The Hope of a New College Town at Western Michigan Through Mixed-Use Development and Creation of a Student Consumer District

James Paul Eichstaedt

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I would like to begin by acknowledging the faculty members that helped me to complete my thesis: Dr. David Lemberg, Dr. Jordan Yin, and Dr. Benjamin Ofori-Amoah. They have helped me to develop my ideas over the last year, without their help this project would not have been possible. I would like to thank a few members of the WMU administration for their time; Lowell Rinker, Dr. Diane Anderson, and Dr. John Dunn. Glen Harris and Dave Dakin were also a great help for obtaining planning documents.

Secondly, I would like to thank everyone from the Department of Geography from the faculty and staff to the other graduate students with whom I have spent many hours with in lectures and labs. Thank you as well to Dr. Greg Veeck for allowing me the flexibility in the last semester of my teaching assistantship.

Last, I would like to thank my family; Bill, Vicki and Billy, without all of you this would have never been possible. Thank you to my wonderfully patient girlfriend, Katie Brennan, for being so supportive through my graduate school career. She really has been nothing short of amazing. Thank you to my friend Tom Allen for providing me with study breaks, being a lunch pal, and a giving me a good dose humor.

James Paul Eichstaedt
THE HOPE OF A NEW COLLEGE TOWN AT WESTERN MICHIGAN THROUGH MIXED-USE DEVELOPMENT AND CREATION OF A STUDENT CONSUMER DISTRICT

James Paul Eichstaedt, M.A.

Western Michigan University, 2008

My research will start with investigations into what an American college town is, what are the uses of Smart Growth and Mixed-Used Development in college towns, and the real estate development practices of universities in The United States and one Canadian university. The four case studies in the thesis are The Ohio State University, The University of Norte Dame, The University of Connecticut, Victoria University at The University of Toronto. Other data was collected from survey respondents of close to 200 hundred students at Western Michigan University. The purpose of the survey was to determine what amenities and housing styles students wanted to see on or near campus.

The next part of the thesis was to establish what alternative would be best suited to help curtail the declining enrollment at Western Michigan University and help to increase the enrollment in the future by making the school more attractive to perspective students. The alternatives were to do nothing, remodel existing dorms, build new dorms, build new apartment buildings, or to build a mixed-use development. They were judged using a weighted scoring average based on how effective the alternatives were on five key attributes. They were cost, attraction of parents and students, potential for revenue, sense of community, and benefit to entire campus. The mixed-use development would do the best to stabilize and then increase enrollment through student attraction.
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CHAPTER I

INTRODUCTION

Western Michigan University is located in Kalamazoo, Michigan a city with a population of 77,145 according to the 2000 U.S. Census. (www.census.gov, 2008) Kalamazoo is the seat of the larger county, Kalamazoo County. The city has a land area just over 25 square miles (www.census.gov, 2008). There are many surrounding communities that make up the larger metropolitan area. They are; Portage, Mattawan, Texas Corners, Oshtemo, Gull Lake, and Galesburg-Augusta to name a few. The Metropolitan Statistical Area (MSA) covers two counties, Kalamazoo and Van Buren Counties, with a 2000 Census population of 314,866 and an estimated 2006 population of 319,738 people (www.census.gov, 2008). This is the largest MSA in the southwestern portion of Michigan. Kalamazoo is also the home of three higher education institutions, Kalamazoo College, Kalamazoo Valley Community College, and Western Michigan University which is by far the largest and most prominent of the three. It is WMU that this research will be focused on.

Western Michigan University is currently facing a serious issue regarding its declining enrollment. According to a published report from the Office of Student Academic and Institutional Research at WMU (2007), the fall 2007 enrollment reported to the State of Michigan by the university was 24,433 students. The same report stated that WMU had an all time enrollment high of 29,732 in the fall of 2002. Over a five-year period WMU has declined in overall, undergraduate and graduate, enrollment by 17.8%. The only other state university that saw a decline over the same five-year period was
Eastern Michigan University (6.35%)\(^1\); WMU’s decline was nearly three times as high. All other state universities increased enrollment over that five-year period. See Table 1.1 for data on all 13 state universities over the five-year period.

This problem is increasingly compounded because of the condition of the Michigan economy. Future students aware of the situation see the economy of Michigan as unstable and a place where they are not able to find employment after graduation, thus leaving the state to pursue higher education and careers elsewhere. The unemployment rate reported by the 2000 U.S. Census was 8.4% in the City of Kalamazoo (www.census.gov, 2008). This number is higher than, more than double, the state unemployment rate of 3.7% (www.census.gov, 2008).

The problem of declining enrollment at WMU will only get worse if the university does not determine and implement a strategy that will create a “college town” atmosphere. (Gumprecht, 2003) Gumprecht explains several characteristics of a college town and several distinct neighborhoods that can be found in many American college towns. The one particular landscape mentioned was the “college-oriented shopping district”. Western Michigan is simply lacking in this particular type of college neighborhood. Currently there is a development that contains three individual strip malls. This retail area is anchored by a video rental store and a café on the top portion of the building. Other retailers include a Subway, Panda Express, an under construction restaurant and bar, coin laundry mat, a college dorm room supply store, a package liquor and convenience store, Pita Pit, Marco’s Pizza and one open bar/night club.

\(^1\) At the time of writing Eastern Michigan University had not published its fall 2007 enrollment numbers. The rate of decline used data from fall 2006 enrollment numbers.
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<th>WMU</th>
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<td>Fall 2002</td>
<td>29,732</td>
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<td>24,505</td>
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<td>Fall 2003</td>
<td>29,178</td>
<td>24,616</td>
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<td>11,822</td>
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<td>Fall 2004</td>
<td>27,829</td>
<td>24,875</td>
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<td>Fall 2005</td>
<td>26,239</td>
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<td>12,547</td>
<td>22,565</td>
<td>2,907</td>
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<td>Fall 2006</td>
<td>24,841</td>
<td>24,556</td>
<td>22,949</td>
<td>12,560</td>
<td>23,295</td>
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<td>Fall 2007</td>
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<td>27,768</td>
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<td>23,464</td>
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<td>-0.178</td>
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<td>44,937</td>
<td>6,597</td>
<td>9,004</td>
<td>16,059</td>
<td>9,189</td>
<td>38,618</td>
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<td>Fall 2003</td>
<td>44,542</td>
<td>6,544</td>
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<td>Fall 2004</td>
<td>44,836</td>
<td>6,540</td>
<td>9,331</td>
<td>16,902</td>
<td>9,448</td>
<td>39,284</td>
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<td>Fall 2005</td>
<td>45,166</td>
<td>6,506</td>
<td>9,500</td>
<td>17,339</td>
<td>9,569</td>
<td>39,686</td>
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<td>Fall 2006</td>
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<td>17,737</td>
<td>9,543</td>
<td>39,536</td>
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<td>Fall 2007</td>
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<td>6,758</td>
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<tr>
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<td>0.112</td>
<td>0.037</td>
<td>0.059</td>
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Table 1.1. Fall Enrollment at Michigan Public Universities 2002 to 2007.

Eastern Michigan, Northern Michigan and Saginaw Valley State Universities had not published Fall 2007 Enrollment numbers at the time of writing. Therefore, the percent change was calculated using the Fall 2006 enrollment numbers for all three schools.
It is my intention to show that Western Michigan University is in need of a different type of retail sector that incorporates a “college-oriented shopping district” with housing of different floor plans; in other words a mixed-use development. I believe that if a mixed-use development was positioned on or near the WMU campus it would create a more prominent “college town” atmosphere and sense of community that would increase its’ appeal to perspective students and help with retention of current students. (Powers, 2007; Western Michigan University has an opportunity to use some of its under used assets in a unique way that will promote WMU as one of the premier institutions in the state of Michigan and the Midwest as a whole.

Purpose of Study

This study will show that many universities around the country have undergone a transformation to create a sustainable, mixed-use development that operates as the “college-oriented shopping district”. I will show that Western Michigan has the opportunity to do what these other universities have done while including housing within close proximity to the academic core of the main campus. Universities that have mixed-use developments adjacent to their campuses will have the ability to attract more students because they are able to provide the amenities that the students have grown up with and still desire as they search for the right college fit. “Today’s students wield more disposable income than previous generations, and they demand the living, eating, and shopping options they’ve grown accustomed to at home” (Hudgins, 2007). The growing evidence will show that Western has a window of opportunity to create a growth
mechanism that will be on campus and also have the potential to create income for the university.

Research Questions

This research is based on five main questions about development practices at Western Michigan University. The questions will all be based around answering the question of what we can do to help steady enrollment and then increase enrollment by making WMU a more attractive place for prospective students. In the same light, the questions will trickle down to help retain students at Western. The research questions are as follows.

1) What are the common themes that universities are doing in the development realm and how are they growing or stopping the decline of their enrollments?

2) Is there a demand for different forms of student housing that offer different and more amenities that are currently available at Western Michigan?

3) Would a mixed-use development help to attract new students to Western Michigan University and help retain students until graduation?

4) What is the best development alternative for sustaining higher enrollment at WMU?

5) What type of development will also help to attract parents and community members to the campus more often, in essence creating a community wide benefit?

These questions will guide the research and help to determine what is the best scenario for Western Michigan University to use as an enrollment growth mechanism. There will be other questions that come up during the research process and will be discussed in the results section of this paper.
Research Objectives

To help find the answers to the above questions objectives have been determined as steps toward reaching a conclusion to the Western Michigan University development opportunity. The first objective will be to show that one site is better than the other. This will be done by a simple advantages and disadvantages list and what site is the best to help Western Michigan move forward. The second objective was to give a survey to WMU students to determine what kind of amenities they would like to have close to campus and what they do. This will help in the creation of the second survey that will show what student would like to have out of the five most mentioned amenities from the first survey.

The second part of the survey will help to reach the third objective of this study to understand what kind of housing choices the student would like to see in a new development on the campus of WMU. In the second survey the respondents were asked to rank the desired housing that appeals to them from one, what they would like to see the most, to five what they would like the least. The fourth objective will be to outline what other schools are doing in development on and around their campus to help combat the problems that affect their individual campuses. This outline of other campus activities will be in the form of a case study using articles in recent publications and internet resources.

Site Selection

This project began with the idea that a particular site would be best suited for such a mixed-use development. Later, another site became available during the summer of
2007 because buildings were razed. This created a potential seventeen and a half acre site on the corner of Stadium Drive and Howard Street. Upon further investigation the author believed that the original site of the Kalamazoo College athletic fields would be unfeasible because of the unlikely nature of the two institutions to work together to reach a common goal.

This was the ultimate reason that would lead to the other site being more feasible. There was a process of determining what site would be the best using a simple advantages and disadvantages system. The first site was called the Kalamazoo Athletic Fields. The site is located along West Michigan Avenue and sits next to the Ellsworth Hall Parking Deck, and across from the student recreation center and its connecting parking lot. Along the rear side of the site is a residential neighborhood and along the opposite WMU owned land is light commercial area that blends into residential as you move up the street. This approximately 20-acre site holds four athletic fields for Kalamazoo College; they are baseball, football, soccer and softball. Please see Figure 1.1 for an aerial photo of the first site and Figure 1.2 for the second site, the preferred site.

The advantages to this location are that it would link a current commercial area and the university by filling in the gap that separates them. The next advantage is that the side is directly adjacent to WMU property that includes a parking garage. Another advantage is that this location is also within walking distance from Kalamazoo College. This is a benefit to these students as well because it would create a community for them as well and close housing for those students who are able to live off campus. The major disadvantage to this site is that it is not owned by Western Michigan. Without ownership, there is not possible way for this site to become feasible. The only way for
this to happen would be for Western to purchase the land and then allow Kalamazoo College athletics to use WMU facilities for its sports teams and help with the building of new facilities on vacant land. The problems in this arrangement are many regarding scheduling and priorities and also that there is no vacant land near Kalamazoo College for
the creation of new athletic facilities. Other disadvantages are that this would be converting green space into an urban use, and there is a hill that runs through the site and would be costly to level or create design challenge for the rest of the site. The last disadvantage would be the cost of realigning the fields so that one field could be used for multiple sports and that it would shrink the developable size of the site considerably.
The second site that was introduced was the seventeen and a half acre site on the corner of Stadium Drive and Howard Avenue. The remaining two sides of this site continue on the Western owned property of the physical plant, impound lot to the north and the Kalamazoo Psychiatric Hospital land, WMU owned as well, to the east. The number one advantage of this site is that it is owned by WMU. There will be no cost to acquire this land. This corner of land is also the first part of campus that is seen when arriving from the US-131 Highway a few miles down Stadium Drive. The advantage is that it will create a feeling and look that will be undoubtedly known as the entrance to our wonderful university. Another advantage is that this land is already part of the campus master plan and slated for a different use than is currently there. The plan is to use this location for a surface parking lot, open green space and residential buildings as you move up the hill toward Oakland Drive. This location is also on the edge of campus that brings both positives and negatives. The positive is that the 2000 master plan one of the efforts was to “Develop Campus Edges and Entrances”. Improving the looks and function would do just that.

This disadvantage is that a development on the edge of campus would create a longer walk for students living in the area or those who are there before they must attend class. Being on this side of the campus, the site must contend with crossing busy Stadium Drive. Students may be apprehensive of crossing without a pedestrian bridge leading to the other disadvantage that a safe link should be build to connect the development site to the main portion of campus. A pedestrian bridge will be expensive and must be a certain height because of the railroad tracks close to the other side of campus. Another disadvantage is that the site is still used by the university for housing
about 200 students. If these four structures were to be torn down, the students must be able to find affordable housing in other campus apartments. This would create an added stress on university housing during the construction phase of development.

With all of the advantages and disadvantages that both sites have the site that is on Western Michigan's property is the best location for a possible development of a mixed-use venture. The largest contributing factor to this decision is that Western owns the land and will not have to pay a large sum up front for acquisition of land. The next best advantage is that this corner can be developed with a lively "college-oriented shopping district" that will show there is a desire to be in Kalamazoo and attend Western Michigan University.

Outline of Paper

The remainder of this paper will contain a section of what the expected findings are for this research. Next there will be a discussion of the current literature regarding the atmosphere of college towns and their specific characteristics that separate them from other towns that are not home to a large college or university. Within this review there will be note of how the American college town was formed due to events that happened after World War Two. The review will also talk about the three distinct neighborhoods that are found in college towns, the fraternity row, the student ghetto and the faculty enclave. (Gumprecht 2003)

Included in the review will be a section on Smart Growth principles that are found in most mixed-use developments that were studied. In the discussion on Smart Growth there will be cases of universities that have used specific Smart Growth practices in
partnerships with the city they are located in to create their mixed-use project. The concept of mixed-use will also be reviewed and specific examples of universities that in the planning stages as well as those finished or constructing mixed-use developments on or near campus.

The last portion of the literature review will be on real estate practices by universities that have taken on the role of developer. David Perry and Wim Wiewel collaborated as editors in a 2005 book titled The University as Urban Developer: Case Studies and Analysis. This book has provided several articles with different examples of what type of deals can be made in the development realm near university campuses. A large portion of this topic will be the practices, financing options, and partnerships that universities in America and Canada have done. After a thorough investigation of other articles about development in university towns there will be a small section on what is going on in the field of university development and what the institutions are trying to accomplish with the development i.e., recruitment of students, beautification of the campus, or to build up community relations.

After the literature review there will be a chapter about four other universities that have undergone or are in the final planning stages of mixed-use development on or adjacent to their campuses. I will investigate the independent and dependent factors that affect each of the universities to see how they line up with the framework discussed in the last part of the literature review by Austrian and Norton (2005). The four universities will be Notre Dame, University of Connecticut, The Ohio State University, and Victoria University at The University of Toronto. In essence this chapter will show what the best practices are for mixed-use development in the market right now.
After the case studies there will be a chapter that discusses the methodology used during this study. It will include how the surveys were designed and how they were used to draw out the needs and wants of the current students at Western Michigan University. After using the survey to show what the students are looking for in the future, I will use a weighted average scoring schema to determine why I believe that the development of a mixed-use area will be best suited for Western Michigan University to combat the enrollment and financial problems that we are currently seeing. This will be the best alternative compared to the other viable alternatives.

The findings, discussion, and future research will be the last part of the paper. The thesis will conclude with the results of the two student surveys, what the weighted scoring showed and what is the best alternative, including a post analysis of pros and cons of each alternative to demonstrate the scoring results. The justification for the selected attributes and the weighting that each carries will be discussed in detail in this section. The weighted score for each alternative will be summed and the highest one will be the alternative that should be implemented to help alleviate the problems mentioned previously.

Expected Outcomes

The outcome that is expected from this research is that there will be a strong showing from students in the survey that they want more choice when it comes to housing styles and amenities that are close or on campus. The author hopes that the weighted scoring test will show that the best alternative for development on the Western Michigan campus will be a mixed-use arrangement that will include housing of various
styles, multiple buildings, anchor stores (national chains), local retail, office space, and restaurants. A mixture of these elements will create a vibrant place that will keep students here on the weekends and make them want to come to Western Michigan University for the next four years of their lives.
CHAPTER II

LITERATURE REVIEW

The American College Town

Individuals who have gone on to higher education know that they have learned just as much outside of the classroom as they have learned in it. In other words, one learns from the environment of their particular college town. College towns across America have characteristics that are unique to the group as a whole and also several that make them different from one another. While many enjoy this experience, there are very few studies that explain the social and cultural experience contained within a specific geographic location, the college towns. "Indeed, no major study of the college town has yet been published, despite the prominent image such towns have in American culture and the important role they have played in the lives of many Americans" (Gumprecht, 2003). Gumprecht sets forth to fill this gap by describing what the distinguishing factors are found in college towns that make them different from other major metropolitan areas that are often studied by other urban geographers. (Gumprecht, 2003)

What is the American College Town

A college town is defined as "a community (often literally a town, but possibly a small or medium sized city, or in some cases a neighborhood or a district of a city) which is dominated by its university population...but college towns in all cases are so dubbed because the educational institution(s) presence pervades economic and social life" (Gumprecht, 2003). Kalamazoo certainly is a "college town" by this simple definition.
There are areas that are overwhelmingly populated by students such as the Davis Street, Lafayette neighborhood and the sprawling apartment complexes along West Michigan and KL Avenues. The study by Gumprecht considers a college town as any city where a college or university and the culture it creates exert a dominant influence over the character of the community. This study is of critical importance to my research because it sets the parameters of what makes a college town distinct from others and therefore deserves to be reviewed at length.

Gumprecht’s study consisted of 59 cities that ranged in population from 2,313 to 137,893 according to the 2000 census. An interesting fact that he points out here is that all but two cities studied, the college students made up at least 20 percent of the population. Among other facts Gumprecht found that there are eight key or principle characteristics that make college towns different from other cities found in the United States

- College towns are youthful places
- College-town populations are highly educated
- College-town residents are less likely to work in factories and more likely to work in education
- In college towns, family incomes are high and unemployment is low
- College towns are transient places
- College-town residents are more likely to rent and live in group housing
- College towns are unconventional places
- College towns are comparatively cosmopolitan

Five of these eight characteristics can be measured quantitatively for Kalamazoo using 2000 census. They are age, population education, employment sector, income and
employment, and rental rate versus home ownership. These figures will be used against the average of Gumprecht’s 59 studied cities to help determine if Kalamazoo is a college town.

A question that must be asked is why is the college town phenomena so much akin to the United States and not in other countries? Gumprecht believes that it is because of the way cities were developed here in the states compared to European countries. In Europe, many universities emerged in locations where scholars would traditionally gather, mainly cites with economic, political and cultural importance. On the other hand, the development in the United States started gaining major ground after most universities were founded (Gumprecht, 2003). Also, the massive size of The United States led to the opening of so many universities to serve the public demand. Many cities also wanted to gain colleges or universities in hopes that it would secure their futures do to the absence of a predominate industry that larger cities have.

College campuses have long been portrayed as brick paths with dense tree cover in movies and novels alike; where many a young couple, perhaps not students on that campus may walk and get to know each other. This ideal is what Gumprecht refers to as the campus as a public space. “In many ways the campus is the center of life in the college town, much as the central business district was in the pre-automobile city or the shopping mall is in suburbia” (Gumprecht, 2003). The college campus offers so many amenities it is hard for the city dwellers not to venture on to the campus to partake in the activities that it offers. An example of this that most are familiar with is the fall football Saturday that draw people from the region and many times, hundreds of miles away.
This is because college town campuses serve as a hub of activities that cater to individuals well outside of the campus population.

**College Town Neighborhoods**

College towns also offer a very unique mix of living arrangements for students, faculty and other members of the community. This is because of the "social differences that exist in college towns" (Gumprecht, 2003). Rightly so, many of the other residents do not want to live in or near the same neighborhoods that house college students. After the study of 59 towns, Gumprecht found that there are three typical neighborhoods found in college towns. They are fraternity row, the student ghetto and the faculty enclave (Gumprecht, 2003). Fraternity row is known for its consistently large weekend parties and their classical mansion style architecture. The student ghettos are the neighborhoods that are usually indicative of loud parties, dilapidated houses, garbage littered lawns, old couches on porches, and cars parked on lawns (Gumprecht, 2003). Due to large enrollment booms after World War II, campuses were unable to house all their students. Landlords saw an opportunity to make money by purchasing and renting out the filtered down housing stock that was rapidly deteriorating (Gumprecht, 2003). The faculty enclave is usually nestled in a near by, older neighborhood "where residents vigilantly seek to preserve the area's character and prevent incursions by students" (Gumprecht, 2003). Just like the residential living arrangements, the commercial districts are generally different in college towns when compared to that of a non-college town.

The major difference noted in Gumprechts study is that there is a high density of bars found in college towns. These retail portions of the town will build up adjacent to
the campus, historically because the campus may have been too far to travel before the mass transit and auto-dependent times we are in today. These adjacent developments are different from non-college towns for two reasons: "certain types of businesses are more abundant, and numerous businesses cater primarily to the needs and desires of a college community (Gumprecht, 2003). There are also many unique businesses that sprout up in college towns. Most often found are independent movie theaters that show foreign films, health food stores, vegetarian restaurants and a mix of religious organizations. This is not a complete list. It may differ greatly depending on the geographic location of the higher education institute.

The Research Move

Just as location may influence what kind of stores are in developments around college towns, the types of academic programs influence the companies that locate in or near that town. Ann Arbor, Michigan is the example drawn from this article. This is a city that has had a long relationship with private industry. A few key dates to illustrate:

- 1920- university created a department to undertake contract research for corporations
- 1940s- university became major defense contractor
- 1950s- a coalition mounted a drive to make Ann Arbor the “Research Center of the Midwest”
- 1962- after persuading a pharmaceutical and aerospace companies to locate in Ann Arbor, the Ann Arbor Research Park was built.

Today Ann Arbor is home to more than 300 software companies, and employs over 15,000 people in technology companies, and one pharmaceutical company that employs
another 3,000 people. (Gumprecht, 2003) A research park has the ability to create local jobs and whole new industries, another college town must have.

Gumprecht discussed early in his article how the surrounding community used the campus as a public space, I eluded briefly to the customary football Saturdays found on many large campuses across America, Gumprecht refers to this as the stadium culture. State College, Pennsylvania is a particular college town where football played a role in development. “A local magazine tried to imagine what the town would be like if Joe Paterno had never become the university’s football coach. It imagined a downtown full of boarded-up buildings and empty storefronts and a university with half its current enrollment, a crumbling library, and a meager endowment” (Gumprecht, 2003). This may sound drastic but in many large college towns, sports are a very large source of revenue for both the school and city (Gumprecht, 2003). This major source of pride for these college towns excels the relationship between campus members and community members in a financial situation.

However, towns and college campuses have not always had the best of relationships. One of the largest problems that Gumprecht illustrates is in Newark, Delaware where “the most divisive issue has been the erosion of single-family neighborhoods by student housing” (Gumprecht, 2003). Most college campuses have had a large enrollment increase since the 1960’s and have not built enough on campus housing to accommodate for the influx. This has caused landlords to buy housing and convert them into rentals for the student demand. Another large problem noted is the drinking associated with college students. “Students drinking is considered such and issue in Newark that the university has become active in a national anti-binge-drinking
campaign sponsored by the Robert Wood Johnson Foundation and has expanded its student judicial code to included off-campus behavior” (Gumprecht, 2003). With universities still trying to expand and gain more students new buildings must be built to accommodate these academic improvements. This also leads to tense relations between campus and the community at large. Building large buildings and parking structure may take away from the overall aesthetics of the city; examples include parking garages near residential neighborhoods.

Smart Growth and Mixed-Use in College Towns

Smart Growth is a practice that is a more recent movement in the profession of Urban Planning. Smart Growth is a set of strategies or principles that “has three basic elements: conserving natural resources, encouraging compact commercial and mixed-use development, and creating walkable residential neighborhoods” (Barnett, 2007). There are ten all encompassing principles that most within the movement have agreed on and published what they are. The Smart Growth Network has put the ten principles on its website and they are; 1) mix of land uses, 2) take advantage of compact building design, 3) create a range of housing opportunities and choices, 4) create walkable neighborhoods, 5) foster distinctive, attractive communities with a strong sense of place, 6) preserve open space, farmland, natural beauty, and critical environmental areas, 7) strengthen and direct development toward existing communities, 8) provide a variety of transportation choices, 9) make development decisions predictable, fair and cost effective, and 10) encourage community and stakeholder collaboration in development decisions. (Smart Growth Network, 2008)
As college campuses continue to grow across America they have already naturally grown with a numerous Smart Growth ideals in mind. "Most of our best-loved universities and their surrounding towns have naturally used development strategies that we would call smart growth to create connected, compact, and coherent campuses" (Dalbey et al., 2007). This seems to make perfect sense compared to what a college campus is set out to do. The fact that most colleges were founded in the 1800's means that they are most likely surrounded on all sides by residential or commercial uses and land may be a scarce resource in some cases. Having to face this problem head on, researchers found that campus development is moving toward using the space available in interesting and different ways. (Dalbey et al., 2007). "On campus this may mean seeking out infill opportunities for redevelopment such as surface parking lots or underused facilities to take full advantage of existing space and mixing previously segregated uses such as residential, classroom, and administrative uses in new buildings or sets of buildings" (Dalbey et al., 2007). A college or university is not going to consider moving elsewhere or breaking up the campus to try and keep its cohesive feeling. Western Michigan went a different direction when it built its Engineering Campus miles away from the Main Campus.

Benefits of Smart Growth to Colleges and Universities

Smart Growth strategies are not just policies that can be used by cities or municipalities. Universities and colleges are also able to benefit from this particular way to grow. There are four specific benefits that have been seen in university and college towns that have chosen to use Smart Growth to create better communities are large. They
are 1) creating enduring, vibrant, accessible place, 2) realize, fiscal benefits for both the institution and community, 3) foster greater cooperation between the institution and the community and 4) contributes to a healthy and sustainable campus (Dalbey et al., 2007). These are four goals and objectives that most university boards and presidents can probably agree that this would be greatly beneficial to their respective campus.

**Creating Enduring, Vibrant, Accessible Places**

There are a few words that developers and residents alike will want to hear when being pitched a new development of mixes-use. “It is clear that prospective student and faculty desire institutions that provide not only the highest quality education and facilities, but also a vibrant and active campus life” (Dalbey et al., 2007). As mentioned earlier students are growing up with more and more these days, they (the perspective student) believe that they should be going to a place that is just like home or even better. These places can be found both on and off campus. Today’s students are more sophisticated and there are growing trends that they want more to do in their free time. (Tseckares and Hill, 2003; Hill and Brown, 2004; Hill and Tseckares, 2006; Gisolfi, 2007)

Dalbey and others continue to describe just what is needed in design to create mixed-use areas that will become emerge into vibrant places. Boston, Chicago, Philadelphia, and Washington D.C. are cities with universities that have used mixed-use developments to become more vibrant and create a sense of real community among students. (Pinck, 1993; O’Hara, 2002; Marsters and Bliss, 2007; and Milshtein, 2007)

First, there must be a creation of what the authors call “outdoor rooms or corridors”. This
is to create a feeling that you are in a place. Second, the development should show some connection to the existing campus; specifically in its physical nature like material or exterior appearance to other campus buildings. Third, there should be a desire to use a site that already contains buildings so that you use the Smart Growth principle of infill development. Fourth, is to create mixed-use buildings; “buildings that support a variety of used create vibrant places, can help connect campus and community, and help solve transportation challenges” (Dalbey et al., 2007). Fifth, is to create connections between the campus and the community that is boarding campus, sixth is to develop a sense of compactness as the authors call it, “campus should develop at densities an with a mix of uses that add to campus life and provide environmental benefit by preserving natural areas” (Dalbey et al., 2007). The other four design ideas are; uniqueness of place, mobility, reuse old buildings, and sustainability. These are very important as well but do not warrant in depth discussion because they are self-explanatory.

A specific example of the implementation of some of these ideas is at Jackson State University (JSU) in Jackson, Mississippi. The president of the university, Ronald Mason, Jr. realized that the very first thing that needed to change in the recruiting process of students, faculty and staff was the initial reaction to the campus. (Dalbey et al., 2007) The image of the campus is an important issue when trying to get students interested in the university. Every college and university has a grounds department that works hard to keep lawns mowed and green, flower-beds free of weeds and perfectly trimmed hedges. “JSU has also recognized that growth and development off campus can, and should, yield multiple benefits, including creating a vibrant, thriving place for student, faculty, staff, and residents in the adjacent communities” (Dalbey et al., 2007)
Realizes Fiscal Benefits for both the Institution and the Community

As a higher education institution moves toward development financing options are always a large question, maybe now even more important because of the current state of the economy. An obvious question that should be asked in the site selection process is “where can we build that will have the lowest cost of new infrastructure?” If there is already a site on campus that had infrastructure running through it or perhaps, in some cases, a site that is located adjacent to campus. Sites may consist of existing surface parking lots, vacant buildings, or forested areas that fit within the master plan as being converted to developable sites. Dalbey and other authors have found that “compact, walkable, mixed-use development that takes advantage of infill sites and existing infrastructure can yield numerous benefits to both a university and the surrounding community” (Dalbey et al., 2007).

In this financial realm one must recognize that universities and colleges can be used to drive economic stimulus in these towns. For universities to function properly they must be staffed accordingly with faculty to teach the students and staff who will maintain the physical workings of the university. As Gumprecht pointed out in his 2003 article, the university in many college towns is the major employer of the area. This translates into employees are spending their income in the town creating a vibrant market within the city. “More than 1,900 urban universities spend $136 billion on salaries, goods, and services in the mid-1990s” (Dalbey et al., 2007). This is a significant amount of spending power that will keep trickling down in the local economy. “Further national studies show that population growth trends are favoring regions with college towns and cities over regions without them” (Fischer, 2006).
Another way for both parties to embrace the fiscal benefits is to gear the growth that is happening on or near the campus in an efficient way. In the case of most universities, they were established many years before the large building boom after the Second World War. This event left limited room for institutions to build beyond their current boarders to meet today's students amenities they want to see on their college campus.

Colleges and universities can inventory their campuses to assess where the greatest potential for additional development and a mix of uses exist. This might reveal sites on campus that are appropriate for additional buildings, expanded complexes, or reconfiguration to accommodate more residences or classrooms. Furthermore, a master plan might suggest an innovative or adaptive reuse of some part of campus that would offset the need to build off campus. (Dalbey et al., 2007)

At Western Michigan University we do have some plots of open space that could be used to accommodate new buildings. The main idea stressed in this section of the research is that infill development will work better on campus as opposed to development that is off campus on private land or city owned.

Faculty, students, and staff come to the universities and colleges with increasing expectations. This is a key point when reviewing the students that are being attracted to college campuses and bares acknowledgement once again. Students look at a lot of different things when scouting the potential school of their future. They will look at the level of academics, the quality of the buildings, the availability of majors and probably the ratio of students to faculty. All very important, the one thing that they will scrutinize highly that is not academic is the quality of life they will have for the next four, more commonly five years. “today’s students come with higher expectations for quality of facilities and leisure opportunities than in the past” (Dalbey et al., 2007).
If students have higher expectations that means that the university must cater to them or face declining enrollment and an overall depletion of the applicant pool that fits within the universities admission requirements. "To meet such rising market demands, many campuses are turning to the creation of new mixed-use development off campus in near areas. These projects may include retail, student or market-rate housing, academic space, and commercial/office space" (Dalbey et al., 2007) All of these amenities can come together and form a small neighborhood feeling that is walkable, close to or on campus, and mainly geared toward the college students but still a desirable destination by other members of the community at large.

The example offered by the author and his colleagues is that of University of California, Davis. UC Davis is currently involved with a private development firm working on a 205-acre site to build a mixed-use community. This is a rather large development and not very common among most developments on college campuses. This project will have housing for ownership, student housing, commercial services all connected with bike and walking paths with lots of open green space. (Dalbey et al., 2007)

To create some of these remarkable mixed-use developments there needs to be some creative financial undertaking. The financing options mentioned in the article were the conventional ways that a university is used to so that control is still held by the university. The other means of financing would be to form a long-term lease with a private developer, which will allow the builder/developer a little more freedom to do what they are paid to do the best. (Dalbey et al., 2007) Another option is to enter into a deal that will benefit both the university and city. The University of Maryland, College
Park is currently undertaking two different mixed-use developments that are using two different financing options.

First, the university has set up a “separate nonprofit foundation is established to own the buildings and obtain tax-exempt financing. The university leases the land to the foundation” (Dalbey et al., 2007) The interesting point of this agreement is that the nonprofit was setup using completely private funds. This is an opportunity for the university to make money while letting the private development firm enjoy design freedoms. After the development is completed, the developer still has control of the buildings and is contractually obligated to pay rent equal to some portion of the market value. The nonprofit foundation will reinvest all of the profits back into the university. (Dalbey et al., 2007) Second, the university had a 38-acre plot they were looking to develop by a private company on the eastern portion of their campus. The university hopes that the development will be “an exciting mixed-use [containing] office, retail, hotel, residential, and structured parking which will provide inviting outdoor civic space and connectivity to the main campus, the city of College Park, and the adjacent transit district” (Dalbey et al., 2007).

The Ohio State University shows a great example of how neighborhood, civic groups, and the City of Columbus have bonded together to an organization that will work with the university during its redevelopment plans that will affect the surrounding city as well. This new group worked hard to develop revitalization plans for the surrounding neighborhoods that are at the south end of campus area. The area has come to be known as the Campus South Gateway project. (Dalbey et al., 2007) The plans include: 1) 250,000 square feet of community and university serving retail, 2) 88,000 square feet of
office space, mostly university occupied, 3) 190 market rate apartments, 4) 1,200 space parking garage, and 5) an eight-screen cinema. (Dalbey et al., 2007) This is just what mixed-use is and just what it should be on or adjacent to campuses all across America.

This project also used five different funding sources and mechanisms to meet its completion.

- Authorized investment of $20 million from endowment fund
- City of Columbus committed $6 million for infrastructure and approved a tax-increment financing district
- State of Ohio appropriated $4.5 million in capital funds to subsidize parking garage
- $35 million in federal New Markets Tax Credits for retail portion
- Ohio State University issued tax-exempt bonds to finance housing, office space and parking garage (Dalbey et al., 2007)

The Ohio State University would not have been able to fund a project of this magnitude without a variety of financing options available to them. The authors go on to warn that the decision to work with the private sector should be properly weighed, as projects like this have an inherently higher risk associated with them that may affect bond ratings. (Dalbey et al., 2007)

**Foster Greater Cooperation Between the Institution and the Community**

For a mixed-use development to work there must be a large base to support it. The college or university will not be able to support a retail sector by itself that is why it is important to have stores that will attract shoppers from the surrounding community. The stores will cater to the younger shoppers but there are also many people who have just graduated from college, the young professionals, whose taste are still very similar. A
growing market area will help bridge the gap that every institution and its town have come to know as the "town and gown" relationship. (Dalbey et al., 2007) These towns are a growing area of interest to post graduates because they offer jobs and a style of living that they still enjoy. “As attractive places to live, many college towns are growing and need to address the challenges and opportunities that accompany growth” (Dalbey et al., 2007).

Dalbey and colleagues (2007) found that institutions concerned with growth that are forced to develop off campus are playing a balancing game with development and the traditional way of growth. Venturing off campus means that the institution must stay within its regulations as a non-profit entity, working with a private developer will help them stay within the law as well as prosper in the gains of mixed-use. “Off campus improvements such as new construction on infill sites, brownfields, and vacant or underutilized properties, rehabilitation of existing structures, and the complementary expansions of a local economy, can yield invaluable results in college towns or precincts” (Dalbey et al., 2007). Western Michigan University has an opportunity to develop without having to use the open market to acquire open land; WMU already owns a 17.5-acre lot formally home to 12 apartment buildings, four are still in use today.

Within this opportunity the university moving forward must show a genuine care for the community as it moves forward with a new development. Many residents may be scared of what a university can do to their neighborhood with the help of a community partnership. The institution must work hard to get rid of this stigma. “Colleges and universities often face the challenge of conveying a genuine interest in improving the life of their surrounding communities as a means to maintain a competitive edge while
frequently having to defend a history of independent planning and growth (Dalbey et al., 2007). If the institution can gain the trust of the community they will be able to contribute to the town in a way that most other sectors are unable to. The authors found that “colleges and universities, inextricably linked to their surroundings, may provide a major impetus for growth otherwise unavailable to a town or city” (Dalbey et al., 2007).

**Contributions to a Healthy and Sustainable Campus**

The Smart Growth principles stated earlier in the chapter all have the ability to make the campus a “greener” place and lead to making it more sustainable. Mixed-use in particular is one that will allow for the community and the campus to grow in a responsible way. Dalbey and other authors found that Smart Growth strategies in planning and development have numerous advantages over more traditional forms of planning; “yielding better environmental outcomes by reusing land and new vehicle trip generation, colleges and universities can also seek to pursue site specific strategies to increase sustainability on and off campus” (Dalbey et al., 2007).

In addition to working on site-specific locations these practices can also be applied at a large scale across an entire college or university campus. “These components already exist individually, but colleges and universities should take a holistic view of their campus, and work together to grow in a more sustainable manner and improve their overall environmental performance” (Dalbey et al., 2007). This sustainable initiative has been found to make a campus more attractive to people at all levels of recruitment in students, faculty and staff. (Dalbey et al., 2007) Sustainability is the way to make your campus work better and more efficiently; the “greening” of campuses is
also a large movement. The authors stated many ways that campuses are “going green” that include; increase transport choices, environmental considerations in planning process, conserving open space on campus, air quality concerns, better runoff features and energy consumption. (Dalbey et al., 2007) When the first large college boom began after the World War Two, these were concerns that were not taken into account and are evident in the way that many campuses are situated today.

Many large cities are also taking the approach to become “greener” and many of those examples can be applied to a mixed-use development on the campus of Western Michigan University. Compact forms within walking distance in a small area will draw more people to walk, ride a bike, use of public transportation; anything other than using a car. Compactness, walkability, and green designs are all forms of sustainability that will promote a healthier lifestyle some students want. (Jabareen, 2006; Jackson, Zelinka, Smart, Kunz, 2006; McElroy and Walz, 2007) Compactness also lowers the cost of running utilities to the residential portion of the project. (Elkin, McLaren, and Hillman, 1991) The compact urban form of a city is more likely to make it more sustainable when considered against the other types of today’s popular forms; nontraditional development, urban containment, and the eco-city. (Jabareen, 2006). However, to achieve sustainability this way the location must be zoned for it. For the best results of mixed-use showing sustainability, they parcels need to be zoned for a high enough density. (Jabareen, 2006; Duerksen, 2008) Mixed-use, with the proper balance of retail and residential reduces both the amount of time you spend traveling and distance you have to travel to complete your trips. (Cervero and Duncan, 2006)
Real Estate Practices at American Universities and Colleges

As mixed-use developments differ from campus to campus so do the real estate practices that universities will use to reach their goals. In this section I will discuss the overview of real estate investment practices of universities studied by David Perry and Wim Wiewel in their 2005 edited book *The University as Urban Developer: Case Studies and Analysis*. This will include the independent and dependent factors that were found during Austrian and Norton’s investigation of five universities across America in different settings. After the overview I will discuss a couple of the case studies from the book dealing with leasing institution owned land, the use of vacant land while forming a partnership to reach city goals as well. The next portion of this section will include how Ohio State University formed an agency to help with the development of land adjacent to its main campus in Columbus, Ohio. Finally, I will discuss the lessons that would be universities and colleges can use to be developers themselves that Perry and Wiewel have pulled from the case studies included in their book.

Real Estate Overview

Austrian and Norton studied five universities from different areas of the country that ranged in different enrollments, private and public, and the type of community that surrounded the institution. The institutions were The University of Arizona, Portland State University, Marquette University, Wayne State University, and University of Pittsburgh. The authors found four independent variables that will influence the acquisition and development practices that lead to four dependent variables that drive the university or college during the development process. (Austrian and Norton, 2005) It is
important to point out the difference between what *influences* the institution and what *drives* the development. The variables that influence are the factors that will make an institution want to develop, the variables that drive the university will be the factors that drive pertain as to how the university will develop the targeted area.

The Independent Factors in University Real Estate Investment

The independent factors Austrian and Norton found that influenced an institution decision to pursue development are 1) why they are motivated to develop, 2) the physical environment of the campus and surrounding area, 3) the policy oversight that the university is under, and 4) the leadership at the university. All four of the variables will be discussed using examples from the specific universities studied.

The motivation of the institution is very important because it will outline the reasons why they believe they should develop on or off campus. It will also affect the types and decisions making processes in development practices. (Austrian and Norton, 2005) The first motivation factor that the researchers found was that many universities in the study group were experiencing continued enrollment growth. (Austrian and Norton, 2005) This seems like a reasonable explanation. When a university is preparing for the future of student growth they will need to expand the academic buildings as well as housing for students. These students will also require dining halls where they will eat meals. Additionally, students want recreational facilities to work out, play intramural sports, and engage in other physical exercise. The University of Arizona has had a steady rise of students. “The University of Arizona experienced a steady rise in student enrollment, growing from 6,200 students in 1950 to almost 37,000 by 2002. Portland
State went from 16,000 in the 1990's and more than 20,000 in 2002” (Austrian and Norton, 2005).

A second motivational factor is the need for top-notch academic and non-academic facilities to attract and retain students and faculty. (Austrian and Norton, 2005) As a perspective student, all things being equal, if a choice had to be made between a school with facilities from the 1960's and one with facilities built in the 2000's the student will probably pick the institution with the newer building and laboratories. New facilities can also help to change the movement of your university or to strengthen the reputation as a strong research university. Portland State and Wayne State Universities were two examples mentioned by the authors that were trying to transform from commuter schools. “Both universities traditionally served a large number of commuter students, but are making an effort to attract more student to live on campus and create a twenty-four-hour community around the university” (Austrian and Norton, 2005). The universities are located in different types of areas as well on a vibrant portion of downtown the other in an area striving to revitalize.

The last motivation observed by the authors was a concern over the neighborhoods that are adjacent to the campus border. Institutions are motivated to improve these areas because they believe that they are affecting student enrollment and retention. (Austrian and Norton, 2005) The authors continue to note that many urban universities are surrounded by blight because of decline during the 1960’s to the 1980’s. To combat this problem universities thought that barriers, both symbolic and physical, to make the students and parents feel more safe. (Austrian and Norton, 2005) When this was seen to fail the “institutions engage[d] in large-scale efforts to improve the
surrounding physical landscape" (Austrian and Norton, 2005). Marquette University in Milwaukee, Wisconsin found a solution that would help both the students and the community members. The university had formed development agencies to help stabilize the residential component and to boost the commercial base. This was a decision that was motivated by “the need to improve the condition of the surround neighborhood following declines in student enrollment that stemmed from fears about neighborhood safety” (Austrian and Norton, 2005). There are several factors that can motivate an institution to develop its campus and the surrounding area, these are just the ones pointed out in a study of the before stated universities.

The next independent factor that may influence a universities choice to develop is the physical environment. This variable makes the university investigate whether they have enough room to grow on the campus of if they have to purchase property to construct new buildings. The natural built environment around the campus is also a key issue to worry about, like other development, expressways, railroads, major streets, and bodies of water. The largest land use in most cases is probably other development that sprouted up after the university established its roots. The other development is usually residential in a lot of college towns because of the era when most were started. This is the case in the two examples of Tucson (University of Arizona) and Pittsburgh (University of Pittsburgh).

In both cases, the universities are surrounded by different type of housing, high-income in one spot and low-income in another each facing encroachment from the university. Austrian and Norton (2005) found that in the two cities the lower-income neighborhood was unable to sway the same political might to fight off university
expansion. In large urban university settings, where the neighborhoods have small lot size, the institution sometimes will have to work for long periods of time to gain enough land for their future development goals. This practice introduces a waiting game, where the university has to land bank these properties where residents may be jockeying for the same plot of land but with different uses in mind. (Austrian and Norton, 2005) This again causes turmoil between the university and the community. The University of Arizona is currently using housing it bought in residential areas to as storage, offices for employees, and in some cases the houses are torn down and parking lots are put in their place. All of these options lead to a "scattered pattern of resident ownership that changes the character of the neighborhood.

The universities that are located in urban centers must deal with another set of characteristics all together. As one may guess acquiring land in an urban setting versus a suburban or rural setting may be more difficult and costly. "Portland State University faces less opposition to campus expansion, but confronts another set of obstacles, including intense competition for property in the city’s vibrant commercial zones" (Austrian and Norton, 2005). In the case of Portland State, there is competition which means that the price of land will rise, as there are more potential buyers. This leads to universities having to move quickly while bringing financial resources to the table. In the case of Wayne State University that is located in Detroit, Michigan they have a different economic situation that creates opportunities for their development. "Wayne State University, which is located in a deteriorated urban area, is able to benefit from underutilized land by converting vacant buildings or industrial sites to meet its real estate
needs” (Austrian and Norton, 2005). However, working in a deteriorated location means that most investment will be welcomed over that of disinvestment.

The third independent factor that will influence a universities decision to develop is that of the policy oversight that is written into its charter, constitution or bylaws. This will affect both the public and the private institution. Of course, the way a university will operate depends on what state the university is located in because these laws will vary state by state. Michigan’s higher education system is set up different than the Oregon University system. The private institutions that are in the case studies were all set up to have a board of trustees that would be the governing body of the university, many public institutions are also led by board of trustee members. This structured form of power sets up nicely that the board members and the administrators are trying to keep the universities agenda ahead of the other players. (Austrian and Norton, 2005) Without others to interfere with the process it is rather independent. “This independence reduces delays, facilitates funding approval, and makes it much easier for the university to compete in the real estate market” (Austrian and Norton, 2005).

As mentioned above the policies regarding real estate development will differ state to state. “For example Wayne State University (like all public universities in Michigan) is constitutionally autonomous and the governing responsibility lies with the university’s board” (Austrian and Norton, 2005). Along with this power all the universities in Michigan are allowed to issue their own bonds and are individually held accountable for those debts. In other states there are boards that govern all the universities and colleges that are publicly funded and must approve budgets, bonds and property acquisitions. (Austrian and Norton, 2005) In the case of Portland State and The
University of Arizona the policy oversight has slowed down and limited the universities ability to move forward at a pace where would be able to close on the deal. (Austrian and Norton, 2005) The main pit fall that these institutions have encountered is that they have to wait to gain approval from the governing boards. They move slowly and look at all of the other universities that they are in charge of as well and may weigh options at a much larger level then on a campus-by-campus system. (Austrian and Norton, 2005)

Other policy restrictions that may influence a development decision are financial and planning review processes that the local government may require. “For example the Oregon University system issues bonds on behalf of Portland State, but bond sales must be approved by the state legislature” (Austrian and Norton, 2005). In Arizona the legislature is in charge of how much debt the board of regents can issue of a number of years to fund its higher education projects. (Austrian and Norton, 2005) The planning review process may be an in-house component in many cases but in some of the cases from this article the universities were asked to submit their plans for a formal review from the public officials and citizens. (Austrian and Norton, 2005) This was the case with The University of Pittsburgh. This is a helpful situation because it allows for outsiders to give their opinions to the university that might be over looked by them and also gives them a chance to be a good steward to the community at large.

The fourth and final independent factor is the structure and vision of the university leadership. The universities leadership is made up of the president and the other top-level administrators such as vice presidents, deans, provosts, and the board of trustees as well. (Austrian and Norton, 2005) As universities grow, there is sometime the need to replace the leader because of performance reasons, the old president may have
retired or they may have moved to another university. With a new leader, will come a
new vision. The new president may believe that the institution will need to grow in the
high-tech fields, the medical fields or that they must grow to improve the community
relations or the area surrounding the campus. In the case of Portland State and Wayne
State they wanted to transform from a commuter campus to a residential campus by
adding more university provided housing. (Austrian and Norton, 2005) These two cases
show that this is why the university is motivated to develop. In Marquette University
they chose to develop in a way that will benefit both the campus and the surrounding
areas.

The neighborhood revitalization effort initiated by Marquette University
occurred because the institution welcomed a new president who
recognized that the university’s fate was intertwined with that of the
neighborhood. He knew that fast and drastic action had to be taken to
address the poor condition of the neighborhood in order to preserve the
university’s future. The president was able to convince the university
board to devote the necessary resources to make a difference in the
neighborhood, and redevelopment activities were carried out in a way that
addressed the needs of local residents while stopping the downward trend
in enrollment. (Austrian and Norton 2005)

The Dependent Factors of University Real Estate Investment

In this section of the review I will discuss what the authors found to be the
dependent factors that influence the leadership while making their decisions. The
dependent factors are 1) the decision-making process, 2) the type of real estate projects,
3) financing mechanisms, and 4) university-community relations. Again all of the factors
will be described by examples found by the authors using the same five universities.

The first dependent factor is the decision-making process that the university goes
through. For most of these decisions the university looks at a document that has already
been developed, the university master plan. The master plan is a document that directs the institutions growth initiatives. Usually it is developed around the view of the current administration. In the case at Western Michigan the master plan was developed several years ago when Dr. Elson Floyd was the president. We have since had one president who had not made a master plan, as interim president, and a new president who has been in office for only six months at the time of writing. Wayne State has a master plan that is guiding the development effort and a statement of purpose. “The master plan includes elements that support the vision of the current leadership to better connect the campus with the surrounding community by creating a twenty-four-hour university district (Wayne State University 2001)” (Austrian and Norton, 2005).

The decisions found in The University of Arizona, Pittsburgh University and Portland State have all been streamlined to better compete in the real estate market. (Austrian and Norton, 2005) These three universities are found in the center cities and are in highly urbanized areas that make property acquisition pricey in these competitive regions. These three institutions also needed to maneuver around policies that limited the price they were able to pay for property. “As state government agencies, the public universities in this study were generally restricted to making an offer at or below the average of two appraisals” (Austrian and Norton, 2005). Having a restriction that many private developers do not have the university will eventually be priced out of the market. This lead to the creation of foundations that worked with the university and would purchase the property, then lease it back to the universities. At the end of this lease the property would become university property. (Austrian and Norton, 2005) The authors
also noted that this was especially beneficial when the university was unable to wait for a board of regents or the state legislature in some cases.

Once an institution has made the decision to move forward they must select the style of project they are going to undertake. The second dependent factor is the type of real estate project. Most of the types of development that a university may be interested in are “student housing, office and academic buildings, research labs, research parks, parking garages, recreation and athletic facilities, and mixed-use structures” (Austrian and Norton, 2005). The common practice that was found in all five universities was the desire to build more, new residential units for students based on their growing enrollment or vision to get more students to live on campus. (Austrian and Norton, 2005) The authors again drew attention to Wayne State for its effort to create a twenty-four hour community. Attracting more students’ means one thing for certain to every university; parking, both universities have had to invest in parking structures. (Austrian and Norton, 2005) The University of Arizona and Wayne State have both constructed new student centers, a student union/bookstore and a 700,000-square-foot welcome center for prospective students, respectively. (Austrian and Norton, 2005)

The University of Pittsburgh and Marquette University both have built mixed-use projects that address a wide variety of student and community needs. Pittsburgh has built a student recreation center, a 500 unit apartment complex, convention center that also has retail space. (Austrian and Norton, 2005) In the case of Marquette University, it was mentioned before that they wanted to stabilize the area around the university, the largest effort was the mixed-use “$30 million Campus Town project including 88,000 square feet of retail space and 153 units of student housing” (Austrian and Norton, 2005).
The third dependent factor found by Austrian and Norton is the financing mechanisms that the institutions have used to complete their growth and development objectives. These mechanisms are wide ranging and all have different impacts on the process because of their individual ability to raise funds. The mechanisms the authors found in the five case studies are; bonds, state capital budgets, partnership agreements, tax increment financing, commercial loans, and university endowment and operating funds. (Austrian and Norton, 2005)

The first financing option that the universities in the case studies used was the sale of bonds that was found to be the most popular. Bonds can be issued by the university itself, a statewide body and other types of agencies that will carry the debt. There are different kinds of bonds that can be used, they are general obligation and revenue bonds. The general obligation bonds are secured and backed by the institution itself, the revenue bonds are issued for revenue producing projects like student housing and parking structures. (Austrian and Norton, 2005) In Arizona the amount of debt a state university can carry is restricted and once a certain limit is reached they must request more bonding authority. (Austrian and Norton, 2005) To combat this restriction The University of Arizona also uses something called Certificates of Participation (COPs). This allows the university to put the project as collateral. This is slightly higher risk but does not affect the amount of debt that can be taken on from general obligation bonds. (Austrian and Norton, 2005) The example the authors used from Portland State shows that the state agency (Oregon University System), the state legislature and the board must approve the sale of bonds. "The system has two types of bonding authority: Article XI G Bonds, for which the state pays the debt service; and Article XI F Bonds, which place responsibility
for debt service with the university for which the bonds were issued” (Austrian and Norton, 2005). In Michigan all the universities are can issue their own bonds and responsible for their debt and credit rating.

The second type of funding used is the state capital budget for higher education. As mentioned earlier all states are different when it comes to how they finance and use tax dollars to fund higher education. All the institutions in the case study used some state capital funds to move real estate developments forward. How much you are able to get from the capital budget determines how much you must raise through different funding sources. In the article, the authors explain how the budget allocation process differs from state to state. In Michigan, “public universities submit a five-year capital outlay request to the state each year” (Austrian and Norton, 2005). For the capital budget the state will not grant you the full portion of what you are asking for. The state will provide 75% of what you need for the project where the university is expected to raise the remaining 25% of the project cost. (Austrian and Norton, 2005) In The University of Pittsburgh they submit their top ten priorities toward the budget along with all other state schools. The governor then gives each school a specific amount that they can use to fund their most important projects. (Austrian and Norton, 2005)

Partnership agreements between universities, private developers, and other entities in all different combinations are becoming very popular in university real estate development. This is increasing in popularity because it aids the university in skirting around the limitations and policies that hinder development objectives. (Austrian and Norton, 2005) As discussed prior, The University of Arizona has heavy restrictions on the amount of debt it may under take and private developers do not. The University of
Arizona partnered with IBM and the Arizona Research Park Authority to develop its $98 million park. The partnership was set up so that IBM leased back 60% of the space for a twenty-year period after that the property would be owned by the Arizona Board of Regents. (Austrian and Norton, 2005)

The University of Arizona has also created another unique and somewhat controversial way of developing without having to issue debt on its balance sheet. This is still a partnership but it involves the creation of a special-purpose entity that will work solely for the development project. (Brick, 2002)

The university obtained permission from ABOR to form the Southern Arizona Capital Facilities Finance Corporation, which operates as a distinct nonprofit entity with the authority to issue tax-exempt bonds. The corporation sold the bonds needed to finance a housing complex, the university leased the land to the corporation, and the corporation hired a private developer to build the complex for a one-time fee. (Austrian and Norton 2005)

The developer uses the rent to pay off the debt and service on the bonds as well as to pay the rent on the land lease to the university. At the end of the lease period, twenty years, the buildings will become the property of the university. The controversy comes from who will pay for the debt if the rents fail to cover the amount. The University of Arizona has set up the corporation as its own legal entity and therefore will carry its own debt. (Austrian and Norton, 2005)

Tax Increment Financing (TIF) is another financing deal that allows universities to reach development goals without entering into financial hardships. Tax Increment Financing is used to create a designated area that will use the property tax to pay for development. The gap of payment will be made up the increased value of the property thus creating the increment. This can work by universities pushing the local government
to make a particular area a TIF zone or district. The stipulation on a university TIF district is that it must have some kind of a public purpose. Marquette University was the only school in the study to use this financing arm. They used it during the Campus Town project that had a residential and commercial element to it. (Austrian and Norton, 2005)

The fifth way to finance a project is to use standard commercial loans. This was the least used option from all in the case study. The only university to use it was Marquette. Austrian and Norton found that the way commercial loans are used by the organizations that are working in tandem with the university. “In several cases they agreed to fifteen- or twenty-year mortgages at market rates, but only where they believed the property would earn a rate of return sufficient to cover mortgage payments” (Austrian and Norton, 2005).

The last kind of financing that universities use during development are their own endowment funds and other university operating funds. All of the universities have endowment funds that they use as a portion of funding for real estate and development practices. The University of Pittsburgh made it a point in the 1960’s that half of the unrestricted endowment funds were to be used for purchasing property to meet future growth on campus. (Austrian and Norton, 2005) Marquette University also jumped on this type of financing by using a lump some of $9 million to kick start the redevelopment process in a positive way.

The last dependent factor of university development is University and Community Relations. This is the most important factor because if you have a good relationship with the community from the start of development, the community will be less apprehensive about what the big university is doing. An example is that a university may say their new
development will make the surrounding areas better by creating more residential units or even adding to the consumer base of the area by retail space on ground level. In the case of Marquette University they were able to fight of “concerns about gentrification by promising that rents would be held at a rate affordable to neighborhood residents” (Austrian and Norton, 2005). However, a school like University of Arizona has had problems because citizens are worried about how the rapid growth will affect the neighborhoods that border the campus and soon that campus will takeover the neighborhoods with institutional uses and displace residents.

A lesson learned from all of the universities in the study was that they realized how important it was to relay information regarding development plans to avoid citizen speculation and the beginning of a rumor mill. (Austrian and Norton, 2005) In the case of The University of Arizona, where they must gain approval from the ABOR, the purchase of an apartment building was denied because it caused negative public relations with the surrounding community. (Austrian and Norton, 2005) The neighborhoods are also please to hear from the universities about plans regarding the design of the new buildings. This is particularly useful in residential decisions because the university design may hurt the neighborhood characteristics. The University of Pittsburgh encountered this problem when they had designed a building that would have doors that open around an interior courtyard versus the doors opening on the street. The residents believed that having the doors opening on the street would result “in the complex being better integrated with the neighborhood” (Austrian and Norton, 2005).

Neighborhoods can also work against one another. In many large university towns the land an institution owns can stretch for a large distance and have different
economic classes on different sides of the campus. The more affluent neighborhoods that are next to the campus will be able to head off the development or encroachment of the university into their own area. In Tucson, Arizona these kinds of leaders where able to create a dialogue between the residents and the university regarding property acquisitions and guidelines how the university, neighborhood relation will continue to grow. (Austrian and Norton, 2005) “The agreement also defined acceptable and unacceptable land uses for university-owned property within the residential area” (Austrian and Norton, 2005). With the establishment of strong leadership the neighborhood was able to strengthen their relationship with the university and in turn the growth of the university went to the other neighborhood that did not have strong leadership. In Pittsburgh, the university was made aware of a building that was previously the home to a bar that was run-down. It was brought to the attention my the neighborhood because many of the residents felt that if the university owned the building it would be better for the area than having another bar owner buy it. “The University of Pittsburgh Medical Center gives $100,000 a year to fund a residential facade improvement program for the areas surrounding its main medical campus” (Austrian and Norton, 2005). These are just a couple of examples how universities work to make the town/gown areas better.

The examples laid out in the article by Austrian and Norton show that institutions have two main reasons they engage in real estate development on campus; continued enrollment or a steady decease in enrollment. This motivation also determines which type of projects that will be undertaken. “The universities experiencing growth in student enrollment tended to focus on classroom, office, research, athletic, and student housing facilities, whereas the one institution motivated by declining enrollment and the need to
stabilize its neighborhood concentrated on residential and commercial development” (Austrian and Norton, 2005). There also was a trend through the cases examined that the community would be involved anytime the development or growth was going to affect neighborhoods but were not included on discussions that were for academic buildings located on the heart of the campus. (Austrian and Norton, 2005) Motivation will also determine the types of funding that the institution may be able to use. Marquette was able to create a public benefit therefore the city designated the development area eligible for tax-increment financing. (Austrian and Norton, 2005) Motivation is just one example of how the independent factors all influence the dependent variables; there is not a one to one but a one to many-relationship between the variables.
CHAPTER III

CASE STUDIES

In this chapter, I will discuss the development processes that four other universities have undertaken in the past. These case studies will help to establish a background of what attributes should be considered during the development process. The universities range from type, population, location, and types of cities they are located in. The schools that are reviewed in this chapter are The Ohio State University in Columbus, Ohio, University of Notre Dame in South Bend, Indiana, Victoria University at The University of Toronto in Toronto, Ontario, Canada, and University of Connecticut in Storrs, Connecticut. These schools were selected because of the types of development, the partnerships used, and the real estate practices used by these universities. Also, all of these universities picked sites that were on the edge of their campuses or adjacent to its boundaries. All of these universities are college towns by the standards set forth by Gumprecht in his 2003 article. The difference is that both Columbus and Toronto are capital cities.

The Ohio State University

The Ohio State University (OSU) began its real estate adventures when it realized in the 1990’s “that it needed to address previous disinvestment in the neighborhoods around its campus, both to protect its ability to attract students, faculty and staff and to fulfill its historic mission of public service as a land-grant institution” (Dixon and Roche, 2005). This downturn in investment was not something that OSU was previously
accustomed to. For nearly four decades before World War II the area was one of the most popular commercial districts in Columbus. (Dixon and Roche, 2005) Like most urban cities of the time, many residents fled for the suburbs in the years following the war, with the businesses and services following suit to keep with the growing demand in the suburbs. "Initially student and lower-income residents moved in, but by the 1980's students began to abandon the district as well" (Dixon and Roche, 2005). In the Vietnam era the university was plagued by large and sometimes violent protest which made the decision easy to shut off the street leading to campus with a new performing arts center that was positioned to have loading docks face High Street, a main arterial of the district. (Dixon and Roche, 2005) Please see figure 3.1 for aerial image of development site.

Figure 3.1. Aerial photo of South Campus Gateway Development Site under construction. (Google Earth, 2008).
During the 1990's the university realized there were some serious troubles they were facing while trying to promote its status as one of the top public universities in the country.

- Everyone – students, faculty, staff – left the university district. 60% of undergrad and graduate students lived outside of university district, there was also an increase in on campus housing requests.

- Middle class residents replaced by a high concentration of Section 8 housing and homeownership fell to 12% from 50% in 1950.

- Downtown continued to loose out to suburbs for tax revenue and jobs so the city made High Street the arterial that it is today, limiting parking for retail along the street.

- Large anchor retailers moved to the suburbs and were replaced with strip mall formations that were less appealing to walking shoppers.

- Crime was on the rise and was driving out middle-income residents and students at an increasing rate. (Dixon and Roche, 2005)

These problems led to a new era at The Ohio State University.

In 1992 OSU introduced their new president, Gordon Gee. “Within a year President Gee took a strong leadership position, urging the university and the city to launch a comprehensive revitalization strategy to “stem the tide of neglect” across the university district” (Dixon and Roche, 2005). He laid out five reasons why this revitalization was necessary to the university district: 1) a need to respond to the rising crime rates; 2) enhancing student quality of life; 3) attracting top students and faculty (“high-performing potential students were declining admission offers because of the environment around the university” (Dixon and Roche, 2005)); 4) Living up to OSU’s mission as a land-grant institution; and 5) breaking the cycle of neglect in the university district. (Dixon and Roche, 2005) Because of this strong leadership he was able to
convince the university, the community and the city that there was a need for a partnership, this was what came to be known as Campus Partners for Community Urban Redevelopment.

Gee organized a task force that would ultimately "recommend the formation of Campus Partners for Community Urban Redevelopment under an Ohio statute that confers on 'community redevelopment corporations' a wide range of public powers – most notably the ability to carry our eminent-domain takings" (Dixon and Roche, 2005). The board of this group was comprised of mostly university appointed members and the rest would be city and community members with the university providing most of the funding. The first project that Campus Partners took on in 1996 was the completion of a "comprehensive neighborhood revitalization plan and implementation program for the university district" (Dixon and Roche, 2005).

This was a large document that was the result of lots of meetings with many different community groups. It reflected all of the issues that individual groups had, because of the inclusion of so many groups the goals they had often conflicted with each other. By the end of 1996 the large umbrella approach trying to fix a large district almost ended everything prematurely. The first Campus Partners president resigned and was replaced with Terry Foegler who:

Made two critical decisions: 1) to lead with more community-based planning and to let decisions reflect that border involvement; and 2) to step back from a district-wide approach to implementation and proceed with a series of sequential projects that could be reasonably supported by community-based planning and more readily backed the stakeholders in addition to the university itself. (Dixon and Roche, 2005)

Foegler's first project was to focus entirely on the decline of High Street. "Partners outlined a strategy in which the amenities, job, and services of a revived Main Street
would attract students, faculty, staff, and other residents back to the district while creating a high-profile symbol for the university and the district” (Dixon and Roche, 2005).

Campus Partners hired a Boston based consulting firm to help with the process of determining how much space they had available and what the demand would be with new venues in place. “The consultants identified demand for roughly 1 million square feet of new space in existing and new building at a two mile stretch of High Street” (Dixon and Roche, 2005). The collaborative strategy was to focus on six key points:

- The formation of a parking authority to help with the area's shortage of parking spaces;
- Establishing a special improvement district to help private-sector initiatives;
- Preparing development and design guidelines to preserve historic character;
- Offering façade- and building- improvement incentives;
- Initiating strategic redevelopment projects, including a major mixed-use “destination,” to me known as South Campus Gateway; and
- Enhancing the public realm with city funded streetscape improvements. (Dixon and Roche, 2005)

After establishing these objectives, Campus Partners started with the first major development project, The South Campus Gateway.

The South Campus Gateway project is designed to help bridge the gap once created by the university between the campus and the High Street neighborhoods. The project is 7.5 acres that stretches north and south for three blocks, about 500,000 square feet, 184 apartments, 1,200 spot parking garage, two dozen retail shops, a grocery store, an eight-screen cinema and many unique restaurants anchored by a Barnes and Noble College Bookstore. (Dixon and Roche, 2005) Campus Partners decided to issue an RFP
to find a master developer to take the plans made with the consulting firm and make it a reality. Campus Partners selected “an experienced firm with a national reputation for creating urban mixed-use centers was selected” (Dixon and Roche, 2005). The firm worked with them for a while and then after reassessing the financial risk to the university decided that it will assume the role of owner/developer with a third party contract developer for a fee. (Dixon and Roche, 2005)

“The Druker Company of Boston was initially selected as the developer and as an equity partner in the project. But last year, Campus Partners decided that it no longer needed an equity partner because the venture’s risk had been substantially reduced” (Pristin, 2003). Another advantage of using a developer on a fee-based service, the university was able to access less expensive tax-exempt financing for the Gateway project. (www.campusparters.osu.edu) This case demonstrates how a partnership of many different actors can have lots of different changes before the construction actually begins and also that financial reason can be the driving factor to accomplish the long-term development goals of the university.

University of Notre Dame

The University of Notre Dame is one of the schools that had not been scholarly researched on the topic of its real estate development practices. This case study will draw on newspaper articles and information from Kite Realty Group, the developer of the Eddy Street Commons. This Eddy Street Commons includes; 90,000 square feet of retail space, 268 apartments, 49 condos, 22 courtyard town-homes, 52 flats, 63 city homes, two hotels with 394 hotel rooms, and 75,000 square feet of office space.
The earliest mention of the development was a comment by "executive vice president John Affleck-Graves [when he] told The Observer in February 2005 that the retail area might include 'a small boutique, some restaurants...[and] maybe a bookstore'” (Perry, 2006). Evidence of the conflicting statements shows again that over time the development changes because of the different groups that get involved during the years of process. An aerial photo of the Notre Dame campus is shown in Figure 3.2 below with the development site directly south of the football stadium parking lots.

Figure 3.2. Aerial photo of Notre Dame campus. (Google Earth, 2008)

This development had a substantial amount of opposition because it was situated to go on 25 acres of open space, 13 of which are forested land. One such person wrote a
viewpoint article to The Observer concerned that environmental concerns are ignored to favor the deforestation. His major sticking point was that the site plan called for large trees to line walkways through the development and the cutting down of 100-year-old trees was not best option. That it took years for this wooded area to develop much like traditional business districts. “Business districts with the most character have evolved slowly, allowing distinctiveness and heterogeneity unknown to the architectural monoculture of the Kinko-copied strip mall or the cookie cutter gate community” (Klepach, 2006). A zoomed in aerial photo of the development site is found in Figure 3.3 below.

Figure 3.3. Aerial photo of Eddy Street Commons Development Site. (Google Earth, 2008)
On July 16, 2007 "the decades-old dream of a ‘college town’ adjacent to the University of Notre Dame campus took a significant step forward" (Brown, 2007). Like many other universities Notre Dame wanted to make itself more desirable to prospective students. "The South Bend Common Council voted unanimously to approve the rezoning of 25 acres of land south of campus for the construction of Eddy Street Commons, a $200 million, mixed-use project that will be built on Notre Dame’s southern boundary along Edison Road and Eddy Street" (Brown, 2007).

Kite Realty, the developer of the project has made several concessions to make the development more community friendly, listening to the concerns of the residents. There will be limits to how high buildings can be in the development, there will be a park added to increase the amount of green space on the development site, use of environmentally friendly building principles, and the preservation of six of the 13 wooded acres. (Brown, 2007)

University of Connecticut

University of Connecticut is the other school that was not scholarly researched and the case study will consist of newspaper articles and materials released by the developer and the university. The University of Connecticut realized its development potential in 2001 when it partnered with the town of Mansfield to form the Mansfield Downtown Partnership - "a collaboration that would plan for the construction of a town center to benefit the UConn community, the local community and university visitors" (Kachmar, 2008). The University of Connecticut is home to about 20,000 students and is a land grant institution. (Finder, 2007) "In 2005, Mansfield’s population was 23,324 but
there were fewer than a thousand registered voters” (Jones, 2006), the student population is calculated into the total even though the students may not have established residency there. Figure 3.4 is an aerial photo of the University of Connecticut.

Figure 3.4. Aerial photo of Storrs, Connecticut. (Google Earth, 2008)

The development site, which is known as “Storrs Center”, is about 47.7 acres, 17 of that will be used for development. (Mansfield Downtown Partnership, Inc., 2008) The plan also calls for up to 300 units for market rate rental, up to 500 units for residential sale, 200,000 square-feet of retail/restaurant, 75,000 square-feet of commercial space and 25,000 square-feet of civic and community. (Mansfield Downtown Partnership, Inc., 2008) This is a very large site but the developed portion is very close to the size of the
proposed development site at Western Michigan. Similar to Western Michigan, the University of Connecticut also owns the development site.

The University of Connecticut sited that the reason it welcomed development is because the lack of a college town feel, lack of off-campus activities and over all quality of life issue when its potential students were choosing to go to other schools. (Gordon, 2006; Powers, 2006; Finder, 2007; Kachmar, 2008) After years of loosing enrollment the university wanted to know why students were not accepting admittance into their university. “University officials conduct a survey every two years of 9,000 undergraduate applicants who have been admitted; in any given year about one-third attend and two-thirds decide to go elsewhere. The surveys indicate that the lack of a college town was the primary reason that students chose another university” (Gordon, 2006). Figure 3.5 is a zoomed in aerial photo of the development site.

The State of Connecticut is infusing over $2.2 billion in to the improvement of all of its public universities. (Gordon, 2006; Powers, 2006) After the formation of the Mansfield Downtown Partnership, they hired Milone and MacBroom to determine the existing conditions and develop a marketing and concept master plan. (Jones, 2006) After two years of work they had down the concepts that all parties could agree on that were necessary for the new development. In June 2004, the partnership picked a project master develop; that was LeylandAlliance LLC who formed the Storrs Center Alliance LLC to work out of Storrs, CT. (Veilleux, 2007) Leyland was willing to work with the Mansfield Downtown Partnership’s already derived plan, they only adjusted a few things to reach the development specs that are in place today.
Victoria University

Victoria University is a small University that has an enrollment of around 3,800 students that are there full-time, 775 that live on campus, and 110 faculty members. (Kurtz, 2005) The university is located in downtown Toronto but was not originally in the middle of the city. In 1892 the school decided to “federate with the larger University of Toronto on a block land leased from it on the edge of the Queen’s Park, then at the outskirts of Toronto” (Kurtz, 2005). The city of Toronto grew over time and surrounded both of the universities. Victoria University is a wonderful case to demonstrate different real estate ventures because of its three distinct ventures. While the three projects are different they have two common elements that hold them together. First, the university
used property to generate revenue for academy, and second, generated that revenue by leasing rather than selling. (Kurtz, 2005) These two elements most likely arose because of the lack of government funding. “Because Victoria is a church-affiliated institution, it has no direct access to the provincial government funding, which is the financial mainstay of most Ontario universities” (Kurtz, 2005).

All of the projects that are discussed in this section all were developed on the same city block in Toronto. The first and the last projects were new construction and the second project was an adaptive reuse of an existing building that was a gift of diseased alumni. (Kurtz, 2005) Figure 3.6 is an aerial photo of that city block.

Figure 3.6. Aerial photo of Victoria University leaseholds in order of project starts. (Google Earth, 2008)
The first real estate deal that Victoria University orchestrated was a 100-year land lease for the building of a mixed-use commercial/residential project on Bloor Street (now one of most esteemed shopping districts in metro Toronto). (Kurtz, 2005) The land was originally owned by the University of Toronto but bought in 1949 but Victoria to cap off a long process of gathering land around the their university. (Kurtz, 2005) With the total area, about 72,000 square feet, the university was deciding what to do with the land. In 1955 a local Toronto realtor advised the university that “the immediate annual income was likely to be greater from leasing than selling the land and investing the funds in other assets, noting that leasing would take advantage of increasing capital values over time and act as inflation hedge” (Kurtz, 2005). The university had to go through several different zoning appeals to finally get the right match for what its lessees had in mind for the land.

In 1960, three businessmen took over the lease and “had concluded that the highest and best use would be a mixed-use project with a substantial residential rental component” (Kurtz, 2005). In this time period, both in the United States and Canada, this was not something that zoning board was weary about and was considered unwelcome. Two buildings were built on that site: a 12-story office building with ground floor retail, and a 14-story building with mixed-uses including three floors of office and high end retail space with the remaining floors above as luxury rental apartments. The original rent on the land for the initial 30-year period was to be 6% of market rate. “An outside valuation report recommended that the property be listed for lease at ‘a rental based on $35 sq. ft. on the 72,000 sq. ft., which produces a vale of $2,520,000 and at 6% represents a net rental of $151,200’” (Kurtz, 2005).
The lease agreement stated that the “market value” would be reassessed after the initial 30-year period and then again every 20 years for the remaining lease term. (Kurtz, 2005) In 1990, the initial rent period was up and the land was reassessed. “Rent as a 6% function of market value for the next twenty-year term jumped from $151,000 to $3.653 million per year” (Kurtz, 2005). This was such a substantial increase that it took a lengthy court battle to hold the lessees to the negotiated contract terms. The court ruled in favor of Victoria University.

The next two real estate ventures are not as complicated as the first but have intriguing details that need to be explored nonetheless. In 1979, Victoria University “inherited” a three-story building from a wealthy alumnus that was 50,000 square feet; the land was not part of the inheritance, it was owned by the University of Toronto. (Kurtz, 2005) This building was located near the lands that were leased in 1960 on Bloor Street, a location the university would not mind having more control of. The two schools were unable to come to an agreement of who was to do what with the building so Victoria decided it would be best for them to purchase the entire lot from University of Toronto for $1.7 million. (Kurtz, 2005) The parcel was zoned for institutional use only and while the price was still being settled Victoria found a government agency willing to rent a large portion of the space who would move in on February 1, 1981 after Victoria made substantial improvements to the tune of $2.6 million. (Kurtz, 2005) By April 1982 the rest of the building was leased out to another, smaller government agency.

In the early 1990’s the smaller agency was ready to expand and could not fit in its current building any longer. They vacated and left Victoria in a perplexing situation because the zoning ordinance only allowed for less than 5,000 square feet for single retail
operations. (Kurtz, 2005) Again Victoria secured the proper zoning variance and rented the area out to Club Monaco, a trendy fashion store that wanted to make a flagship store in the prime shopping location of Toronto. Club Monaco agreed to move in “on an as-is basis and agreed to make all leasehold improvements and pay Victoria market rates for retail space, which were significantly higher than local office rents” (Kurtz, 2005). Victoria University had a simple decision to make during this venture: buy the land and lease it out to pay for the cost of buying the land or watch a critical corner of its campus be sold off.

Victoria University’s last real estate deal again started with obtaining the proper zoning code so they could develop another mixed-use parcel by leasing the land to a private developer. (Kurtz, 2005) The university had found a developer but there was opposition by students and by the time this was settled the real estate market had taken a down turn causing the selected developer to forfeit his $2 million deposit because of default. (Kurtz, 2005) In 1997 there was a meeting between McKinsey and Co. Inc., an international management consulting firm. They wanted to have a new office built that would suffice their needs in a modern area that was close to a university district. “The original hope was to craft a land lease in which some developer would be the actual lessee and would construct facilities that McKinsey would rent” (Kurtz, 2005). McKinsey also want flexibility in their lease with Victoria considering they were doing so much and at the end of the lease term the land would revert back to Victoria University.

Due to the openness of the lease the two parties decided on a front end loaded situation were “McKinsey agreed to pay level annual net rents adequate to amortize the
building fully in just fifteen years” (Kurtz, 2005). This meant that the university would only have to pay off the remaining costs for three years. In addition to the flexibility there was a built in incentive for McKinsey to stay because rents would decrease dramatically due to the front-end payments. Victoria would also be able to rent out the property again if it were to be vacated by McKinsey at the end of the 12-year agreement or use it for its own institutional purposes. (Kurtz, 2005) This provides Victoria with multiple options that will continue to bring in revenue to the school or help it with expanding physical needs in the future if growth dictates as much.
CHAPTER IV

METHODOLOGY

In this chapter the author will describe how the data was collected for this study. Two surveys were derived to help understand what the student wants and needs are when looking at amenities and housing styles that can be located on or next to campus. The first survey is used to generate the second survey that will be used in a Chi-Squared test to determine the distribution of answers over the observed frequencies. After the surveys are described, the weighted scoring test will be described and justification for why the attributes were chosen, what the weights will be for the attributes and the score for the alternatives. There will be five attributes that will be weighted and there will also be five alternatives that will be tested to determine the best way to use this open land. The five attributes that will be weighted are I) cost, II) sense of community, III) attraction to students and parents, IV) the potential to produce revenue for the university, and V) a benefit to the entire campus community. The five alternatives that will be considered are I) do nothing, II) renovate existing dorms, III) new dorms, IV) build new apartments only, V) a mixed-use development.

Student Surveys

The first surveys were handed out at random during the 2007 Bronco Bash held in the first weeks of the fall semester. The factor that made someone eligible to fill out the survey was that they were currently a Western Michigan University student. The hope was to hand out 200 surveys and have participants fill them out on the spot. The survey
was made up of 19 questions designed to elicit ideas from the student body to gage what their thoughts were on amenities and their activities outside of classes. The idea of having open ended questions was to help get a variety of different answers. The author did not want to influence the outcome and thought it best to solicit rather than ask for agreement. Of course this lead to some amenities to be mentioned only a few times and not being mentioned in the second survey. A copy of the first survey is included in the appendix section of this paper. The first three questions asked what year the students were at Western Michigan University, current age, and whether they were male or female. The next group of questions (6) was about what kind of amenities the respondent would want to see on campus, if they had been to other college campuses in the last 12 months and what kind of amenities they had that Western did not provide on campus or within in close proximity.

The other groups of questions were based on what students do when the “go out” (2), what the shop for and where they go (4), questions on mixed-use appeal (2) and questions on how it would make Western Michigan look to in the decision process of university selection (2). These were not multiple choice to gain the most incite from the students taking the survey. Answers to these questions ranged from many duplicated answers to never duplicated by another student answer. All of the answers were recorded into a spreadsheet for analysis to determine which answers were most common. The results were tabulated and the top five types of amenities were put into the next survey where participants were asked to rank the five in order from one (1) to five (5) one being the amenity they would most like to see on or near campus.
The second survey was much shorter, while administering the first survey the author found people unwilling to complete it because of its daunting length. This survey was limited to one page and had only six questions. As mentioned before, the data from the first survey was used to create a simple survey for the participants to fill out in less than two minutes. This survey was distributed at random as well. The first question was generated by the top five responses from the previous survey. The survey participants were asked to rank one to five, one being the highest, the amenities they would most like to see on or near campus. The choices were Trader Joe’s, Coffee Shop/Bookstore (similar to Borders), Bar/Nightclub, Laundry Mat/Dry Cleaners, Restaurants (sit down and fast food).

The second question has the same set up as the first but instead of amenities participants were asked to rank what kind of housing styles appeal to them. The choices were Loft/Studio (single occupancy), Loft/Studio (multiple occupancy), Single Bedroom Apartments, Two to Four Bedroom Apartments (2-4 roommates), Suite Style Living (large area with small bedrooms and public living room, bathroom, kitchenette). The purpose of this question was to show that there is a desire to have a greater variety of housing choices on the WMU campus. The third question asked was if the participant would consider having a grocery store on campus be beneficial to them. This question was designed to show the students how a mixed-use development would help them on a day to day basis. The next two questions were asking if the student left Kalamazoo on the weekends and where did they go. The author wanted to see if there was a population that was leaving the campus on the weekend and where they were going and what was drawing them away. The last question asked if the student would support a consumer
district on the campus of WMU. It was a scale question that would was from never to always on a one to nine scale. The surveys are contained in the thesis in the appendix section.

Chi-Squared Analysis of Ordinal Data

The data collected from the second survey will be put in a spreadsheet and a Chi-Squared analysis will be used to determine if the answers provided by the respondents was random or had a distinct pattern to it. In other words, I am using the Chi-Squared test for goodness of fit to make sure the measured variables are not random but have a visible skew toward preference of amenity and housing style. "The Chi-Squared statistic is a nonparametric statistical technique used to determine if a distribution of observed frequencies differs from the theoretical expected frequencies. Chi-Square statistics use nominal or ordinal level data, thus instead of using means and variances, this test uses frequencies" (Mamahlodi, 2006).

The formula for Chi-Squared is $X^2 = \sum [(O - E)^2 / E]$, where $O$ is the observed frequency, and $E$ is the expected frequency. The difference from the observed minus the expected is squared then divided by the expected. This is done for all the categories and then summed. For this test there must be both a null hypothesis and an alternative hypothesis. The null hypothesis for this test will be that the likelihood of each choice having equal frequencies of each ranking is random and will be close to the theoretical expected outcome. Simply, there would be 36 people who would want each amenity the most with one rank being distributed to one that makes up for the odd count. The alternative hypothesis is that there is a distribution that is clearly not a random
distribution and shows a pattern of clear first choice. After the Chi-Square statistic is calculated the degrees of freedom is used to determine if the statistic is above the critical value alpha. If Chi-Squared statistic is higher than alpha, the critical number, the null hypothesis is rejected and the alternative is not rejected.

Weighted Scoring of Attributes and Alternatives

The first step in using the weighted scoring scheme will be to distinguish what attributes will be used to judge the alternatives. As mentioned above, there will be five attributes that each alternative will be scored on using this system. Again, they are: I) cost, II) sense of community, III) attraction to students and parents, IV) the potential to produce revenue for the university, and V) a benefit to the entire campus community. The attributes will be weighted from the least important of the five to the most important. Just because there is one attribute that will have a weight of one does not mean that it is not important, just that it is the least important from the five in this study. After the weights are established, the attributes will be rated according to their effectiveness under each alternative situation. The alternative score will be multiplied by the weight to arrive at the weighted score for the attribute. The weighted attributes are summed to get the total weighted score for the alternatives. The alternative with the highest weighted score will be the one that should be implemented.

Attribute Weights

The idea behind this particular methodology in the study is that giving the highest weight to a particular attribute means that it is the most important factor in the decision
process. The attributes will be weighted according to how many more times important it is than the one it precedes in importance. The base weight for the attributes will be one establishing a raw score. The weights for each attribute are listed in table 3.1 with a justification for each weight following.

Table 4.1. Attributes and Corresponding Weights.

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost to university</td>
<td>5</td>
</tr>
<tr>
<td>Attraction to students and parents</td>
<td>4.5</td>
</tr>
<tr>
<td>Potential for university revenue</td>
<td>4</td>
</tr>
<tr>
<td>Sense of community</td>
<td>2.5</td>
</tr>
<tr>
<td>A benefit to the entire campus community</td>
<td>1</td>
</tr>
</tbody>
</table>

Attribute Weight Justification

The weights for each attribute are based on how important they are for the alternative to have or for the alternative to create. The base attribute for this study is the benefit of the alternative to the entire campus. This is the base because each alternative will have some benefit whether it is to the entire campus community or just a specific portion of the overall population. Whatever the alternative that is the best, the university should use one that creates the largest benefit to the community it is designed to provide for, the student body.

The next weight is two and a half times more important as the first because the sense of community is what Gumprecht described as the “college town feel”. This is very important because this may be a deciding factor for some students when they make the decision of where to attend college. College is more than just what you have learned inside the academic buildings and in the dorm rooms on campus. It is also the cultural
experiences you gain from the surrounding area and the people you meet. (Gumprecht, 2003) This sense of community may also attract other people who desire this kind of lifestyle. These people could be recent transplants from other college towns, the elderly who enjoy the cultural benefits, young professionals still accustom with the college lifestyle.

The third attribute that will be investigated is the possibility for the alternative to produce revenue for Western Michigan University. This is an important factor because the current situation is that WMU received the lowest increase in capital budget from the state; a 2.3 percent increase to $114 million. (Luke, 2008) The state average for higher education funding was 3 percent, while smaller schools that are not research universities are receiving a larger increase. (Luke, 2008) This attribute was moved up after a recent article was published about what capital construction projects were going to be funded on Michigan college campuses. Western had been pushing the renovation of Sangren Hall to be included in the $1 billion recommendation by Governor Granholm. (Shultz, 2008) It was not one of the projects under the funding umbrella. In today’s economy the university must be able to, sometimes, finance construction or renovation by itself. If Western considers alternatives that will create revenue, it will be one step closer to desired renovations for classroom buildings. Due to this importance this attribute will carry a weight of 4.

The fourth attribute will be how well does each alternative attract students and their parents to the university. Each set of people will desire a separate attraction, the future students will want amenities that will make attending Western Michigan as comfortable as possible. As mentioned in the introductory chapter and literature review, students are growing up with more and more luxuries that they will count on having at
college. Parents will want things close for their child in hopes that they will not need to have a car first year on campus. While Western allows first year students to have cars, many parents still find them as a distraction to learning. During the survey process one student reported they liked being able to have a car and helped in the decision making process. Attraction of parents who do not have college aged children is also important. If these parents are coming to the campus with kids before they enter college they are getting a preview of what WMU has to offer them. The weight of this attribute will be 4.5.

The last attribute that will be measured is the cost of the alternative to the university. Western Michigan University has increased tuition steadily over the years to stay with inflation. During the authors time here at WMU there have been cuts to programs in order to increase the budget for operating costs. Also, two winters ago, then President Bailey made the decision to extend winter break for an extra week to lower heating and electrical costs to help budget woes. The university will usually fund building projects by the sale of bonds, which is previously discussed in the literature review. The university issues these bonds and takes responsibility for the debt on these bonds that need to be repaid. An alternative that has a low cost to the university will be a very effective solution. A solution that will cause the university to take on considerable debt will not be a very effective alternative. This is the most important attribute because Western does not have as large of an endowment as some other universities in the state; it cannot use those funds at a moment’s notice. The weight of this attribute will be 5.
Alternatives

This study will use five different alternatives that will all be judged using the previously mentioned attributes. In the following chapter there will be a discussion to justify how the attributes of each alternative were scored. The alternatives used in this study are I) do nothing, II) renovate existing dorms, III) new dorms, IV) build new apartments only, V) a mixed-use development. These are alternatives that were discussed with the author and David Dakin and Glen Harris, members of the Campus Facility Development department at Western Michigan University, during an informal meeting. (Dakin and Harris, 2007)

Scoring of Alternative

The attributes of each alternative will be scored on a 1 to 5 system with the score of 1 being not very effective, 2 being not effective, 3 being neutral, 4 being effective, and 5 being highly effective in reaching the attribute. After each attribute is measured for each alternative the attribute score is multiplied by the weight and then summed for the overall alternative score. The alternative with the highest weighted score will be the scenario that Western Michigan University should seriously consider implementing to help curtail the current enrollment decline.
CHAPTER V

FINDINGS

In this chapter there will be a discussion of the results from the Chi-Squared analysis, the scores that were determined for the attributes of each alternative, and a post analysis of the alternatives. The alternatives are the different possibilities that Western Michigan University can choose as a way to increase enrollment. After the scores were determined they were multiplied by the weighted scores to calculate the total score of the alternative. The purpose of the weighted score is to show that there is one attribute that is more important to the decision making process than the others. Each alternative will rated on the five attributes on a scale of 1 to 5, from very ineffective (1) to very effective (5). After the justification here will be a post analysis to discuss the pros and cons of each alternative. The purpose of the post analysis is to show that the alternative with the highest score will also have the most pros and the least amount of cons.

Results of Chi-Squared Analysis

The results of the Chi-Square analysis came back as expected, that there is no randomness to the answers of the participants surveys and that there is a distinct pattern to what is the most popular choice of the options listed. There were two questions that required this test and the frequencies are listed in the following tables. The first question was to determine which amenities would the participant want to see in a mixed-use development and the second question was what kind of housing would they most likely
desire in a the same mixed-use development. The results are shown in the following tables.

Table 5.1. Observed Frequencies of Desired Amenities.

<table>
<thead>
<tr>
<th>Ranks</th>
<th>Trader Joe’s</th>
<th>Coffee Shop</th>
<th>Bar/Club</th>
<th>Dry Cleaner</th>
<th>Restaurants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>65</td>
<td>31</td>
<td>39</td>
<td>2</td>
<td>44</td>
</tr>
<tr>
<td>2</td>
<td>39</td>
<td>41</td>
<td>34</td>
<td>8</td>
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<td>22</td>
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<td>37</td>
<td>52</td>
<td>34</td>
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<tr>
<td>5</td>
<td>19</td>
<td>20</td>
<td>38</td>
<td>95</td>
<td>9</td>
</tr>
<tr>
<td>Totals</td>
<td>181</td>
<td>181</td>
<td>181</td>
<td>181</td>
<td>181</td>
</tr>
</tbody>
</table>

Table 5.1, shows the number of respondents found which amenity the most desirable and what they see as the next desirable all the way to the least desirable. For example, 65 people found Trader Joe’s the most desirable amenity they would like in a mixed-use development on Western Michigan’s campus the next highest frequency for the first choice is the next most desirable and so on.

Table 5.2. Observed Frequencies of Desired Living Arrangements in Residential Portion of a Mixed-Use Development.

<table>
<thead>
<tr>
<th>Ranks</th>
<th>Loft (Sngl)</th>
<th>Loft (Mult)</th>
<th>Sngl BdRm</th>
<th>2-4 BdRm</th>
<th>Suite Style</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>25</td>
<td>26</td>
<td>24</td>
<td>96</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>34</td>
<td>61</td>
<td>38</td>
<td>28</td>
<td>20</td>
</tr>
<tr>
<td>3</td>
<td>55</td>
<td>38</td>
<td>40</td>
<td>23</td>
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<td>Totals</td>
<td>181</td>
<td>181</td>
<td>181</td>
<td>181</td>
<td>181</td>
</tr>
</tbody>
</table>

Table 5.2, shows which type of living arrangement are most desirable amongst the respondents from the survey pool. The living arrangement that the student respondents were most likely to choose on the open market is an apartment with two to four bedrooms creating a living environment with up to four people in one place. The least desirable
apartment style was suite style, one of the proposed styles that are found in the Campus Architecture and Design document (2008).

The Chi-Squared analysis results reveal a summed number across the amenities and the preferred housing style. Table 5.3 and Table 5.4 show the Chi-Squared statistics for the analysis.

Table 5.3. Chi-Squared Statistics for Desired Amenities.

<table>
<thead>
<tr>
<th>Ranks</th>
<th>Trader Joe's</th>
<th>Coffee Shop</th>
<th>Bar/Club</th>
<th>Dry Cleaner</th>
<th>Restaurants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>22.91270718</td>
<td>0.746961326</td>
<td>0.21657459</td>
<td>32.31049724</td>
<td>1.680662983</td>
</tr>
<tr>
<td>2</td>
<td>0.216574586</td>
<td>0.636464088</td>
<td>0.13370166</td>
<td>21.9679558</td>
<td>14.36022099</td>
</tr>
<tr>
<td>3</td>
<td>0.001104972</td>
<td>7.796685083</td>
<td>0.28287293</td>
<td>4.11160221</td>
<td>0.039779006</td>
</tr>
<tr>
<td>4</td>
<td>5.570165746</td>
<td>0.001104972</td>
<td>0.01767956</td>
<td>6.896132597</td>
<td>0.133701657</td>
</tr>
<tr>
<td>5</td>
<td>8.172375691</td>
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<td>0.08950276</td>
<td>95.50939227</td>
<td>20.43756906</td>
</tr>
<tr>
<td>Totals</td>
<td>36.872928</td>
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<td>0.7403315</td>
<td>160.79558</td>
<td>36.6519337</td>
</tr>
</tbody>
</table>

Table 5.4. Chi-Squared Statistics for Desired Living Arrangements in Residential Portion of a Mixed-Use Development.

<table>
<thead>
<tr>
<th>Ranks</th>
<th>Loft (Sngl)</th>
<th>Loft (Mult)</th>
<th>Sngl BdRm</th>
<th>2-4 BdRm</th>
<th>Suite Style</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3.46519337</td>
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<td>4.11160221</td>
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</tr>
<tr>
<td>2</td>
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<tr>
<td>3</td>
<td>9.763535912</td>
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<td>5.570165746</td>
</tr>
<tr>
<td>5</td>
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<td>10.18342541</td>
<td>5.57016575</td>
<td>16.17790055</td>
<td>126.9845304</td>
</tr>
<tr>
<td>Totals</td>
<td>16.872928</td>
<td>30.3535912</td>
<td>22.121547</td>
<td>127.20442</td>
<td>162.232044</td>
</tr>
</tbody>
</table>

The numbers in the bottom of each table are the Chi-Square statistic that will be compared to the alpha value of 9.488 using a p value of .05. (Rogerson, 2006) The degrees of freedom for this statistic is 4, n-1, n is the possible number of categories. The only statistic that shows randomness is the Bar/Club amenity. All of the others are well over the critical alpha value representing that there is a trend of preference of one amenity to the others. Comparing the Chi-Squared statistic to the frequency of amenities one can see that it looks fairly random. In both cases, preference in amenities and
preference of housing options, the null hypothesis is rejected and the alternative is accepted.

**Testing of Alternatives**

**Do Nothing**

The do nothing alternative is just that. In this idea the university will not build or renovate anything in a hope to generate more attraction of students and to increase the enrollment here at Western Michigan University. The benefit to the entire campus is ineffective because it creates nothing new for the students, faculty and staff to use or visit (act as a destination). This received a score of two because not building or renovating does mean that the university will not be spending money on those types of projects and would leave money in other places. This money could possibly be used in renovating Sangren Hall, which recently was left off the higher education capital budget for building renovations. (Schultz, 2008)

The do nothing approach also scored low in the sense of community attribute. Doing nothing will not create a sense of community around WMU campus, earning a score of one for this attribute. The alternative that Western moves forward with, or considers to investigate further must have a substantial investment in developing something that will foster the ability to create a greater sense of community. The sense of community is important because it will continue to grow and attract outsiders who will inevitably spend time or money in the area.

The next attribute that was scored in the analysis is the potential for revenue. As the alternative says, the do nothing ideal will not create a way for the university to
generate revenue. For the university to generate revenue they must be able to do something that will cause the university to provide another good or service that the students, faculty or staff will desire. The score for this attribute in the do nothing attribute is one, very ineffective.

The attribute of student and parent attraction again was measured at a level of one, very ineffective. The idea of doing nothing shows students and parents that the university is not looking to the future and does not want to improve its standards. Students will not find the university attractive if there are not going to be improvements and parents will not want to send their children off to a university that does not want to improve itself.

The last attribute, cost, was scored at a level of five, very effective. This attribute has a high score because there is no cost to the university. As mentioned before, there will be no new buildings or renovations. This means that there is no new additional cost. However, there will be continued maintenance costs with the buildings that are currently standing. This is also not to say that the cost of upkeep on these buildings will grow as they become older themselves. The older a building becomes the more likely that it will continue to need to costs to fix its aging infrastructure; vents, piping, wiring, septic hookups.

The weighted score, which was calculated by multiplying the raw scores by the weights, is represented in Table 5.3. With the weighted score of 38 out of possible 85, this is a low score for an alternative to be seriously considered. This score will be drastically lower if it were not for the high score the alternative received in cost attribute.
Table 5.5. Weighted Scoring of the Do Nothing Alternative.

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Score</th>
<th>Weight</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
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<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Student/Parent Attraction</td>
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<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Potential for Revenue</td>
<td>1</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Sense of Community</td>
<td>1</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Benefit to Entire Campus</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Weighted Sum Score</td>
<td></td>
<td></td>
<td>38</td>
</tr>
</tbody>
</table>

Renovate Existing Dorm Buildings

This is an alternative that Western Michigan University has investigated during its Residence Hall Master Plan (2008) put together by the Campus Architecture and Design department. In this plan they consider both the renovation and the construction of new dormitories on the campus. For this particular alternative the remodeling the dormitories the example of converting Burnham Hall from what it is now to “apartment style” living would cost $25,559,023 for the same amount of rooms (Campus Architecture and Design, 2008) This “apartment style” would have three different floor plans that have one person singles, two person double with a living space, two-two person rooms and a living space with all plans having their own bathrooms and the four occupant plan having two bathrooms. (Campus Architecture and Design, 2008)

This alternative scored a two on the attribute of benefiting the entire campus this score translates to being ineffective. The only students that this solution would benefit are the students that would choose to live on campus, in university provided housing long enough to have this housing choice. The Master Plan for housing says that sophomore level students will have the highest priority. Right now Western Michigan has about 90% of its first year students staying on campus and dropping from there. (Dakin and
If a student were to live on campus after their first year they would be able to live in a building with this proposed floor plan. With only 408 beds available in Burnham Hall there would be many students stuck living elsewhere or wanting to move off campus. Thus, only benefiting those 408 students who are allowed to live there.

Renovating dormitories scored a three on the attribute of creating a sense of community. As they are described in the Workbook, there would be communal lounges and the dining hall would continue its operation on the ground floor. This still makes a place for the residents to be able to enjoy one another’s company out side of the small interior of individual rooms. (Campus Architecture and Design, 2008) This attribute only received a three because the sense of community will only be for those that live in the building. Students living outside of the building will be allowed in according to current regulations, however that larger community will most likely not join this close knit community of dormitory residents.

Renovating the dormitories on the campus does not affect the potential for revenue at Western Michigan, because of this, this alternatives score based on this attribute is one. The students will still pay for their room and board as they would if they were to live in any other building on campus. The room and board paid to the university covers the cost of operating the dorm and keeping it clean. The students will also still have to pay for a meal plan if they wish to eat at the cafeteria in the dormitory.

Renovation of dormitories does tend to make students and parents more attracted to the university. As stated, 90% of present first year students live on campus. If Western were to renovate all of the dormitories it would allow first year students to enter into a building that is modern and in outstanding condition. Two of the top four factors
that impact where a student chooses to live are sufficient space and maintenance and building condition. (Campus Architecture and Design, 2008) The other top two reasons were safety/security and cost of rent and utilities. This attribute was scored a three because of its neutrality.

The cost of renovating one dormitory at $25 million is very expensive. Also, this is cost that would have to supported by further tuition, room and board increases and bonding issues. There are 21 other dormitories on the campus that would also need renovation. The dormitories that mainly house first year students are Valley One, Valley Two, and Valley Three. The cost of renovating/remodeling the three Valley complexes is $80.85 million, an average of $26.95 million a complex. (Campus Architecture and Design, 2008) The cost attribute for this alternative is a two, ineffective. It is not very ineffective because it is an investment that will pay off to the university. If first year students have to live in dorms or most of them will, nice dorms will help to persuade them to Western Michigan over other schools.

The weighted score, which was calculated by multiplying the raw scores by the weights, is represented in Table 5.4.

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Score</th>
<th>Weight</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>2</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Student/Parent Attraction</td>
<td>3</td>
<td>4.5</td>
<td>13.5</td>
</tr>
<tr>
<td>Potential for Revenue</td>
<td>1</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Sense of Community</td>
<td>3</td>
<td>2.5</td>
<td>7.5</td>
</tr>
<tr>
<td>Benefit to Entire Campus</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Weighted Sum Score</td>
<td></td>
<td></td>
<td>37</td>
</tr>
</tbody>
</table>
The weighted score for this alternative is 37. This is a lower score than the first alternative of not doing anything. This alternative should not be considered as a viable option to help increase enrollment at Western Michigan University.

Build New Dorms

Building new dormitories would change the image of Western Michigan’s campus considerably. There newest construction on campus has been academic buildings, recreational facilities, and athletic facilities. Constructing new dorms would also send a message that Western Michigan does not want to be seen as a commuter school, that we want to increase our on campus population. Recently, many of the universities near Western Michigan have completed or will soon complete new housing choices for their students.

The building of new dorms will obviously benefit the sophomore level students the most because they are the number one target population to keep on campus. (Campus Architecture and Design, 2008) This alternative will benefit a larger number of students than either of the two previous alternatives because new dormitories will draw more people than just remodeled; because of this the attribute is rated at a three.

The sense of community was judged to be the same as renovating or remodeling the dorms. The score of three was given to this attribute for the build new apartment alternative because it is considered to be either ineffective or effective because it will only create a great sense of community for the students that live in these dorms. Again, the students who live on campus in other buildings will only be allowed limited access to
specific dorms. Students that live off campus will probably never use the dorm therefore not be part of that small knit community.

Building new dorms will score a one, very ineffective on the scale because it will not generate revenue for the university. Just like renovating existing dorms the students will have to pay for the room and board associated with their room. This money goes to operational expenses. Also, if new dorms are going to be built they will have to be situated on open land either used as green space or as parking lots right now. In the case of green space the cost is greater because there is a limited amount of green space that is left within and surrounding the Western Michigan Campus.

New dorms will attract new students and parents to Western Michigan University. It new dormitories were built it would most likely be on the walking tour that is given to perspective students when they come to visit the campus. Being able to walk students through the building, or one similar to it, that they will be living in for a year and showing them how nice it is will make them happy to make the decision to come to Western Michigan. Walking into an old building with group bathrooms and small double rooms will make a student move the school down the list because they will want accommodations as close to the ones they have at home; i.e. personal space, bathroom, own bedroom. This alternatives attribute is scored as a three.

The Housing Master Plan calls for several different types of housing to be built, from new dormitories to apartments. The different size buildings have different costs. New apartments are estimated to cost $2.395 million each and house 36 students each, the plans call for 12 buildings to be constructed in the next nine years. That is a total cost of $28.74 million. Ten other dormitories are listed in the plan to be built from now
(2008) to 2032 ranging from $18.6 million to $19.5 million each. If they were all to be built it would be a cost of roughly $180 million alone on dormitories. This extremely expensive endeavor received a score of two because the cost makes this an ineffective alternative.

The weighted score, which was calculated by multiplying the raw scores by the weights, is represented in Table 5.5.

Table 5.7. Weighted Scoring of the Building New Dorms Alternative.

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Score</th>
<th>Weight</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
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<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Student/Parent Attraction</td>
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<td>13.5</td>
</tr>
<tr>
<td>Potential for Revenue</td>
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<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Sense of Community</td>
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</tr>
<tr>
<td>Benefit to Entire Campus</td>
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<td>3</td>
</tr>
<tr>
<td>Weighted Sum Score</td>
<td></td>
<td></td>
<td>38</td>
</tr>
</tbody>
</table>

The weighted score for this alternative is 38. This is as low as the score of the first alternative of not doing anything. This alternative should not be considered as a viable option to help increase enrollment at Western Michigan University.

**Build New Apartments**

This alternative was an idea from the author and simultaneously considered in the Housing Master Plan. When these alternatives were determined the author was not aware of the apartment portion of the housing plan. The idea for this study of building new apartments is that they will all be market rate apartments that will range from one bedroom to four bedroom apartments. The plan of Western Michigan’s Master Plan is for one bedroom, two bedroom and studio apartments in 12 different buildings that will
house 32 students each for a total of 384 students. (Campus Architecture and Design, 2008)

This alternative will have a larger benefit to the entire campus than any of the other that has been listed in this study. This is because all of the students will have the opportunity to live there if they wish. Of course they will have this opportunity as the market dictates. The larger the apartments buildings and the more apartment buildings that large the benefit because more students would be able to live in these newest, most modern apartments while still being close to classes. Western Michigan could also hold these apartments for graduate student housing if they thought this was the best way to keep them in good condition. However, if this were the case the benefit to the entire campus would go down. This alternative scored a three, neutral, in this attribute.

Building new apartments on the corner of Howard Street and Stadium Drive would do a lot to help create more of a sense of community at Western Michigan University. A large amount of students living together will have a strong community because they are all living in the same place and striving toward the same goal, graduating from Western Michigan University. The more students that are living in the apartments the better the sense of community will be for those students. The more amenities that are within the apartment complex the more the students will enjoy living there. This alternative was rated a four, effective, in the attribute of sense of community.

Building new apartments does have the potential to generate revenue for the university. For the university to make money from the apartments they will have to paid off first and then the money coming in will be for maintenance and operations. The money left over will be profit. One of the top reasons students choose to live where they
do is the location of where they live in relation to where classes are held. (Campus Architecture and Design, 2008) Also, 64% of the students in a survey conducted in November 2005 by Brailsford and Dunlavey said that on campus housing was “very important” or “important”. (Campus Architecture and Design, 2008) The same survey also showed that the top five reasons why students moved off campus were living room space 54%, lower cost 54%, more privacy 52%, kitchen space 52%, and more freedom 50%. (Campus Architecture and Design, 2008) If Western Michigan were to do these things in apartments while still being on campus, they will create a large demand hopefully paying off construction cost quickly then moving into revenue. This alternative scored a four, effective, for the potential of generating revenue for the university.

Students will be attracted to Western Michigan by new apartments, as will parents because the more modern design will have the amenities that parents want to have near their children. Parents are very influential to their children in the college selection process. If Western Michigan had modern apartments on campus that the parents like, and that the students like, the apartments will be highly desirable. Michigan State University and Ferris State University have both introduced apartments for students that are on their campus property. (Campus Architecture and Design, 2008). Both of these universities have grown in enrollment while Western Michigan as declined. This alternative was scored as a four, effective, in the attribute of attractive to students and parents of perspective students.

Apartment complexes are continually growing in the number of people they have living in them. Michigan State University recently built a new apartment complex that
was 76 four-bedroom apartments that is currently filled to capacity and running a wait list the opened in August 2007. (Campus Architecture and Design, 2008) This was a project that cost $17 million for the campus. (Campus Architecture and Design, 2008) As seen from the wait list the demand for new apartments is high, this would probably transfer over the Kalamazoo. Western Michigan, in the Housing Master Plan, states that one of the new apartment building concepts is estimated to cost $2.395 million a building. The plan looks at four buildings per complex, a total cost of $9.58 million. (Campus Architecture and Design, 2008) Each complex would house 144 students. Going larger will certainly increase the cost of a building.

The weighted score, which was calculated by multiplying the raw scores by the weights, is represented in table 5.6. The weighted score for this alternative is 62. This is a high score and shows that it should be considered as a serious alternative to the problem of enrollment decline at Western Michigan.

Table 5.8. Weighted Scoring of the Building Apartments Alternative.

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<tr>
<td>Weighted Sum Score</td>
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<td></td>
<td>62</td>
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</tbody>
</table>

Build a Mixed-Use Development

The alternative of building a mixed-use development includes retail shops, restaurants, offices, a grocery store, and apartments above these commercial uses. The hope is that the development will cater specifically to students but also to a greater
population from around Kalamazoo metropolitan area. Having stores like Trader Joe's that also attract adults as well as students that live in the above apartments or in other apartments close by would create a destination for people. Many universities around the country have made the decision to embrace mixed-use development on their campus or on the boarders of their campus. The examples that were listed in this study, Ohio State University, University of Connecticut, Victoria University, and The University of Notre Dame.

This alternative has the ability to benefit the entire campus because it can draw a large crowd because of the different amenities that attract different kinds of people. This development can benefit the faculty and staff as well because there are shops that will also be a draw to them as well. The way to have the largest benefit would to also have a bookstore that would sell all of the textbooks for Western Michigan classes. The bookstore would also have a coffee shop where students would be able to meet with groups of other students to do class work and also for individuals to study if they choose to. With the sites proximity to the football field, baseball and softball field, and basketball arena, it would be an attraction after sporting events. This alternative was scored a four, effective, for the attribute to benefit the entire campus.

A mixed-use development would create a sense of community because it will draw a lot of people because of the mix of uses. It is taking the traditional neighborhood design and placing it onto a vacant lot. The mix of uses will create social interaction with other people, some may be going grocery shopping and at the same time there may be another group of people that are going to a bookstore for a study session. The draw of different people will increase social interaction creating a desirable place to spend an
afternoon. The apartment residents will also come to know each other better due to the
daily amenities that are within walking distance. The score for this alternative in the
sense of community attribute is five, very effective.

The proposed alternative of mixed-use development would include a land lease
similar to the three cases of Victoria University in Toronto, Ontario, Canada. In this
case, Western Michigan would lease the land to a developer for a percentage based on the
market rate of square foot rent and apartment rent. The more square footage that is
developed the larger the percentage of rent that will be paid to Western Michigan. The
other option is for Western Michigan to develop the property itself and use a firm to
guide the development process. As shown in the case studies, the sale of property will
not yield the same revenues as a long-term land lease would. The ability to generate
revenue in many different ways is the reason that this alternative is scored a five, very
effective.

An active community of a mixed-use development would be very attractive to
potential students and their parents. The development would also attract outsiders from
the community. There is a high school across from the development site, and has the
potential to attract high school students after class, sporting events, and other extra
curricular activities. Again if parents are interested in a school for a particular reason
they will show that to their children and help them along in the decision process. Also,
when the perspective students go to look around campus by themselves this would be an
area that they would stop to investigate further, especially if the bookstore was located in
this area. This attribute scored a five, very effective for the alternative of attracting
students and parents. If even is able to attract people who are not part of the immediate university community.

Cost might be the best reason that this is a perfect solution. If Western Michigan were to lease the land out to a developer and generate revenue for rent. The developer would take on all of the cost to get the mixed-use development up and running. Once the structures are built they would be able to rent them out to the tenets they feel would be able to make them the most revenue from rents. The apartments would also be rented out on the open market or there could be an arrangement made between the developer and the university that there would be a certain number of apartments held aside for the student population. The public that would most likely rent next to college students would be those that are recently out of college themselves or young professionals who still like the life style that college towns have to offer. The cost to the university would be nothing. If anything, the cost to Western Michigan University would be that of a pedestrian bridge over Stadium Drive and the railroad tracks to connect the site to the academic core of the university. The score for this attribute in the mixed-use development alternative is five, very effective.

The weighted score, which was calculated by multiplying the raw scores by the weights, is represented in Table 5.7.

<table>
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<tr>
<th>Attribute</th>
<th>Score</th>
<th>Weight</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
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<td>Student/Parent Attraction</td>
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</tr>
<tr>
<td>Potential for Revenue</td>
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</tr>
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<td>Benefit to Entire Campus</td>
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</tr>
<tr>
<td>Weighted Sum Score</td>
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<td></td>
<td>84</td>
</tr>
</tbody>
</table>

Table 5.9. Weighted Scoring of the Mixed-Use Development Alternative.
The weighted score for this alternative is 84, one less than the highest possible in this scoring system. This is the highest scoring alternative and therefore should be the alternative selected to increase enrollment and retention at Western Michigan University.

Of course, a mixed-use development could have any other combination of potential renters. One reason that Trader Joe’s was one of the possible tenets on the survey is because of the placement of many stores in college towns around The United States. Another reason is because a grocery store like this would be able to draw people to the development area from the surrounding neighborhoods and also from some distant areas as well. The last reason this was the choices is because of conversations with one of the Regional Vice Presidents of the Trader Joe’s, Rich Millis in October 2007. When speaking with him he did mention that Trader Joe’s is looking at store options for the west side of Michigan. When asked if Kalamazoo was likely to get a Trader Joe’s in the near future, 12 to 18 months, he said that they look at new stores in a cycle of one year, three year and five year envelopes, and that we are indeed “on the radar for the five year plan” (Millis, 2007).

The bar/night club amenity would not be something that that would be considered a strong selling point. A personal preference for some may to not live near a club that is open five to seven days a week until two o’clock in the morning. However, some people may want to live near a pub that closes at what they deem a reasonable time. This would become a neighborhood spot to socialize with the other people who live in the apartment portion of the development. Also, a bar like this might draw students who want to “grab a beer after class” before they go home. This would be a likely location because of its location on one of the main corners of Western Michigan. This would also attract the
older non-traditional students and the graduate populations. As far as other retailers are concerned, the exact percentage of national retailers versus local retailers is currently under debate. Most ranges are about 30% national chains and 70% local, it is important to cater to a full time population because students will only be in school about 60% of the year. (Fosmoe, 2007; Kachmar, 2008)

Post Analysis

In this section of the paper there will be a discussion on the pros and cons of each alternative. The alternative with the least cons and the most pros will likely correspond to the alternative that has the highest rated sum of attributes for the five alternative choices.

Do Nothing

Doing nothing is the simple and easy solution. However, it leaves you with what you started with and does nothing to fix the problem. There is only one pro to this alternative, that is that there is no monetary cost to Western Michigan. The cons to this alternative are that nothing has been done to fix the problem of the lack of a college town feel or that there has been nothing done to make Western Michigan more attractive to potential students. Another con is that there is nothing done or in the works that will inspire current students to stay at Western Michigan. This alternative has one pro and three cons. As stated previously, this alternative had a very low score and was only as high as it was because of the weight applied to the cost alternative. There are more cons than pros for this alternative leaving it with an overall negative outcome.
Renovate Existing Dorms

The renovation of Western Michigan’s existing dorms to suite style would attract new students and help to retain current students. The new students would like the draw of being able to live in the newest accommodations on campus and potentially keep students living on campus. The renovation would take place in all of the dorms on campus. However, for the greatest affect the first year housing should be improved first. The Valley Dorm complexes are the 12 building that house a majority of the first year students. The estimated cost of these renovations is over $80 million with a time frame of over nine years to renovate the Valley complexes. (Campus Architecture and Design, 2008) This time period is considering other construction to other dorms and apartment buildings at the same time. The cons for this alternative are monetary cost and that the time frame is very long to remodel the dorms and will not likely help to draw potential students for a few years out still. Another con is that a project like this will only benefit those students who choose to live in the dorms and not any students past first year status.

The pros are the ability to attract students and to retain them to a certain level, also to reach all incoming students if it were to focus on first year housing. The cons are that it will be a long time frame for the construction to take place as well as the high cost to build these dorms and the debt payments as well. Another con is that this alternative will not attract people from outside of the campus community to come onto campus. This alternative, as well, has a negative outcome because of the amount of cons versus the amount of pros.
Build New Dorms

The building new dorms alternative has many similar cons to the previous alternative, renovating the existing dorms. The cost is very high, the time frame is long and the benefiting students are only those that choose to live on campus while attending Western Michigan. Again, a con is that building new dorms will not do anything to attract people to Western Michigan that are not involved in the campus community. The pros for this alternative are that it will benefit a large population of the student body once it is fully complete. With only one pro and many more cons, this alternative, too has a negative outcome.

Build New Apartments

Building new apartments on the campus of Western Michigan will have several pros. The first pro is that it will attract students and give them a place to live on campus. A large proximity of survey respondents said that an important factor in choosing housing was the proximity to campus and the amount of private space they had. (Campus Architecture and Design, 2008) The alternative would help to achieve this. Another pro is that it would attract members of the surrounding community if they wished to live near a university atmosphere. This pro would be contingent on whether or not the apartments would be for Western Michigan students or rented out on a market base approach. One of the pros is that if Western Michigan decided to land lease the land to an apartment development firm, like a Real Estate Investment Trust (REIT), they would create a potential for revenue as well as attract non-university affiliated persons to these market rate apartments. The main pro to this alternative is that building new apartments
buildings allows the university to use the nearly vacant land at the corner of Howard Avenue and Stadium Drive.

The cons are that building just apartments that would be for the student’s means that those who are not students will not live there even though they may want to. This limits the amount of revenue the university would be able to generate. Another con is that the land will only be used for one use. With such a large amount of land available it could go to multiple uses. The fear is that his use will not use the full potential of the land and the location. The last con is that building just apartments does not form a tight knit community. It will in essence, just form a bedroom community of students. A vibrant student community will help to attract future students versus a sleepy, corner on the edge of our campus. The outcome of this alternative has more pros than cons, but not by an overwhelming margin. The outcome of this alternative has a positive overall outcome and should be considered as a possible implementation to help declining enrollment and a possible tool that would increase enrollment.

**Build a Mixed-Use Development**

Mixed-Use Development was the alternative that had the highest weighted score when it was rated on how effectively it was at achieving the attributes. The first con to this type of alternative is that it will take a lot of planning and searching for the right fit of team members; architects, planners, real estate team, builders and contractors. The next con is that Western Michigan will have to determine what is the best way to do the development. Should it be a land lease to a private developer, should Western Michigan take on the role of developer and hire the correct people to do this, would a turnkey
development work best, where Western Michigan hires a developer on a fee basis? This would also take a long time pushing back the time line of completion and the effect to attract and retain students. Also, if Western Michigan were to take on the role of developer, they would have to fund the development on their own, ruining the best advantage of a no cost development on a land lease.

The pros for this alternative are numerous. The first is that this kind of development will use the land in the best way. As the city continues to grow around the university the amount of useable land will decrease. Therefore, it makes the competition higher and increases the benefit for putting different land uses on the same parcels. This competition will also increase the price of land. The second pro is that Western Michigan owns the land of the proposed development site. This means that there is no need for a lengthy land acquisition process that other universities have had to do. The next pro is that it will create a vibrant sense of community for the students, staff, faculty and all visitors to the campus. The sense of community will be a draw to students and will help to make them interested in attending Western Michigan University. The sense of community will only be enhanced because there could be a town square built into the mixed-use development. This could be a place that is large enough to hold events like Bronco Bash, Communiversity Night, or even outdoor concerts and events. Another pro is that a mixed-use development would be able to house the many different kinds of amenities that students want on and close to campus. These amenities would be a specifically attractive to students who choose to live in the residential portion of the development. It will also attract outsiders.
The possibility to have different types of arrangements is also a plus, this will allow for different types of retail to work in this kind of development. The different possibilities are to have anchors, do a traditional style neighborhood of streets and blocks, or to do a strip style development that is currently in use in many places around the Western Michigan campus. The two different anchors in the same spot would provide spill over customers to the other retail outlets in the development. The two retail anchors that I have thought would work well in the anchor scenario would be a Trader Joe’s grocery store and a Borders Bookstore that has a small café within in it. In April 2007, Dhiru Thadani gave a talk at The University of Notre Dame about how college towns need to appeal to the community as a whole. The reason is that “the student population accounts for only about 20 percent of sales at retail stores” (Fosmoe, 2007). When developing a college oriented consumer district the number one trend that has led to success has been moving the college bookstore to that development. (Fosmoe, 2007)

The last pro for this alternative is that the cost for a development like this has the potential to be nothing or very little and maybe make money for the university. This is the case in Victoria University where the land was leased out and rent is paid to the university based on a percentage of market rate rents. The combination of no or little cost to the university and revenue make this alternative very attractive to our university during this fiscal disinvestment from the State of Michigan to help us remodel our campus. There are more pros than cons for this alternative and matches the prediction that the alternative that has the highest weighted score will also have the most pros and the least cons. It is also worth nothing that the only cons for this alternative are based on
the development process by nature. For the development to be successful all the development options must be carefully investigated with all possible outcomes measured. A student-oriented campus consumer district will not appear over night and will take a lot of planning time to make sure that the desired results are achieved.

Conclusion

In conclusion, this study shows that there is a desire for different housing styles as well as different amenities around campus that students would use or visit at least weekly. It also shows that we are a college town according to Gumprect, however, some of the amenities are not here that would make Kalamazoo and Western Michigan University a more desirable place to attend college. The research shown in this thesis also shows that many universities around the country are using Mixed-Use development to make their school more attractive and to create a greater sense of community that will benefit everyone on campus and all of those who choose to visit the campus.

Future research should be done on this topic to on the amount of increase a university experienced in regards to its enrollment of new students and the retention of current students. A unique school for such research to be conducted would be at The University of Connecticut in Storrs, Connecticut. The school has already been surveying admitted students to determine why they are choosing other schools over UConn. The number one reason was that there is a lack of a college town and not much to do outside of the campus. Western Michigan University should, if it is not already in place, inquire why students are choosing to go to other institutions. This will allow for a sound reasoning behind what the university should choose as it develops new dorms, new
apartments, and hopefully a mixed-use development on the main campus in Kalamazoo, Michigan.

Based on this study I would like to recommend to Western Michigan University that it bring in a professional consultant team to determine what the best strategy would be for the redevelopment of the land at the corner of Howard Street and Stadium Drive. Also, the university should meet with, or create a professional planning staff to help develop a master plan for this open parcel of land. Having a document like a master plan will help picking out a developer when the appropriate time comes. As for the type of development that should take place, I think the best would be a land lease to a developer for a long period of years with the development reverting back to the ownership of the university once the lease term is over. I believe this is the best option because it allows for another party to provide the funding and make back their initial investment while providing a revenue source for the university.
Appendix A

Student Surveys
Survey Questions

What is your class standing at Western Michigan University?
Freshman  Sophomore  Junior  Senior  Graduate

What is your age at the time of taking this survey?_______

What is your gender?  Male  Female

What are the amenities that you would like to see on WMU Campus or within a few blocks of the campus border?

Have you been to other college campuses in the past 12 months, if so which ones?

What amenities did these campuses have that WMU does not have?

When you leave campus or “go out”, what type of places do you go and how far in miles do you travel?
(shopping mall, coffee shop, book store, restaurant/bar, other universities, cities, etc...)
How much do you spend during a week when you “go out”?

What type of eateries would you like to see on campus or within walking distance?

How many times a month do you leave campus to go shopping for things you can not find on campus and where do you go to find them?

Do you own your own car or have access to one of your friends?

- Own a car
- Have access to one
- Neither

Would you like not having to go far from campus to shop for clothes?

- Yes
- No
- Don’t Care

What are the stores you shop at for clothes? (Name as many as you can where you normally shop)
If these stores were located adjacent to campus would you be less likely to leave campus to do your normal clothes shopping?
Are there any particular types of stores that you would like to see close to campus?

If there were a mixed-use development, an area that has commercial development on lower floors and personal dwellings on the above floors, would you consider living there within your college career?

Yes  
No  
Would not influence my decision

Would you like to see different types of apartment designs; loft style with multiple roommates or single occupancy, two to four bedroom apartments, double occupancy bedrooms that resemble suite living found in on campus living dormitories? Which sounds most interesting to you? Briefly explain (one to two sentences).

If WMU had an area like this within blocks of the campus would it have made your decision easier to attend WMU?

Would you find WMU more desirable with a student oriented consumer/residential development?
Please rank (1 being the highest) which amenity you would like to see nearest to the campus area?

_____ Trader Joe’s Grocery Store (national chain with a focus on low priced, high quality organic food)
_____ Coffee Shop/Bookstore (Something like a Borders)
_____ Bar/Nightclub
_____ Laundry Mat/Dry Cleaners
_____ Restaurants (both sit-down and fast food)

What is the most appealing living style to you for future years at WMU? (Rank, 1 highest)

_____ Loft/Studio (single occupancy)  _____ Loft/Studio (multiple occupancy)
_____ Single Bedroom Apartment  _____ 2 to 4 Bedroom Apartment (2-4 roommates)
_____ Suite style (dorm room style but several in larger room with common bathroom, kitchen, living room)

Would having a grocery store, like Trader Joe’s, on campus be beneficial to you because you would not have to go to a different place to buy groceries? (i.e. you would be able to stop after or before classes not making a separate trip to the grocery store)

Yes  No

Do you leave Kalamazoo on the weekends?  Yes  No

If so, do you go:  Home  Other college town  Large city (no college affiliation)

Would you support a consumer district that was geared toward student wants and needs that is within walking distance.

Never  Sometimes  Always
1 2 3 4 5 6 7 8 9
Appendix B

Apartment Building Footprint Layout on Development Site
Building New Apartments Alternative Site Plan Example.
Appendix C

Mixed-Use Site Plan Examples
Build a Mixed-Use Development Alternative Site Plan Example 1.

Anchors side by side.
Build a Mixed-Use Development Alternative Site Plan Example 2.
Anchors in same building, not side by side.
Build a Mixed-Use Development Alternative Site Plan Example 3.

Anchors with a town square.

![Mixed-Use Development Site Plan Example](image)
Appendix D

Human Subjects Institutional Review Board Approval
Date: November 6, 2007

To: David Lemberg, Principal Investigator
James Eichstaedt, Student Investigator, for thesis

From: Amy Naugle, Ph.D., Chair

Re: HSIRB Project Number: 07-08-23

This letter will serve as confirmation that the changes to your research project "Student Commercial District Redevelopment Proposal" requested in your memo received November 5, 2007 (modify questionnaire and expand data collection) have been approved by the Human Subjects Institutional Review Board.

The conditions and the duration of this approval are specified in the Policies of Western Michigan University.

Please note that you may only conduct this research exactly in the form it was approved. You must seek specific board approval for any changes in this project. You must also seek reapproval if the project extends beyond the termination date noted below. In addition if there are any unanticipated adverse reactions or unanticipated events associated with the conduct of this research, you should immediately suspend the project and contact the Chair of the HSIRB for consultation.

The Board wishes you success in the pursuit of your research goals.

Approval Termination: September 4, 2008
Date: September 4, 2007

To: David Lemberg, Principal Investigator
    James Eichstaedt, Student Investigator for thesis

From: Amy Naugle, Ph.D. Chair

Re: HSIRB Project Number: 07-08-23

This letter will serve as confirmation that your research project entitled “Student Commercial District Redevelopment Proposal” has been approved under the exempt category of review by the Human Subjects Institutional Review Board. The conditions and duration of this approval are specified in the Policies of Western Michigan University. You may now begin to implement the research as described in the application.

Please note that you may only conduct this research exactly in the form it was approved. You must seek specific board approval for any changes in this project. You must also seek reapproval if the project extends beyond the termination date noted below. In addition if there are any unanticipated adverse reactions or unanticipated events associated with the conduct of this research, you should immediately suspend the project and contact the Chair of the HSIRB for consultation.

The Board wishes you success in the pursuit of your research goals.

Approval Termination: September 4, 2008


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