

THE CHRONICLE OF HIGHER EDUCATION

ADMINISTRATION

A Better Use of Space

Antioch College and other small institutions rethink their real estate to generate revenue

By *Lawrence Biemiller* | JANUARY 08, 2017 ✓ PREMIUM

YELLOW SPRINGS, OHIO



Ty Wright for The Chronicle

Fitness for All: Antioch's recently renovated Wellness Center is open to townspeople as well as members of the college community.

sustainable 34-unit community tucked between a vacant dormitory and Antioch's Coretta Scott King Center for Cultural and Intellectual Freedom. The residents will enjoy a shared common house as well as ready access to a

Already, small stakes topped with plastic flags outline the site of what Antioch College hopes will be, within a year or two, the first new construction on its campus since the liberal-arts institution reopened in 2011 after being closed for three years. But the new buildings won't be for students or faculty or staff members.

Instead, they'll house individuals and families in a progressive and ultra-

variety of Antioch offerings, including courses, cultural events, the library, recreation facilities, and more. And the 34 homes are just the first of more than 300 that Antioch leaders foresee building over the next decade or so on land that the college can't imagine ever needing for students. The college plans a mix of cohousing (in which people have their own homes but share space and take part in what's usually called an "intentional community") and conventional homes, among them rental, market-price, and affordably-priced units.

The goal of all this construction is to create additional revenue streams for a struggling liberal-arts college that last month trimmed salaries for top employees and eliminated five positions as it grapples with both enrollment and fund-raising shortfalls. Plans call for the income to include — eventually — earnings from leasing the land (which the college will continue to own) and also from rental units. In addition, there will be revenue from selling new residents memberships in the college's Wellness Center, which was renovated in 2014 at a cost of \$8.5 million, and from letting them buy meals in the college's dining halls and purchase food from the college organic farm. If the residents enroll in courses, that may bring the college money, too.



A Better Use of Space

Antioch College and other small institutions rethink their real estate to generate revenue

- Small Colleges Find New Revenue Streams Close to Home ✓ **PREMIUM**
- Opening Gyms to the Public Can Make Money and Build Community Ties ✓ **PREMIUM**

"What we're trying to do is create stable, reliable sources of revenue over time, as



Ty Wright for The Chronicle

Farm to Table: Antioch's farm provides food for the dining halls — and could be expanded to sell to future residents of Antioch Village, a planned housing community, as well.

opposed to feast-and-famine cycles of enrollment," says Tom Manley, Antioch's president since March 2016. He's mindful that last fall's freshman class came in at only 45 students, significantly fewer than the 80 to 85 the college had anticipated. (Unlike students in the previous four classes, who were offered free tuition as the college reopened and sought accreditation, last fall's first-year students are expected to pay half-price tuition, \$16,618. This coming fall's enrollees will face full-price tuition of

\$34,568.)

Meanwhile, the college is worried that many of the donors who contributed generously to help it reopen cannot continue giving at the same levels.

Antioch's situation is unusual in that it was shuttered from 2008 to 2011, and at this point its long-term prospects are by no means guaranteed. So while it may have more incentive to take risks than richer institutions, it has no monopoly on creative approaches to finding revenue.

Richard Ekman, president of the Council of Independent Colleges, says that using unneeded land and other resources to establish diversified income streams may be a good option for colleges that have already sought to boost their income by offering in-person continuing-education courses and online graduate degrees. The former market "quickly got saturated," he notes, while the latter is "growing like crazy" — suggesting that it, too, could be headed for a saturation point.

Antioch is not the only small college to have looked to excess property for revenue. Hendrix College, in Arkansas, began developing land across a major thoroughfare from its central campus a decade ago. In the years since, a town square with retail space and housing for 175 students has gone up, along with 55 single-family homes — all arranged as a walkable community by DPZ, the architecture firm that was founded by Andrés Duany and Elizabeth Plater-Zyberk (Ms. Plater-Zyberk is a former dean of the University of Miami School of Architecture, where she is still on the faculty).

The Village at Hendrix, as the project is known, "wasn't intended to be a commercial development, as much as an opportunity to enhance the value of land near the campus and increase the vitality of the area," says W. Ellis Arnold III, the college's senior executive vice president. Nonetheless the college remains the majority owner in two limited-liability corporations controlling the property.

Antioch's development plan is equally ambitious, especially for a 220-student college that is for all practical purposes a start-up, even though it traces its history to 1852. The idea of adding housing for nonstudents took hold several years ago after some of the alumni involved in reopening the college began talking about retiring to Yellow Springs, a walkable southern-Ohio town with good restaurants, great schools, and a progressive approach to almost everything.

But Yellow Springs also has a very tight housing market in which comparatively few homes come up for sale and those that do are expensive. "There's not a lot of turnover," says Monica Hasek, director of the Wellness Center. Most of the available land in town has already been built on, and much of the surrounding farmland is protected from development by conservation easements.

At the same time alumni were talking about moving back, Antioch's trustees and administrators were on the lookout for ways to take better advantage of assets that weren't contributing as much as they might to the institution's survival, including

empty areas of the campus, a thousand-plus-acre nature preserve called Glen Helen, and a lively NPR affiliate, WYSO.

"We need to focus on leveraging these assets that we have and making them productive," says Malte von Matthiessen, a 1966 graduate who heads the Board of Trustees. "One asset is the land, and the land has been fallow."

The college is working to tie other assets — among them Glen Helen and WYSO — more closely to its curriculum, but they're also seen as attractions that will help draw residents to the new housing.

Until planning is completed, the development project's total cost is an estimate — \$6 million to \$7 million, although that figure includes the value of the land, which the college already owns. But because the cash-poor institution will have to rely on outside investors to pay for the construction, it will make somewhat less over the long run than it might otherwise. Mr. Manley says Antioch and Sandy Wiggins, a sustainable-development consultant who is serving as the lead developer, are looking to foundations to help support the effort and have already identified one that will contribute \$1 million. Construction won't begin until all the money is in hand.

"If we had our choice, financially it's better for us to control more, but controlling the land isn't bad," Mr. Manley says. "The land leases are modest for 60 years in terms of what they'll generate, but it's always good to have that kind of steady stream of revenue."

According to the current business model, he says, the real benefit for Antioch will come from the related income sources, such as the Wellness Center memberships.

Since it reopened, Antioch has had a strong commitment to environmental sustainability, installing geothermal wells for heating and cooling, as well as a five-acre solar array beneath which grazing sheep keep the grass trimmed. When the housing idea came up, it was that commitment that led the president who

oversaw the reopening — Mark Roosevelt, who left in December 2015 to become president of St. John's College, in Santa Fe, N.M. — to get in touch with Mr. Wiggins, a former chair of the U.S. Green Building Council.

"We spent a couple of months talking about it, sussing out the vision," says Mr. Wiggins, and the vision turned out to be one of a college not set apart from its surroundings but fully integrated into its community as well as its environment.

Mr. Manley says Antioch wants to help answer questions like, "How do we take less space on the planet and collaborate more in terms of a whole series of things, like food that we eat and the ideas that we ingest and the culture that we make? And how can generations be supportive of one another?"



Ty Wright for The Chronicle

Culture? Just Steps Away: In addition to its Glen Helen nature preserve and its public-radio station, the college expects its theater to appeal to Antioch Village residents.

Eventually the college gravitated toward the strict standards of the Living Community Challenge, which Mr. Wiggins describes as "the leading edge of environmental and social sustainability." The cohousing project aims to produce more energy than it uses, for instance, and will probably have composting toilets. Individual homes will be compact — a studio apartment will be as small as 400 square feet — although they'll be augmented by a communal living room and a communal kitchen and dining room for regular community meals. Plus the

Wellness Center, the college library, a college-community theater, and the Glen Helen nature preserve will be close at hand. At least five of the first units will be subsidized to make them more affordable.

Because the inspiration came from people thinking of retiring here, the college originally envisioned attracting retirees to the new housing. Retirement communities are located near a number of other colleges, including Dartmouth College, the University of Notre Dame, and the University of Florida, though most such communities are independently operated. (One exception is Lasell Village, a 225-resident "senior housing community" on the Lasell College campus, in Newton, Mass., where residents have their own dean and must complete at least 450 hours of "learning and fitness activities" every year.)

But when Antioch commissioned an in-depth market analysis, Mr. Wiggins says, the results showed interest among a broader range of people, and the focus was expanded beyond seniors. That said, retirees are overrepresented among an active and impatient group of would-be residents who pushed to make cohousing the pilot project, says Patricia A. Brown, who is 76 and helped bring the together the group, known as the Antioch Village Pioneers.

"One gal is 87," says Ms. Brown, explaining the impatience, "but we have two young families interested." In addition to the 400-square-foot studios, for one of which Ms. Brown plans to vacate her 1,800-square-foot house, the project will offer 700-square-foot one-bedroom apartments, two-bedroom units of between 900 and 1,000 square feet, and townhouses with three or four bedrooms. There's interest enough to fill 40 units, she says, even though plans are still incomplete and no prices have yet been set.

"We've got a community of ready buyers," notes Mr. Wiggins. "Before we ever start, we're sold out."

The college retained an architecture firm, Dover, Kohl & Partners, to do initial planning and run a five-day planning charrette in March 2015 that solicited ideas from interested people. Hundreds attended,



Ty Wright for The Chronicle

A Library to Share: For residents in the cohousing project's smaller units, nearby public spaces like the college library may serve as welcome extensions of their homes.

including faculty members and a number of students, some of whom made it clear they weren't particularly eager to share the campus. Subsequently Antioch hired another firm, McLennan Design, to plan the first 34 units.

Jason F. McLennan is the firm's chief executive, and President Manley calls him a "leading light" in sustainable design. Mr. McLennan says one goal is to make sure the project feels knitted into the campus without infringing on its historic spaces,

such as the open expanses on either side of the original main building. "The idea is that there is a seamless connection between classrooms and student dorms and the cohousing, that they feel like a community together." He adds that Antioch's "will definitely be the greenest cohousing project ever built, and one of the greenest developments, period."

Because of that, the project may cost more than conventional construction — "slightly more," he says. "But we're concerned about total cost of ownership, which includes the fact that they won't ever have energy bills or water bills, they'll have a more durable structure that has less maintenance costs through time. You've got to think about what's cost-effective for the next hundred years, not just the for first group that moves in."

He assumes, of course, that Antioch will be around for the next century. In fact, Ms. Brown says the biggest fear among her group of pioneers is "that Antioch is going to fold," although she's not worried herself. "I was always very positive. The time was right for this."

Mr. Manley says Antioch's trustees have been extra-cautious about the project, seeking assurances that it's not "a scheme that sounds really exciting but diverts our energies and attention from what we really need to do."

They've also kept a tight rein on costs. "They had to come up with money to do the charrette and some of the predevelopment things," Mr. Manley says, "but there's very little cash outlay on the front end. And the board's saying it has to stay that way. We can't have creeping financial commitment that we're not aware of."

He also anticipates holdups. "All of the real-estate development projects and developers will tell you that there are a thousand detours that they run into in projects like this," he says. But he sees the risks Antioch is taking as important.

"We're trying to develop a new platform to operate the college from, and that platform has to be resourceful," he says. "At times of scarcity, creativity has to be the counteractive agent."

Lawrence Biemiller writes about a variety of usual and unusual higher-education topics. Reach him at lawrence.biemiller@chronicle.com.

This article is part of:

A Better Use of Space

A version of this article appeared in the January 13, 2017 issue.

Copyright © 2017 The Chronicle of Higher Education