

COCM: You touched on this a little bit earlier, but can you talk us through some of the financial end of the preparation?

Bruce: Because of shifting our focus from a developer-financed project to doing it ourselves (through the USDA loan), there were some costs that we incurred that we probably did not need to (if we hadn't changed financing

models). There was some heartache getting out of contracts and some hard feelings. As we progressed, the first year was a loser - but we knew it would be. Hopefully, as we get into year two, we're getting closer to break-even.

David: We (had to contribute) \$200,000 in the first year. Now, keep in mind we weren't full at the beginning and had drop-offs through the year. If you run all the numbers and you're completely full for most of the year, you're breaking even or better. You have to go down the road six or seven years before you start to realize positive revenue as the interest payment goes down.

COCM: Note ... many campuses that introduce a new housing program must subsidize these projects for the first couple of years until occupancy stabilizes.

COCM: What are some of the advantages you've seen as a result of adding a student housing community to your campus?

Tonya: There's been an increase of student clubs, innovation, and involvement. **I see a sense of community among students that I didn't see before. You know, the students who live together know each other a little bit better. It's that whole student engagement piece that definitely has made a difference on campus.**

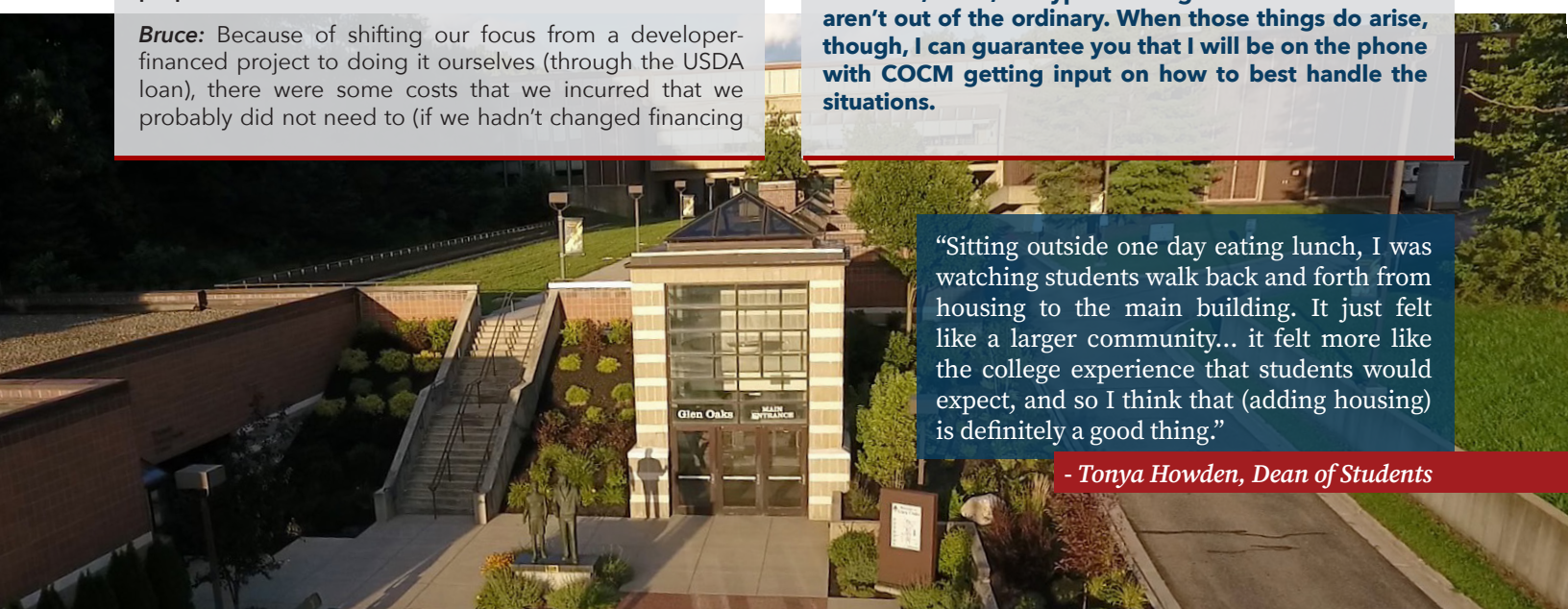
COCM: What advice would you give folks who are considering introducing housing to their campus?

Tonya: Make sure that you budget and have a full understanding of expectations of front desk coverage, security, and video footage.

Bruce: The infrastructure needs were something that really caught us off guard.

COCM: What is the importance of having a management partner like COCM? What should you consider in choosing or working with a management partner?

Tonya: The support on the administrative pieces - the policies, the procedures, the handbook. Providing guidance when situations arise that you don't expect ... situations that are a little out of the ordinary. Also having someone who knows how to handle the financial pieces of the contracts and the language. **It's also increased my load, but knock-on-wood, so far, the types of things I've had to deal with aren't out of the ordinary. When those things do arise, though, I can guarantee you that I will be on the phone with COCM getting input on how to best handle the situations.**



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- Tonya Howden, Dean of Students

The COCM team would like to thank President David Devier, Dean Tonya Howden, and Dean Bruce Zakrzewski of Glen Oaks Community College for sharing their time and their insights with us. Our hope is that this information will be helpful to those considering adding housing to their campuses.



COCM is a team of student housing professionals that can help you navigate the process of adding campus housing - from the conceptual phase, through financing and development, and management. If you're considering adding housing to your campus, we'd like to talk with you.

Please contact Gray Bekurs, COCM's Vice President for Business Development, at gbekurs@cocm.com.



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