Florida Gulf Coast University

FGCU Faculty/Staff Housing Update

Board of Trustees Meeting

April 9, 2024

Goal: Attract top talent to FGCU by helping alleviate housing costs through development of our vacant parcel



FGCU Hires from Outside of this Area

	2021		2022		2023	
	Number	Median Salary	Number	Median Salary	Number	Median Salary
Faculty	32	$60,000	35	$82,000	37	$83,700
Staff	60	$50,000	68	$43,000	43	$47,500
Total Hired from Outside the Area	92		103		80	

Anecdotally, somewhere between 7% - 13% of offers have been rejected due to the cost of living in SWFL

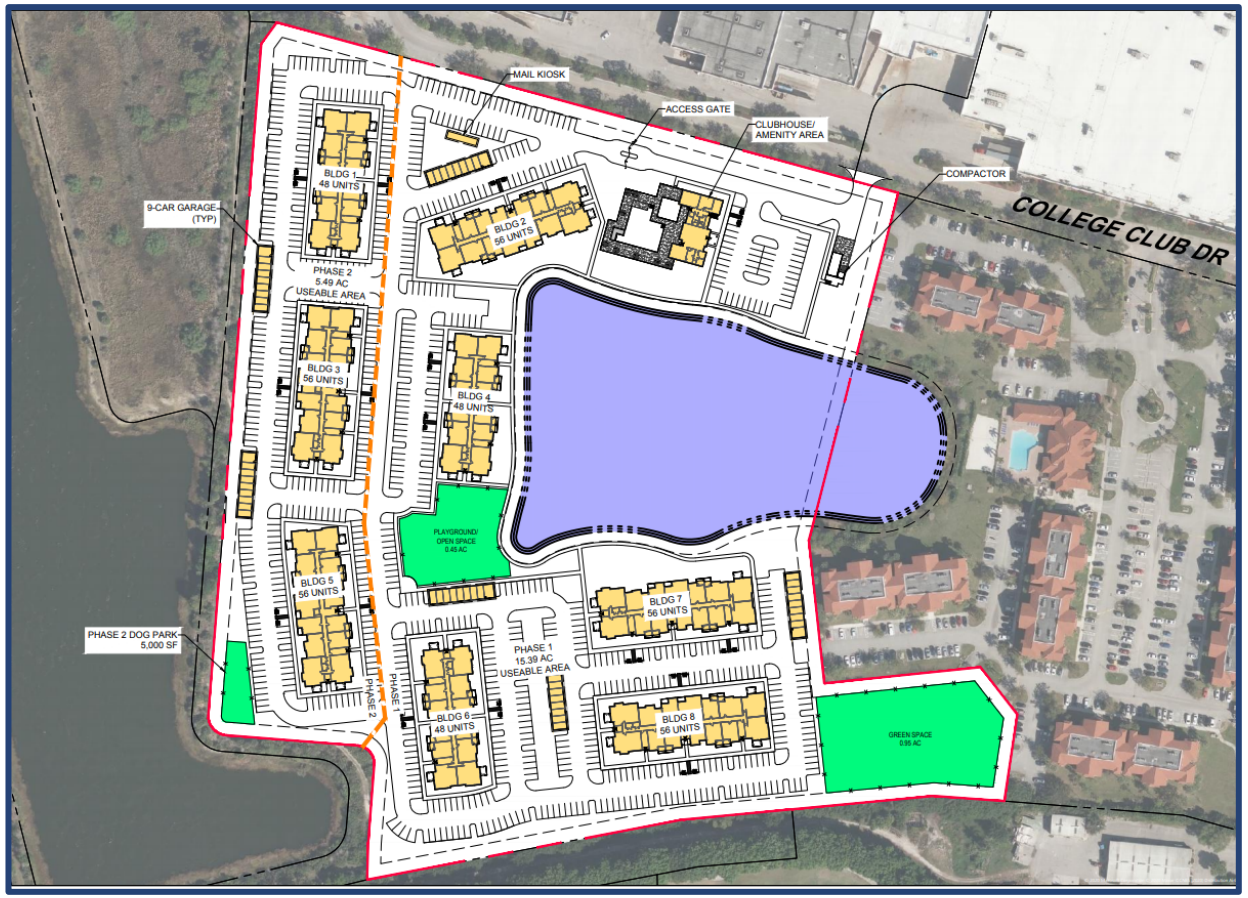
Project History

2020/2021 – Exploration of group project with other organizations

- Planned 424 unit project, first phase 264 units
- Discounts vary by unit size, average 9.4% across all
- HUD 221d4 loan 85% LTV, non-recourse
- Phase one project cost $52M, grew to $67M
- Lee Health was only participant with cash
- Required separate ownership entity to manage multiple interests
- Could not secure enough equity to make the project feasible

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Proposed Class A Rental Apartment Complex



- 23.5 acres
- 1.5 miles north of FGCU
- Adjacent to/ south of Gulf Coast Town Ctr
- West of West Lake Village
- 400 +/- total units, possibly phased
- Clubhouse, pool, parks, lake views, gated access

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Project History

2022/2023 – Lease land to private developer with proceeds used for staff/faculty housing

- Selected Falcone/Kaufmann to build 432-unit project, based on their experience with similar projects and proposed plan
- Project cost $117M
- 44 units would be discounted by 30% of mkt + $500k/yr.
- BOG considers this a non-conforming P3
- State-required maximum 40-year lease is problematic for financing
- *Currently on pause*



Aerial View

FGCU Apartments

CONCEPT DESIGN PROPOSAL SHEET B

February 7th, 2023

ARC3 architecture



Conceptual Renderings

FGCU Apartments

CONCEPT DESIGN PROPOSAL SHEET

February 7th, 2023

ARC3 architecture

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Three Other Options: Option 1

Create a new Direct Support Organization (DSO) and develop the project ourselves, using market-rate rentals to create “profit” used to reduce the rates of the FGCU housing.

Pro	Con
Gives maximum flexibility	Including market rate rentals will preclude use of tax-exempt bonds and may jeopardize non-profit status
DSO/University ownership will save certain operating costs such as insurance, ad valorem taxes, etc.	Costs have only risen since Falcone’s offer a year ago; the proposed MF project will likely cost $300k/unit to build

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Three Other Options: Option 2

Develop a “true” income-qualified housing project for those making 120% or less of AMI and offer to FGCU faculty/staff as well as others that qualify.

Pro	Con
Gov’t offers various incentives that help reduce the cost	Based on FGCU historical hiring data the income limit would preclude offering the housing to 30% - 80% (depending on family status)
	Many gov’t (HUD) restrictions are attached

Three Other Options: Option 3

Create a new Direct Support Organization (DSO) and develop one phase (50 units +/-) with a simpler, less expensive attached product such as a townhome.

Pro	Con
We could get started sooner at less cost	Constrains the use of the remaining parcel to some extent
Could invite big builders to bid using their existing floorplans – simpler, less costly	Does not take full advantage of the density available
Potentially can use tax-exempt bonds to finance	
DSO/University ownership will save certain operating costs such as insurance, ad valorem taxes, etc.	
May be able to share some resources for operation	



Townhome Example

- 20’ wide
- 2 story
- One car garage
- 3 Bedroom
- 2.5 Baths
- 1,370 s.f – 1,573 s.f

Recommended Action

Pursue Option 3: Issue an ITN to builders to build a townhome-type product at 10-14 units/acre on our property. If the financials work, we would then ask the BOT to create the DSO and transfer the land. The DSO would contract with the builder & manage the rentals.