

## **FY 2022-23 Campus Housing Room and Board Rate Recommendation**

### **Recommendation**

It is recommended that the Board of Governors approve the FY 2023 room and board rates, as shown in the tables below.

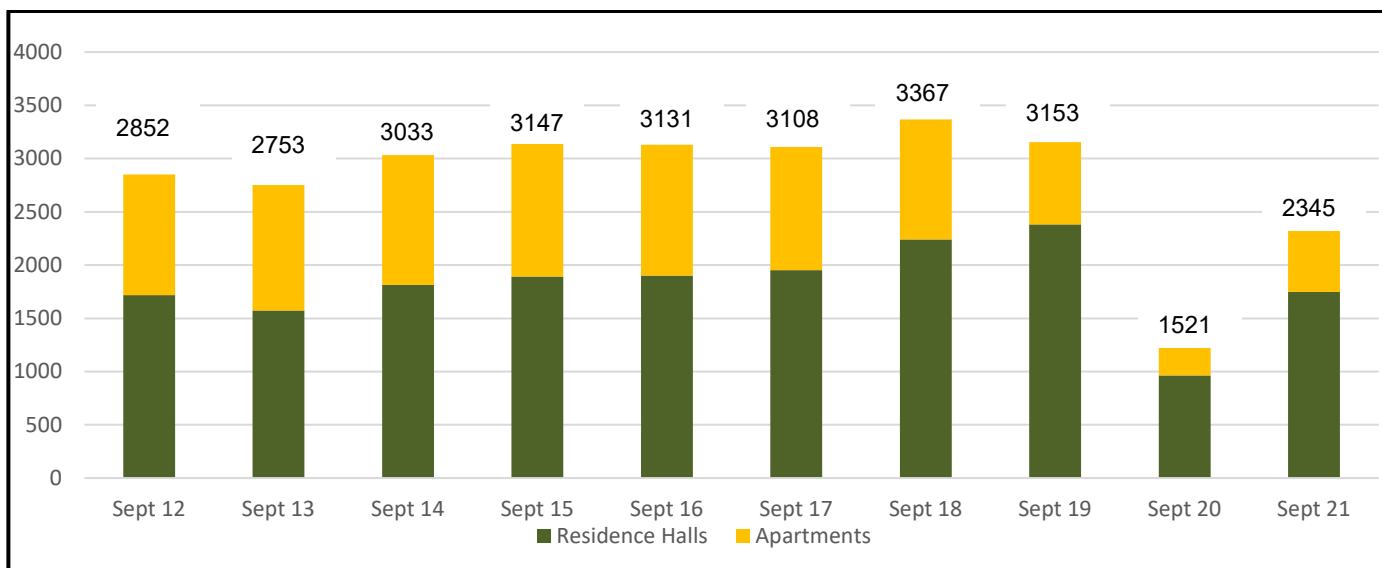
The major changes proposed as part of this room and board rate recommendation are:

- Typical first-year room and board benchmark package increase is \$428 to \$11,420 (3.89%) based on a semi-suite room and a Weekly 15 + \$400/semester meal plan.
- Typical upper-class room and board package increase is \$457 to \$11,803 (4.03%) based on a suite single and Block 110 + \$550/semester meal plan. Upper-class residents have other room and meal plan options to raise or lower their costs.
- All room rates for campus residence halls and apartments increase 4.41%.
- All meal plans increase between 3.02% and 3.57%.

The tables at the end of this document detail the specific rates and changes for the residence halls, apartments, and meal plans for 2022-23.

### **Background**

Wayne State University has operated university-owned apartment housing for several decades. In 2001 the university began to build undergraduate residence halls, opening Ghafari Hall and Warrior Dining (now Gold 'n' Greens) in 2002, Atchison Hall in 2003, and The Towers Residential Suites and Towers' Café in 2005. The Thompson Home on Cass Avenue was converted from the School of Social Work home into a living/learning community for the College of Fine, Performing, and Communication Arts in 2016. The University entered into the Corvias-WSU Housing Partnership in December 2017, which then constructed the Anthony Wayne Drive Apartment complex, opened in two phases in August 2018 and June 2019. DeRoy Apartments were razed in 2019, and the complete renovation of Chatsworth Apartments into Chatsworth Suites was opened in August 2021. The COVID-19 pandemic began in March 2020 and suppressed campus occupancy for 2020-21 and 2021-22, resulting in housing occupancy and revenues well below typical annual amounts.

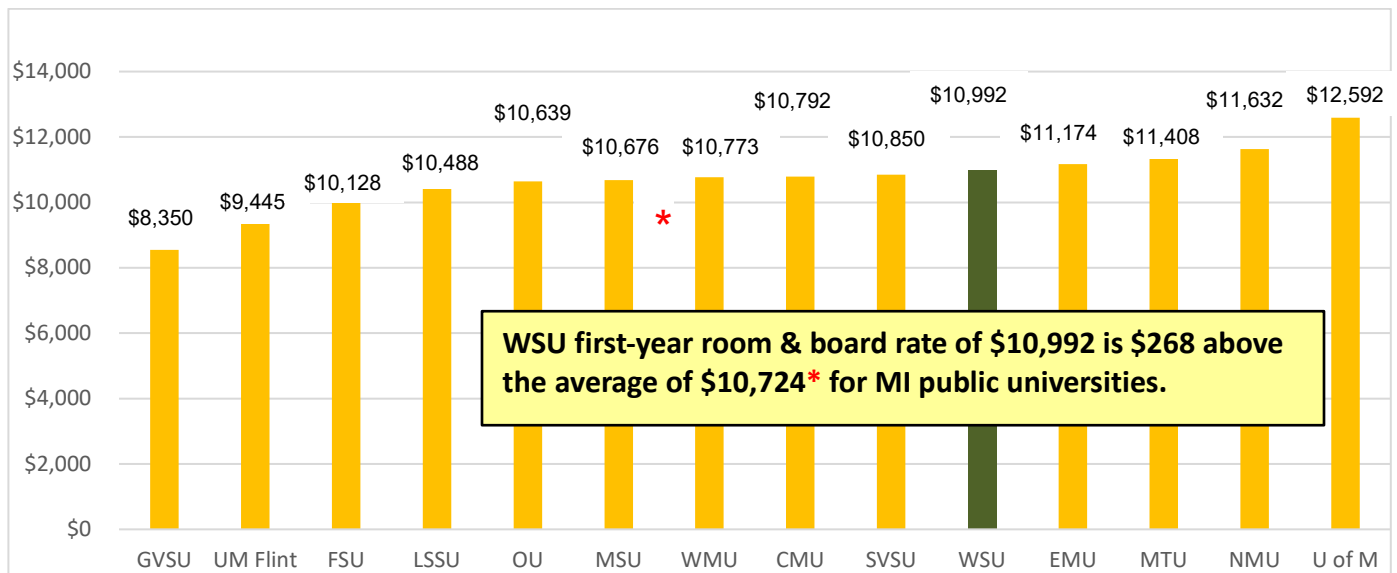


Since 2001 when the resident population mainly was graduate and professional students, the composition of the resident population has significantly changed. By fall 2019, before the pandemic began, 83% of all campus residents were undergraduates. The pandemic has disrupted both student college-going decisions and decisions about where to live as a WSU student.

**Wayne State University First-Year Room and Board Rates vs. Other Michigan Public Universities**

Wayne State University campus housing has always been competitively priced relative to the local market. It has also been consistently below the average of the other Michigan public universities’ cost to live on campus through 2019. Several of Michigan’s public universities slowed annual increases or reduced rates during the pandemic. By fall 2021, WSU’s benchmark first-year package rate is now \$268 (2.5%) above the average for all 14 MPUs.

**2021-2022 First-Year Room & Board at Michigan Public Universities**



**Proposed 2022-23 Room Rates**

As of April 2022, the Consumer Price Index (CPI) has increased 8.3% over the prior year, a 40-year high. The two components of CPI that relate to shelter, Owners’ Equivalent Rent and Rent of Primary Residence, both increased nationally at a rate of 4.8%, the highest rates in 15 years. Rental rates in urban areas exceeded the national averages and ranged from 6.1% in Chicago, IL, to 35.5% in Austin, TX. In Detroit, the year-over-year rent increase was 9.8%. For our housing operations run by Corvias as the partnership Property Manager, in the past year, spikes in supplies and equipment costs averaging 10.6% in addition to a 16.7% labor cost increase have increased the prices of overall operations. At the same time, we know rental rate increases too aggressive will decrease access to living on campus, given the affordability concerns of our student population. After careful consideration of revenues and expenses necessary for the 2022-23 academic year, the Executive Review Committee of the Corvias-WSU Housing Partnership adopted a rental rate increase for all room and apartment types of 4.41% at their May 12, 2022 meeting.

The Board of Governors in 2017 delegated the authority to the Corvias-WSU Housing Partnership to set annual room rates at 3.0% or less without further Board approval. Because this request for 2022-23 is 4.41% (above 3.0%), additional approval from the Board of Governors is required for these rate increases.

		<b>2021-22</b>	<b>2022-23</b>	
		<b>Annual</b>	<b>Annual</b>	<b>Increase</b>
<b>Ghafari &amp; Atchison Halls</b>				
Single Occupancy room with private bath		\$8,868	\$9,259	4.41%
Large Single Occupancy room with private bath*		\$9,800	\$10,232	4.41%
Double Occupancy room with private bath		\$6,712	\$7,008	4.41%
Triple Occupancy room with private bath		\$5,716	\$5,968	4.41%
<b>The Towers Residential Suites</b>				
	<b>Suite Types</b>			
Double Occupancy room with shared bath	A	\$7,030	\$7,340	4.41%
Single Occupancy room with private bath	E and G	\$9,444	\$9,860	4.40%
Double Occupancy room within a suite	B and C	\$7,802	\$8,146	4.41%
Single Occupancy room within a regular suite	C, D and F	\$8,052	\$8,407	4.41%
<b>The Thompson Suites</b>				
Single Occupancy room with shared bath		\$9,158	\$9,562	4.41%
Double Occupancy room with shared bath		\$6,854	\$7,156	4.41%
Triple Occupancy room with shared bath		\$5,910	\$6,171	4.41%
<b>Chatsworth Suites</b>				
Single Suite with private bath		\$9,270	\$9,679	4.41%
Double Occupancy room in 4-person suite w/shared bath		\$8,344	\$8,712	4.41%
Double Occupancy room in 6-person suite w/shared bath		\$8,034	\$8,388	4.41%
<b>Anthony Wayne Drive Furnished Apartments</b>				
Studio apartment single		\$12,632	\$13,189	4.41%
One-bedroom apartment single		\$13,148	\$13,728	4.41%
Two-bedroom apartment single per room		\$11,552	\$12,061	4.41%
Four-bedroom apartment single per room		\$9,956	\$10,395	4.41%
<b>University Towers Unfurnished Apartments</b>				
One-bedroom unfurnished (can be shared by 2)		\$10,402	\$10,861	4.41%
Two-Bedroom unfurnished (can be shared by up to 4)		\$11,956	\$12,483	4.41%
Three Bedroom unfurnished (can be shared by up to 6)		\$16,076	\$16,785	4.41%

\*continuing pilot for this room type

**Proposed 2022-23 Board Plans and Rates**

Similar to housing increases, the food component of CPI increased 9.4% in April 2022 over the prior year. The food sub-component called Food Away from Home increased by 7.2%, while Food at Home increased 10.8% during the same prior year period. Specific food commodities used in our dining facilities increased by an average of 7+% with notable increases being 8-10% for meats, 8-10% for baked goods, 4-5% for produce, 3-4% for dairy products, and 8-10% for kitchen supplies driven by eco-friendly materials and sustainability. WSU Dining Services provided by Aramark also had wage increases across all five categories of dining employees, 8.4% in the last twelve months and 20.2% in the previous two years. Notable also is that WSU Dining Services has increased all student minimum wages to \$12/hour necessary to attract and retain a dependable student workforce.

WSU and Aramark worked closely together to modify our existing dining program to reduce expenses and contain needed meal plan increases while still maximizing service and choice for our customers. Changes visible to campus beginning in August 2022 will be the permanent closure of Dunkin’ and the three C-stores in the Law School, FAB, and AAB. Menus will change to respond to customer demand for more plant-forward entrees. Some changes in hours of operation are likely after we understand the new post-pandemic daily campus needs beginning in fall 2022.

<b>Meal Plans</b>	<b>2021-22 Annual</b>	<b>2022-23 Annual</b>	<b>Increase</b>	<b>Increase per Semester</b>
Warrior Pass + \$150 Warrior + \$50 One Card Dollars	\$4,280	\$4,412	3.08%	\$66
Weekly 15 + \$300 Warrior + \$100 One Card Dollars	\$4,280	\$4,412	3.08%	\$66
Block 175 + \$425 Warrior + \$125 One Card Dollars	\$4,280	\$4,412	3.08%	\$66
Block 110 + \$425 Warrior + \$125 One Card Dollars	\$3,294	\$3,396	3.10%	\$51
Block 75 + \$225 Warrior + \$75 One Card Dollars	\$1,986	\$2,046	3.02%	\$30
<b>Block Plans</b>				
15 Block (suitable for both semesters)	\$118	\$122	3.39%	\$4
30 Block (suitable for both semesters)	\$224	\$232	3.57%	\$8
45 Block (suitable for both semesters)	\$329	\$340	3.34%	\$11