Campus Housing Affordability Review

*Introduction*

The University of Illinois, Urbana-Champaign has 24 dorm buildings that are spread across the campus, and all first-year students (transfers included) are required to live in a dorm or campus certified housing building for their first academic year on campus. Additionally, all students living in university housing are required to purchase a meal plan. The requirement for first-year students to live in university housing raises financial concerns, as the price of a dorm and meal plan is generally over $10,000 per academic year. However, an analysis of housing and dining costs compared to apartment prices in Champaign and Urbana show that in many cases it may actually be more financially advantageous to live in university housing as opposed to an apartment or house leased from a private company.

*Methodology*

University Housing publishes updated undergraduate residence hall rates each year, with prices differentiated by the type of dorm, the capacity of the dorm, and the dining plan purchased with the dorm. The data for these calculations was taken from this publication. Each available housing and dining option was input into a spreadsheet with the annual price, the monthly rent equivalent, and the monthly rent equivalent compared to average rents in Champaign and Urbana. The monthly rent equivalent was calculated by taking the annual price of a dorm and meal plan and dividing it by ten. Ten was chosen as the denominator because students move into their dorm in August and move out in May. The average rent prices of Champaign and Urbana were taken from rentcafe.com.[[1]](#footnote-1)

Monthly Rent Equivalent = $\frac{(Annual Price)}{10}$

*Results*

The average annual prices of campus housing are best separated into 3 categories by the type of meal plan used: 12 Classic Meals + 15 Dining Dollars, 10 Classic Meals + 45 Dining Dollars, and All Classic Meals OR All Dining Dollars (130). Additionally, two residence halls (Taft & Van Doren) offer two unique meal plans: 6 Classic Meals, and 6 Classic Meals + 25 Dining Dollars.

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| --- | --- |
| Plan | Average Annual Price |
| Room + 12 Classic Meals + 15 Dining Dollars | $12,557.32 |
| Room + 10 Classic Meals + 45 Dining Dollars | $13,287.72 |
| Room + All Dining Dollars (130) OR All Classic Meals | $13,678.80 |
| Room + 6 Classic Meals\* | $9,933.00 |
| Room + 6 Classic Meals + 25 Dining Dollars\* | $8,428.00 |

*Asterisk \* denotes plan is only available in Taft and Van Doren Residence Halls.*

The average rental prices in Champaign and Urbana as of December 2022 are $1,339 and $1,132 respectively. Comparing these prices to the average monthly rent equivalent of the three main room and meal plan combinations shows that living in a university dorm is comparable to the price of rent in Champaign, while it tends to be more expensive than living in Urbana.

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| --- | --- | --- | --- |
| Plan | Average Monthly Rent Equivalent | AMRE Compared to Champaign | AMRE Compared to Urbana |
| Room + 12 Classic Meals + 15 Dining Dollars | $1,255.73 | ($83.27) | $124.73 |
| Room + 10 Classic Meals + 45 Dining Dollars | $1,328.77 | ($10.23) | $197.77 |
| Room + All Dining Dollars (130) OR All Classic Meals | $1,367.88 | $28.88 | $236.88 |
| Room + 6 Classic Meals\* | $9,933.00 | ($345.70) | ($137.70) |
| Room + 6 Classic Meals + 25 Dining Dollars\* | $8,428.00 | ($285.50) | ($77.50) |

*Note: \* Denotes the plan is only available in Taft and Van Doren residence halls. Values in parentheses are negative.*

**Can housing be challenged to expand?**

The construction of additional campus space will be a challenge due to the net zero growth policy that has been enacted by the University. The F&S space management plan notes that future housing needs are heavily dependent on the incoming freshman enrollment, and that significant infreases in enrollment will result in a shortfall of bed spaces that force non-freshman into the off-campus market. The plan notes that in order to maintain the same percentage of freshman and undergraduate students living on-campus, the university will need additional on-campus residence halls. The university Office for Enrollment Management projected a stable enrollment growth of 1% in the on-campus population annually on average. This equates to an additional 4,540 students on campus by 2030.[[2]](#footnote-2)

**Energy Costs in Champaign County**

Energysage.com lists the electric rates in Champaign County at $0.15/kWh over the final six months of 2022. This is below the national average rate of 0.23/kWh. This rate equates to about $167/month on electricity, and $2,004/year.[[3]](#footnote-3)

The Champaign County Regional Planning Commission promotes LIHEAP (Low-Income Home Energy Assistance Program) as a means for securing assistance with paying energy bills. The program helps low-income families pay energy costs and provides information on energy conservation and self-sufficiency. The following income requirements must be met to qualify for LIHEAP:

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| --- | --- |
| **​Household Size** | **​Income Limit** |
| ​1 | ​$20,385 |
| ​2 | $27,465 |
| ​3 | ​$34,545 |
| ​4 | ​$41,625 |
| ​5 | ​$48,705 |
| ​6 | $55,785 |
| ​7 | ​$62,865 |
| ​8 | $69,945​ |
| ​9 | ​$77,025 |
| ​10 | ​$84,105 |
| ​For every additional person, add $7,080 |

Source: Department of Human Services[[4]](#footnote-4)

Ameren Illinois provides several budget reduction opportunities to its customers:

* Peak Time Rewards
	+ Gives eligible residential customers the opportunity to earn a bill credit by reducing electricity usage during times of high electricity demand, typically summer afternoons.
	+ Enrollment is free, and customers are contacted when a peak time event is coming.
* Budget Billing
	+ Gives customers the opportunity to level out seasonal changes in their energy bill by dividing the previous year’s usage into predictable baseline monthly payments.
	+ The end-of-year difference between the cost of energy used and the amount paid will constantly roll over as a charge or payment that will be divided across the following 12 months
	+ The difference between the cost of energy used over the previous year and the amount paid will be settled up with a one-time payment once every 12 months.
* Power Smart Pricing
	+ The price customers pay for electricity varies by the hour based on actual market prices. The customer’s bill is calculated using the hourly market prices. This allows customers to manage their energy costs by using energy during hours when prices are lower.
	+ Ameren warns customers that with the rising costs of natural gas, power smart pricing customers will face higher prices that are expected to last through 2022.
* Warm Neighbors, Cool Friends
	+ Energy customers with means can sign up for this program, adding a monthly donation to their energy bill. 100% of donations help families in need and donations are tax deductible.
	+ The donations go to the Energy assistance foundation, which provides year-round bill payment assistance to customers that have fallen behind on bills and are struggling to make ends meet.

**Winter Clothing Assistance**

* Bundle Up Champaign conducted its 5th annual clothing drive in 2022, collecting just under 800 items including coats, jackets, sweaters, gloves, hats, snow boots and shoes, and blankets.[[5]](#footnote-5)

**Who needs to be in the room?**

* Working with student body president Garrett Forrest to identify an answer

**Apartment Funding Resources**

* Not sure what is available
1. https://www.rentcafe.com/average-rent-market-trends/us/il/champaign/ [↑](#footnote-ref-1)
2. [UIUC Space Management Plan 2021–2030 (illinois.edu)](https://fs.illinois.edu/resources/newsroom/2021/04/21/uiuc-space-management-plan-2021-2030) [↑](#footnote-ref-2)
3. [Electricity Cost in Champaign County, IL: 2023 Electric Rates | EnergySage](https://www.energysage.com/local-data/electricity-cost/il/champaign-county/) [↑](#footnote-ref-3)
4. [LIHEAP (pa.gov)](https://www.dhs.pa.gov/Services/Assistance/Pages/LIHEAP.aspx) [↑](#footnote-ref-4)
5. [Bundle Up Champaign wraps up 2022 drive with great success | WCIA.com](https://www.wcia.com/news/bundle-up-champaign-wraps-up-2022-drive-with-great-success/) [↑](#footnote-ref-5)