

SUBJECT	THE UNIVERSITY COMMUNITY ON CAMPUS - HOUSING ACTION PLAN POLICY TEXT AMENDMENTS
MEETING DATE	FEBRUARY 15, 2018

Forwarded to the Board of Governors on the Recommendation of the President

APPROVED FOR SUBMISSION



Santa J. Ono, President and Vice-Chancellor

DECISION REQUESTED	<p>IT IS HEREBY REQUESTED that <i>the UBC Board of Governors:</i></p> <ol style="list-style-type: none"> <i>1. Approve the updated and consolidated Housing Action Plan core policy text amendments (revised Attachment A) reflecting adjustments supported during the course of the HAP Five-Year Review; and,</i> <i>2. Direct the Administration to further explore and report back on implications and opportunities for introducing “University Rental” policy commitments in the HAP as described in the AMS submission January 30, 2018.</i>
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Report Date	January 19, 2018
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Presented By Andrew Szeri, Provost and Vice-President Academic
 Peter Smalles, Acting Vice-President Finance & Operations
 Linda McKnight, Interim Vice-President Human Resources
 Louise Cowin, Vice-President Students
 Eric Eich, Vice-Provost & Associate Vice-President Academic Affairs
 Andrew Parr, Managing Director Student Housing & Hospitality Services
 Lisa Colby, Managing Director (Faculty Staff) Housing & Relocation Services
 Aubrey Kelly, President and CEO, UBC Properties Trustee

EXECUTIVE SUMMARY

This report forwards the final consolidated version of text updates to the Housing Action Plan core policies, to reflect the cumulative direction of the Board following the Five-Year Review. Phase I findings and adjustments were approved in December 2016. Phase II findings were delivered to the Board in 2017. Amendments are generally modest housekeeping updates. All are shown in Tracker in Attachment A.

The Housing Action Plan is a long-range (30-year) umbrella strategy, first approved in September 2012, to set out the University’s long range policies and targets to support improved housing choice and affordability for students, faculty and staff, for recruitment and retention purposes. It does not affect density or land use regulations, and works within the land-use regulatory parameters already in existence on campus. A variety of operational programs exist to collectively support delivery of

the overarching HAP policies and targets. This report does not address changes at the operational program level.

This consolidated set of policies is an important final documentation and step for the Five-Year Review, providing convenient updated reference to the cumulative changes to date, for all who need to work with these policies. Future annual reports would work from this updated set.

<p><i>If this item was previously presented to the Board, please provide a brief description of any major changes since that time.</i></p>	<p>The Five-Year Review findings were presented in December 2016 (Phase I) and December 2017 (Phase II). The ongoing relevance of most policies was reaffirmed, with the need for only modest clarification updates.</p> <p>No new issues are introduced. This report forwards the final proposed housekeeping text changes to the HAP core policies to reflect cumulative direction and decisions throughout the course of the five-year review.</p>
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INSTITUTIONAL STRATEGIC PRIORITIES SUPPORTED

- Learning
 Research
 Innovation
 Engagement
 International
 (Internal / External)
- or Operational
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DESCRIPTION & RATIONALE

Background

The introduction of a UBC Housing Action Plan (HAP) to address housing concerns was identified as a follow-up condition of approval of UBC’s Land Use Plan in 2010-2011. Its development was overseen by the Board of Governors through its Community Planning Task Group and was formally approved in September 2012. The Board’s Task Group members included student, faculty and UBC Properties Trust members, and was also supported by in-house financial, legal, and planning expertise. It included extensive consultation with the campus community.

The resulting HAP is a long-range (30-year) umbrella strategy that set out the University’s long range targets to support improved housing choice and affordability for students, faculty and staff, for recruitment and retention purposes.

For context, it is useful to understand that a variety of operational level programs exist to collectively support achievement of the higher level overarching HAP policy targets. These operational level programs include:

Rental Program:

- market rental programs by Wesbrook Properties,
 - Faculty Staff 25% below-market rental program by Village Gate Homes,
 - Rent-Geared-to-Income Program (being launched Spring 2018) administered by the University and placed into rental units owned and operated by Village Gate Homes,
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Faculty Home Ownership Loan Program

- Prescribed Interest Rate Loan (PIRL) program
- Down Payment Assistance (DPA) program
- (other earlier programs now closed to new applicants but still being serviced such as outstanding Special Provost Loans and 33% 2nd Mortgage Loans)
- Other home ownership support models as may be developed and approved by Board in future from time to time.

Student Housing Program

- Student family housing
- Graduate student housing
- Upper year undergraduate student housing
- 1st year housing (on 1st year housing guarantee)

While some operational program adjustments were discussed and authorized during the Five-Year review to improve support of the HAP policies going forward (e.g. rental waitlist priority banding, or rent-geared-to-income administration framework), this particular report is now focussed on final housekeeping text amendments at the HAP policy level only, and does not address operational program level detail.

The HAP's policies and targets are intended to work within the land-use regulatory and density parameters in existence on campus, even as they may change from time to time. Policies include faculty home ownership support targets, proportions of neighbourhoods to be dedicated to rental or faculty-staff below-market rental, improved advance purchase opportunities to new market lease projects on-campus, supply expansion targets for future student housing on academic lands, and rental rate cost control guidelines. The final HAP also includes Plan management policies including annual monitoring, progress reports and, the main subject of this report, a requirement for a comprehensive review every 5 years to confirm ongoing relevance of the Plan objectives.

Five-Year Review

The first Five-Year Review of the HAP was undertaken over the last year and a quarter.

- Phase I of the Five-Year HAP Review focused on adjustments to the faculty support programs. Its findings and recommendations were received and approved by the Board of Governors on December 6, 2016.

- A follow-up Board report and approval regarding the Faculty Housing Assistance Financial Endowment (FHAFE) needed to fund and launch the PIRL program (February 2017),
- Approval of a framework for a modified Rent-Geared-to-Income pilot program (June 2017).
- Phase II of the Review then focused on student and staff support policies. Final results of the Phase II Review were brought to the Board of Governors on December 5, 2017.

The Board fully supported all recommendations of the Phase I and II review including: a general re-affirmation of the ongoing importance of the HAP policies, and some implementation program level improvements to accelerate achievement of the HAP targets. In some cases minor edits are now needed to policy text to reflect more accurate and updated program cross references, eligibility benchmark cross-references, a higher student bed target, and, in some cases, to eliminate redundancy. Highlights of the Board direction that triggered change related to each policy is provided below. Resulting edits to the actual formal policies are shown in Tracker in Attachment A.

Faculty and Staff related policy targets:

- Policy 1: Changes to the Faculty Home Ownership Program were approved. A PIRL program was introduced and continued research was supported in search of other ownership support models on-campus. The Administration was asked to return with edited wording that would add a reference to the new PIRL program as a contributing program in Policy 1. This wording has been provided.
- Policy 2: Recognizing the effectiveness and recruiting appeal of the Down Payment Assistance Program (DPA), its value was increased to \$50,000 as of July 1, 2017 and its 10 year extended eligibility period was left in place. It's less popular sister program, the Mortgage Interest Assistance program was closed. The "Housing Assistance Program" label, previously used to refer collectively to these two options, has been retired and this policy is now referred to only as the DPA.
- Policy 3 and 4: Market and Faculty Staff Rental targets were re-affirmed and Board direction and discussion focussed on accelerated operational commitments and program details to meet these targets. No edits needed to these two existing HAP policies.
- Policy 5: Continued support for a Rent-Geared-to-Income program was emphasized and even expanded in June 2017 to include a faculty version. Text adjustment reflects this direction. The Board encouraged acceleration of this pilot – something that can already be undertaken without changes to the policy. Once results of the pilot are delivered to

Board, this policy could be then be updated beyond the pilot scale, subject to Board direction at that time.

- Policy 6: There was recognition and acceptance of the continued importance of this policy that calls for a range of unit sizes to meet the changing demographic of recruits wishing to rent in faculty-staff housing. An increasing number of families with children are searching for larger rental units as they are no longer purchasing homes. While more recent surveys indicated interest in 4-bedrooms as part of the range, the only edit suggested to this policy, rather than specifying 3 or 4 bedrooms at a policy level, is to refer to ‘larger’ family oriented sizes so that the appropriate proportions of each unit size can be resolved at a program operational level in collaborative discussions with UBCPT.
- Policy 7: No direction was received to change Policy 7. The review pointed out that while it serves a small group, the advance purchase access for UBC employees on-campus (for new projects) has no cost to the university and has allowed approximately 20 families to purchase housing on-campus so far. It is considered important and should be kept. No edit needed.
- Policy 8: The policy that employees remain responsible for all taxes associated with taxable benefits from housing programs, remains relevant. No edit needed.

Student Housing Program policy targets: Progress has been recognized as strong toward meeting all existing student policy targets.

- Policy 9: Expansion of student housing supply has been steady toward the target of “50% of the 2010 full time student enrollment” (which equates to 16,500 beds at full build-out). Board discussion in December 2017 raised the question of whether the target reference might be updated and clearer. Student Board representatives asked to be consulted on appropriate replacement wording. SHHS and VP Students have subsequently met with student representatives since the last Board meeting and are in agreement that this target could more simply be replaced with “17,300”, subject to Board support. This higher figure represents 35% of the 2017 full time student enrollment. Subject to Board approval, this figure could be changed again in future, based on updated assessment of needs and capacity.
- Policy 10: No Board changes were requested for this policy that focuses on student bed unit types and sizes, however, a redundant reference to supply of student housing has been deleted for clarity, noting that supply expansion targets are addressed in Policy 9.
- Policy 11: Consistent with SHHS shared intent at the December 2017 meeting to bring greater clarity and structure to rental rates and annual increases, all parties agreed at the recent SHHS and VPS meetings with

student representatives (student Board members, AMS, GSS and RHA) since the last Board meeting, to the proposed wording for that purpose, subject to Board support.

- Policy 12: No Board changes were requested for this policy. However, a grammatical text amendment is provided to update the tense in this policy from future to ongoing (noting it has already been done by now and will continue to be done going forward).
- Policy 13, 14, 15: Board members expressed no concerns in response to SHHS's proposal at the last Board meeting to cross off completed commitments from the policy list, to avoid repetition in future annual monitoring reports. It is proposed that policies 13, 14 and 15 be eliminated for this reason.
 - Policy 13: Communication strategies have been incorporated into regular operational procedures and graduate student awareness of housing opportunities is strong.
 - Policy 14: Enhanced community building for graduate students is routinely addressed now through established graduate student focussed programming at residences where this demographic resides and through re-creation of the Acadia Park Residence Association; a resident lead community development, programming and advocacy group
 - Policy 15: The Gage site (now called Exchange Residence) has been successfully re-designated for student housing and is under construction, targeted to deliver 651 upper year / graduate student beds in summer 2019. Given substantial development of graduate student housing opportunities throughout the housing system since the original policy was drafted, the need to prioritize this residence for graduate student is no longer necessary, however graduate student will be able to apply for and reside at this location. The suggested priority for post-docs in Gage is inconsistent with a more recent labour relations agreement, Board policy and Resident Tenancy Act exemption language that limits SHHS to operating purpose-built student housing only.

Plan Monitoring and maintenance targets:

- No changes were directed for Policies 16 through 19, recognizing their ongoing importance to the continued relevance and effectiveness of the strategy, as a useful working document.

Consolidated Update of Reference Documents

These cumulative and consolidated HAP core policy text updates, all based on Board support from the Five-Year Review, are shown in Attachment A in Tracker view for clarity.

In addition, a record of amendments is provided that cross references these various changes in chronological order with the meeting dates where they were discussed/ approved (Attachment B).

Annual progress reports on these updated HAP policies will continue to be provided to the Board with the next one anticipated late 2018. The next 5 year comprehensive review is targeted for 2022.

The full updated Housing Action Plan explanatory document referring to these core policies will be available upon request from the Board secretary office and, following ratification of these changes, will be posted on-line.

BENEFITS While the University cannot provide enough funding to solve the challenges of Learning, Research, Financial, Sustainability & Reputational the competitive rental market in Metro Vancouver, the HAP programs will make good progress in helping address the recruitment and retention challenges, and provide faculty, staff and students with welcome support to work and live on campus.

A consolidated HAP update is an important final documentation step for ease of reference, and progress monitoring purposes.

RISKS There is significant strategic risk if the University fails to recruit and retain Financial, Operational & Reputational outstanding faculty, staff and students, and is not able to create an outstanding work environment to ensure engagement and productivity.

There is also ongoing reputational risk if the University does not implement its commitments to rental housing support as promised in the Housing Action Plan.

COSTS The costs to administer UBC's *Housing Action Plan* are currently supported by the annual operating budget.

FINANCIAL Financial implications of the HAP were outlined in the Phase I and Phase II Five-Year Review reports available from the Board secretary office. This report Funding Sources, Impact on Liquidity focusses on the housekeeping text updates to the core HAP policies arising from that review. There are no further financial implications.

CONSULTATION Detailed consultation outline was provided in the full Phase I and Phase II Five-Year Review reports. This report focusses on housekeeping text updates to the Relevant Units, Internal & External Constituencies HAP arising from the 5 Yr Review. No further consultation is proposed.

UBCPT COMMENTS Complete for all reports that include a property component	Date of Review:	Jan 16, 2018	Signed off by:	Aubrey Kelly, President and CEO
	UBCPT acknowledges and supports the updates to the HAP policies as detailed in this report.			

Attachment A: Updated HAP Policy List with Tracker Changes

Attachment B: Chronological Record of Consideration & Amendments to HAP Core Policies

Previous Report Date	December 5, 2017
Decision	HAP Phase II Review (Staff and Students) Received
Action / Follow Up	HAP Final Housekeeping Update to be submitted
Previous Report Date	June 6, 2017
Decision	Approval of Rent-Geared-to-Income for Staff and Faculty
Action / Follow Up	Phase II Review (Staff and Students) to be submitted Fall of 2017.
Previous Report Date	February 14, 2017
Decision	Information update on 10 year Faculty Housing Strategy (Phase I of 5 Yr Review) and next steps was received by the Board
Action / Follow Up	To report back with implementation plan of Faculty Temporary Rental Housing Support Program together with the Staff program including Rent-Geared –to-Income.
Previous Report Date	November 20, 2016
Decision	10 year Faculty Housing Strategy (Phase I of 5-Yr Review) was approved by the Board.
Action / Follow Up	To provide information and seek approval. <ul style="list-style-type: none"> 1. Faculty Housing Assistance Financing Endowment (FHAFE) Terms of Reference will be provided for approval 2. The final Eligibility and Allocation Procedure Guidelines for Restricted Faculty Housing Program will be provided <p>The final wording for Policy 1 of the Housing Action Plan to accommodate new proposed PIRL ownership support program will be provided for approval.</p>
Previous Report Date	February 2016
Decision	For information and discussion: To receive the consultation results on the June 2015 proposed revisions to the Faculty Home Ownership Program for the Vancouver Campus.
Action / Follow Up	Information follow up to Finance Committee

Previous Report Date	December 3, 2015
Decision	The 2014/15 progress update on the Housing Action Plan (HAP) was received on the consent agenda.
Action / Follow Up	The 2014/15 progress update was provided as information only.
Previous Report Date	June 9, 2015
Decision	<p>Adoption of President's Working Group recommendations to:</p> <ol style="list-style-type: none"> 1. Close the Restricted Capped Appreciation program option and make any consequential amendments to HAP documents; 2. Confirm continuation of 2nd Mortgage Loan option for duration of 3 year pilot; 3. Direct the Administration to develop and consult on creation of a new 10-year, tiered, merit-based Prescribed Interest Rate Loan program option (PIRL) within the FHOP funding cap and based on principles: <ul style="list-style-type: none"> • Recruitment and retention of world class faculty; • Incentivize faculty to live on campus; • Tax efficiency and effective use of capital; • Improve faculty ability to choose location and type of property; • Support acquisition of home ownership without creating a long-term entitlement. 4. Direct the Administration to consider and consult on phase-out and replacement of the Down Payment Assistance and Mortgage Interest Assistance loans; 5. Direct the Administration to report back to the Board on input from the consultation from the new PIRL concept, and phase out of the DPA/MIA.
Action / Follow Up	To report back on input from consultation with faculty on new PIRL program options and replacement of existing Down Payment Assistance and Mortgage Interest Assistance loan programs.
Previous Report Date	September 30, 2014
Decision	The 2014 progress update on the Housing Action Plan (HAP) was presented. Administration was asked to report back after the second Faculty Homeownership program (FHOP) cycle had been completed.
Action / Follow Up	The 2014 progress update was provided as information.

Previous Report Date	September 2013
Decision	<p>Directed Administration to explore 2nd Mortgage Loan Program as alternative faculty home ownership program model, with better taxable benefit implications to participants than Capped Appreciation model.</p> <p>Directed Administration to consult with faculty on both program types, and the draft Eligibility, Allocation, and Occupancy Policies developed by the Faculty Housing Action Plan Policy Development Committee.</p>
Action / Follow Up	Report back to the Board on results of consultation
Previous Report Date	September 20, 2012
Decision	Adoption of the UBC Housing Action Plan (19 policies) for Vancouver campus, and its implementation steps.
Action / Follow Up	Report back to Board on Implementation progress.
Previous Report Date	June 12, 2012
Decision	For information. Summary results on most recent consultation. Key policy directions provided for discussion and feedback.
Action / Follow Up	
Previous Report Date	April 2, 2012
Decision	For information. Interim consultation report. Summary of consultation input activities between April 2011 and January 2012 and conveyed key themes to date.
Action / Follow Up	
Previous Report Date	February 2, 2012
Decision	For information. Chair of Community Planning Task Group provided highlights of recent consultation input, including video clips of speakers at the January 2012 forum. The report updated Board on other technical and consultation results to date, including the short list of options under consideration and the outline of the discussion paper that will be the focus of the community consultation in late March 2012.
Action / Follow Up	

Previous Report Date	December 1, 2011
Decision	For information. Chair of Community Planning Task Group provided update on the process including decision to extend community engagement phase.
Previous Report Date	Sept 27, 2011
Decision	For information. Update on Process – Summary of tour of peer universities, preliminary options under consideration and updated communications and engagement plan.
Previous Report Date	June 8, 2011
Decision	Resolution: that the Board endorses as circulated, the Guiding Principles for the UBC Vancouver Housing Action Plan.
Previous Report Date	Sept 27, 2011
Decision	For information. Update on Process – Summary of tour of peer universities, preliminary options under consideration and updated communications and engagement plan.
Previous Report Date	April 5, 2011
Decision	For information. Endorsement of work program outline and Guiding Principles.
Previous Report Date	Jan 13, 2011
Decision	<p>UBC Land Use Plan Amendments: Next steps. Resolutions (excerpts)</p> <p>3. Approved the UBC Land Use Plan Amendments and forwarded them for Ministerial adoption</p> <p>5.b) That the Board, subject to adoption of the Land Use Plan:</p> <p style="padding-left: 40px;">Amendments by the Minister of Community sport and Cultural Development, hereby directs staff to:</p> <p>Develop a Housing Action Plan to address housing choice and affordability for student, faculty and staff housing on campus, with an outline of the plan to be approved by the Board of Governors.</p>

ATTACHMENT A:

UPDATED HAP POLICY LIST WITH TRACKER CHANGES

Faculty/Staff**Policy 1**

To support the university's faculty recruitment and retention priorities, UBC will introduce a new restricted home ownership option for up to 10% of all new housing units built on campus subject to sufficient demand. These units will be phased in over time with an interim target of up to 5% as we test the interest of faculty owners. Eligibility for this option will be restricted to tenured and tenure-track faculty. Re-sale values of these homes will be indexed to faculty salaries to a maximum resale price no higher than 33% below a benchmark value. Other options to be counted as contributions toward this restricted faculty home ownership target:

- Active (outstanding) UBC Prescribed Interest Rate Loans (PIRL) advanced in support of purchase of a home on or off-campus anywhere within Metro Vancouver.
- Other Board-approved ownership support models for a home purchase on or off campus, as may be introduced from time to time.

Policy 2

To improve the ability of faculty and select staff to access the University's Housing-Down Payment Assistance Program to assist with the purchase of a principal residence within Metro Vancouver, the eligibility period for the Program will be extended to 10 years.

Policy 3

To support the University's objective of ensuring that a significant proportion of future housing on campus will be accessible to those who work or study on campus, the University will build up to 30% of all new housing on campus as rental, subject to market demand.

Policy 4

To help address housing affordability challenges of UBC's workforce, up to 20% of future housing on campus will be built as restricted rental available only to faculty and staff. Rents will reflect costs and expenses and are anticipated to be approximately 25% below average rental rates charged for unrestricted housing on Vancouver's west side.

Policy 5

To help address the challenges of lower income employee groups in accessing housing on campus, UBC will develop a pilot project of up to 100 ~~non-profit rental~~ Rent-Geared-To-Income units with priority to staff with annual household incomes of less than ~~\$64,000~~ BC Housing Guidelines for similar programs, as amended from time to time. This pilot project will be developed in collaboration with UBC Properties Trust and brought back to the Board of Governors for approval.

UBC will also develop a supplementary version of the program for Faculty as a pilot project, subject to household income thresholds and parameters approved by the Board of Governors.

Policy 6

To provide campus housing that reflects the demographics of the University's workforce, UBC and UBCPT will encourage a wide range of unit sizes, to include smaller "starter" units, units suitable for single or 2 person households, and larger 3-bedroom units for families.

Policy 7

To improve opportunities for UBC faculty and staff to purchase market leasehold units on campus, the University will work with UBC Properties Trust to provide preferential, early access for faculty and staff to purchase new units before they are released for sale to the general public. This is a non-financial benefit.

Policy 8

Tax associated with taxable benefits, if any, will be borne by the employee.

Student Housing Program**Policy 9**

To support the University's continuing transition from a commuter campus to a more complete university community, UBC will aspire to provide capacity to accommodate student housing for up to ~~17,300 50% of the 2010 full time student enrollment~~, subject to debt capacity, financial capacity within the university, student demand and necessary combination of project characteristics such as unit mix.

Policy 10

To better respond to the increasingly diverse housing needs and demands of students including undergraduate, graduate and students with families, UBC will continue with the Student Housing and Hospitality Services (SHHS) business plan to expand ~~the supply of student housing and the range of unit types and sizes (studio units, 4-6 bedroom style units, and furnished and unfurnished 1, 2 and 3-bedroom units).~~

Policy 11

To help address housing affordability concerns for students, the University will increase on-campus dedicated student housing supply, will continue to limit rental rates based on ~~a self-supporting, fully cost-recovery basis, and will operate in a fiscally responsible fashion to ensure rates are maintained at or below market rental rates.~~

the following pricing principles and practices:

- covering all costs of operation including borrowing costs,
- self-supporting, fully cost-recovery basis,
- at or below market rental rates; relative to the local marketplace per CMHC data and peer university across Canada,
- More price variance will be explored between older and newer inventory by implementing variable rate increases over time under existing pricing principles,
- Maximum annual rent increase of any specific unit type will not exceed Higher Education Price Index (HEPI).

Policy 12

To help address the gap between the shelter allowance portions of BC's student loan program and current rental rates at UBC, the University will ~~continue develop~~ on behalf of students to advocate for an advocacy strategy seeking greater housing allowance in Provincial financial aid programs for lower income students on student loans.

Policy 13 – ~~REMOVED~~

~~To improve awareness of graduate student housing opportunities, the University, through SHHS, will review and adjust its communication and marketing strategy as needed.~~

Policy 14 – ~~REMOVED~~

~~To provide enhanced opportunities for community building for graduate students, the University through SHHS will develop additional programming in consultation with the Graduate Student Society and the Faculty of Graduate Studies.~~

Policy 15 – ~~REMOVED~~

~~To support the University's mixed use objectives for the Gage South area, the University will develop Gage South for student housing, with priority for graduate students and post-doctoral fellows.~~

Plan Monitoring

Policy 16

To ensure that The University Community on Campus - UBC's Housing Action Plan responds to UBC's priorities and housing needs, the plan is structured to be dynamic and remain flexible.

Policy 17

To maintain awareness of campus housing issues and progress being made to improve housing choice and affordability for faculty, staff and students, an annual monitoring report will be provided for consideration to the Board of Governors.

Policy 18

The University Community on Campus - UBC's Housing Action Plan policies are separate from the UBC Land Use Plan and do not have any regulatory effect. A comprehensive review of The University Community on Campus - UBC's Housing Action Plan will be undertaken every five years for review by the Board of Governors.

Policy 19

In the event of insufficient market demand, additional units allocated to restricted home ownership or restricted rental program options under this plan may be delivered as 99-year lease units. It is anticipated that this could occur through the 5 year review.

Chronological Record of Consideration and Amendments to HAP Core Policies from Five-Year Review

Date	UBC Action/ Approval	Purpose and Description of changes to document.
February 15, 2018	Board of Governors Meeting Pending Approval	<p>The following HAP core policy text amendments are presented for ratification consistent with accumulated Board direction during the course of the Five-Year Review of the HAP over several meetings between late 2016 and December 2017 (see Report Feb 6, 2018), or where obvious grammatical, program nomenclature updates are required to keep the core policies understandable in a 2018 context :</p> <ul style="list-style-type: none"> • Policy 1: Addition of flexibility to also contribute towards this goal through the new PIRL faculty home ownership loan program, or other models as may be approved for this purpose in future (See Board directive #3 from the December 5, 2016 meeting record below) • Policy 2: “Housing Assistance Program” is changed to “Down Payment Assistance program” further to that program name change in December 2016; • Policy 5: “Non-profit rental” is changed to “Rent-Geared-to-Income program”; “\$64,000” is changed to “BC Housing Guidelines for similar program, as amended from time to time”; the following text is added ,”UBC will also develop a supplementary version of the program for Faculty as a pilot project, subject to household income thresholds and parameters approved by the Board of Governors.” • Policy 6: “3-bedroom” is replaced with “larger”; • Policy 9: “50% of the 2010 full-time student enrollment” is replaced with “17,300 beds”, a clearer and larger target. • Policy 10: Housekeeping clarification removes the reference to, “...the supply of student housing and...”, given supply expansion is more clearly addressed above it in Policy 9.

		<ul style="list-style-type: none"> • Policy 11: Further clarity and structure regarding student rental rates and increases is added by deleting: "...a self-supporting fully cost-recovery basis, and will operate in a fiscally responsible fashion to ensure rates are maintained at or below market rates.", and adding, <ul style="list-style-type: none"> - "... covering all costs of operation including borrowing costs, - ... relative to the local marketplace per CMHC data and peer university across Canada, - More price variance will be explored between older and newer inventory by implementing variable rate increases over time under existing pricing principles, - Maximum annual rent increase of any specific unit type will not exceed Higher Education Price Index (HEPI)." • Policy 12: Updated grammatical tense from future to continued and ongoing advocacy efforts; • Policy 13, 14, 15: The following HAP Policies were <u>deleted</u> given these commitments are now complete and do not require ongoing policy monitoring in future. <ul style="list-style-type: none"> ○ Policy 13 ("To improve awareness of graduate student housing opportunities, the University, through SHHS, will review and adjust its communication and marketing strategy as needed.") ○ Policy 14 ("To provide enhanced opportunities for community building for graduate students, the University through SHHS will develop additional programming in consultation with the Graduate Student Society and the Faculty of Graduate Studies") ○ Policy 15 ("To support the University's mixed use objectives for the Gage South area, the University will develop Gage South for student housing with priority for graduate students and post-doctoral fellows)
<p>December 5, 2017</p>	<p>Five-Year Review - Phase 2 (Students and Staff) for Board of Governors. COMPLETED.</p>	<p>HAP Policy #18 requires a comprehensive review by the Board of Governors every five years. The Phase 2 focused on the HAP policies affecting student and staff housing support.</p> <ul style="list-style-type: none"> • Updated Review results are summarized in an Information report for discussion (See full Board Report). • Board is supportive of findings that all policies related to staff (Policies 3, 4, 5, 6, 7, 8) remain relevant and should remain in place. No substantive edits required – only minor title changes and clarification (listed in section above).

		<ul style="list-style-type: none"> • Board is supportive of progress toward student policies (Policies 9 - 15). No concerns expressed with SHHS shared intentions to delete completed targets from list, nor with planned edits to further clarify expansion targets (Policy 9), and structure of rent rates and annual increase (Policy 11). • Board is advised that following further discussion with students on precise wording, these and all other accumulated housekeeping edits will be brought to next meeting with final precise wording.
June 14, 2017	<p>Rent-Geared-to- Income pilot</p> <p>Framework and Amendment</p> <p>APPROVED</p>	<ul style="list-style-type: none"> • Board of Governors approved a framework for implementing the Policy #5 pilot Housekeeping non-profit rental program, triggering the following Policy #5 housekeeping text clarifications: <ul style="list-style-type: none"> ○ Reference to the \$64,000 eligibility cut-off level that was based on the BC Housing guidelines of the day and until 2016, is now changed to more simply reference the BC Housing Guidelines threshold as amended from time to time, for UBC’s program eligibility threshold. ○ Policy 5 reference to “non-profit rental” pilot is replaced with “Rent-Geared-to-Income” label, but program structure remains the same. ○ Reference to a 10 spaces faculty pilot program is added to the 100 staff Rent-Geared-to-Income pilot program policy commitment.
December 5, 2016	<p>5 Year Review - Phase 1 (Faculty) for Board of Governors.</p> <p>COMPLETED.</p>	<p>HAP Policy #18 requires a comprehensive review by the Board of Governors every five years. The Phase 1 focused on the HAP policies affecting faculty member housing support. It was conducted as a “10-Year Faculty Housing Implementation Strategy Update” towards achieving the HAP base policies, and the following priorities were approved at this meeting (See full Board Report link in Appendix 3):</p> <ol style="list-style-type: none"> 1. Commitments to enhanced UBC faculty rental program delivery in terms of increased pace of delivery on HAP rental targets, continuing to work with UBC PT on design, format and size range options responsive to recruiting and retention needs, and on waitlist priority adjustments to match recruitment and retention priorities. 2. Introduction of a supplementary 10-spot Rent-Geared-to-Income component for Faculty as part of the Policy 5 pilot. 3. Introduction of a Prescribed Interest Rate Loan (PIRL) program as an additional form of restricted faculty ownership support, with direction to Administration to prepare revised Policy 1 wording to accommodate this option.

		<ol style="list-style-type: none"> 4. Establishment of a Faculty Housing Assistance Financing Endowment (FHAFE) 5. Introduction of inflationary adjustments (from \$45,000 to \$50,000 after July 1, 2017) for the Down Payment Assistance option within the policy #2 "Housing Assistance Program. 6. Termination of the Mortgage Interest Assistance option within the Policy 2 "Housing Assistance Program". <p>Housekeeping amendments are required to the general explanatory sections of the HAP to ensure all references are up-dated to be consistent with the above.</p>
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Student Society
of UBC Vancouver

Submission to the UBC Board of Governors regarding the proposed changes to the UBC Housing Action Plan January 30th, 2018

Dear Board of Governors,

This submission is being made on behalf of the Alma Mater Society (AMS) of UBC Vancouver in response to the proposed policy text amendments to the UBC Housing Action Plan. The AMS has engaged with Campus and Community Planning, Properties Trust, and the Vice President Students Office over the past few months to discuss these changes.

The AMS is supportive of many of the proposed changes to the Student Housing Program policy targets such as the introduction of price variance between older and newer units, a cap on the annual rent increases for specific units, and the elimination of completed policies. However, the changes in their current form fall short by not addressing university related housing (units restricted to students, staff, or faculty), using a static student housing target, and not putting a cap on the average student housing price increases each year.

With the current Vancouver housing crisis, continually rising tuition prices, and expensive class room materials UBC is in a unique position to provide financial relief for students through greater student housing availability. Currently, this plan fails to address this by setting a static number, 17,300 beds (current build-out capacity), as the target goal for the Housing Action Plan. This number is both unambitious and will quickly become outdated if new housing opportunities are explored, as they ought to be.

Another major flaw in the current proposed changes is the failure to include one of the most important types of housing at UBC; university related housing (units restricted to students, staff, or faculty). Central, the newest addition on University Boulevard, is a great example of this type of housing. Although this housing does not have the same amenities as student housing, it does provide housing opportunities on campus for not just students but for staff and faculty too. Without the inclusion of university related housing, the Housing Action Plan is incomplete and does not adequately plan for housing at UBC.

We are disappointed that despite multiple consultation meetings the AMS was never provided the opportunity to view or comment on the final proposed changes before they were proposed to the Board of Governors. Attached to this submission is the AMS's Housing Action Plan report with recommended changes. We hope that the Board of Governors will request the responsible Executives to engage in further consultation with student leadership and to come back to the Board in April with a final revised Housing Action Plan.

Sincerely,

Alan Ehrenholz

President

AMS Student Society of UBC Vancouver

president@ams.ubc.ca

Max Holmes

Vice President Academic and University Affairs

AMS Student Society of UBC Vancouver

vpacademic@ams.ubc.ca



AMS Housing Action Plan Report

Prepared by Vice President Academic and University Affairs Office

Status Updates:

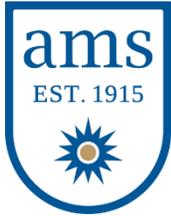
Below are all student policies included in the Housing Action Plan (HAP), their status, and recommendations for future inclusion.

Policy 9: To support the University's continuing transition from a commuter campus to a more complete university community, UBC will aspire to provide capacity to accommodate student housing for up to 50% of the 2010 full-time student enrollment, subject to debt capacity, financial capacity within the university, student demand and necessary combination of project characteristics such as unit mix.

Status: Complete. Student Housing and Hospitality Services (SHHS) has significantly expanded student housing to nearly 16 000 beds and will surpass 17 000 beds by 2021 with the inclusion of already approved and financed projects. However, there has recently been a decline in expansion and planned projects. Additionally, 50% of full-time student enrolment from 2010 is an inadequate target considering full-time student enrolment has expanded to nearly 40,000. Notably, an expansion in student housing to 50% of FTE counts for 2017 enrolment would not adequately supply the deficit based upon peak waitlist demand numbers.

Recommendation: The policy target be expanded to 70% of the current full-time enrolment, with student housing provided beds for 50% of the full-time enrolled students, while the remaining 20% of beds can be provided either through student housing or university related market rentals (units restricted to students, staff, or faculty). To adequately account for the availability to non-students, each university associated market rental bed should count as 0.50/bed, while student housing-provided beds count at a 1.0 ratio (e.g. 18 000 SHHS beds x 1.0 + 6 000 restricted market rentals x 0.50 = 21 000). Setting Policy 9 to the current build-out capacity or any static number would be poor planning, unambitious, and send a signal to students that the University does not take the current housing crisis seriously. Any housekeeping changes to HAP must include university related market rentals. Otherwise, we fail to consider university housing in a holistic manner. Recommended Policy:

Policy 9: To support the University's continuing transition from a commuter campus to a more complete university community, UBC will aspire to provide capacity to accommodate housing for students up to 70% of the current full-time student enrollment, subject to debt capacity, financial capacity within the university, student demand and necessary combination of project characteristics such as unit mix. Student Housing will aim to provide beds for 50% of full time enrolled students and the remaining beds for 20% of full time enrolled students will be provided either through student housing or university related market rentals (units restricted to



students, staff, or faculty). To adequately account for the availability to non-students, each university related market rental bed should count as 0.50/bed, while student housing provided beds count at a 1.0 ratio.

Policy 10: To better respond to the increasingly diverse housing needs and demands of students including undergraduate, graduate, and students with families, UBC will continue with the Student Housing and Hospitality Services (SHHS) business plan to expand the supply of student housing and the range of unit types and sizes (e.g. studio units, 4 to 6-bedroom style units, and furnished and unfurnished 1-, 2- and 3-bedroom units).

Status: On-going. While there are a greater variety of units currently offered, there are no definitive metrics or data available to determine whether this was successful. This means that while the construction of a studio unit may be greater per square foot than a quad unit, the rent does not reflect the increased utility and infrastructure costs. This, in effect, may lead to some unit types being subsidized by others. Further data is needed, however, to determine the extent of these discrepancies.

Recommendation: The goals outlined within this recommendation are likely still of interest. Therefore, we recommend keeping policy 10 in its current form, with only minor edits if necessary.

Policy 11: To help address housing affordability concerns for students, the University will increase on-campus dedicated student housing supply, will continue to limit rental rates based on a self-supporting, fully cost-recovery basis, and will operate in a fiscally responsible fashion to ensure rates are maintained at or below market rental rates.

Status: Continued completion. SHHS has benchmarked Vancouver market rentals using CMHC reports. Whether this is accurate benchmarking is another consideration, however, as the prices of student housing have been provided at or below these market rates.

Recommendation: Corollary commitments to the faculty and staff rent geared-to-income program should be provided to students as a rent geared-to-expenses, rent geared-to-debt, or rent geared-to-income. This would provide a transparent metric for student affordability, and allow for student housing costs to be integrated into a larger affordability framework at UBC. It is not recommended that this ratio be compared to market rates due to the differences between UBC housing and market housing elsewhere. Market housing elsewhere pays for the underlying land value while UBC doesn't pay for land value and UBC housing must account for greater borrowing costs compared to market housing elsewhere. Both UBC and the AMS agree there ought to be a cap to annual price increases for specific units; however, the AMS also supports a cap for the average price of all student housing units set at 2%.



To resolve the conflict between availability and cost, SHHS will engage in greater price variance between older and newer units by implementing variable rate increases over time. This would afford greater availability of on-campus units to students from lower socio-economic backgrounds by having their rents subsidized by those who are willing to pay additional costs in order to receive greater services and amenities. Recommended Policy:

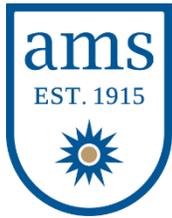
Policy 11: To help address housing affordability concerns for students, the University will increase on-campus dedicated student housing supply, will continue to limit rental rates based on the following pricing principles and practices:

- *covering all costs of operation including borrowing costs,*
- *self-supporting, fully cost-recovery basis,*
- *below market rental rates*
- *Pilot programs for rent geared-to-income, rent geared-to-expenses, or rent geared-to-debt will be explored*
- *More price variance will be explored between older and newer inventory by implementing variable rate increases over time under existing pricing principles,*
- *Maximum annual rent increase of any specific unit type will not exceed Higher Education Price Index (HEPI),*
- *Maximum annual rent increases for all units on average will not exceed 2% of the current average price*

Policy 12: To help address the gap between the shelter allowance portions of BC's student loan program and current rental rates at UBC, the University will continue on behalf of students to advocate for greater housing allowance in Provincial financial aid programs for lower income students on student loans.

Status: Completed. While BC's student loan program did increase the shelter allowance, it did not increase the overall allowance. This has been a burden on UBC's current Bursary program. In 2014, following a 20% increase in costs for Winter Housing, a \$1.5M bursary was created separately to support student costs in residence, including the meal plan. However, this bursary has suffered from poor utilization because of its separation from alternative financial aid mechanisms. The original intent of this decision from student leaders was to enforce transparency and ensure that the financial aid was not simply used to fund existing financial aid programs. More discussions and information are likely required to resolve this, although repeated attempts at "awareness" campaigns have not improved access.

Recommendations: Further advocacy should be directed towards increasing the overall allowance, and be decided by student leaders and University administration. Additionally, the Student Housing Financial Aid pool should be tied directly to bursaries for student applicants to increase its utilization.



Student Society
of UBC Vancouver

Policy 13, 14, 15 Recommendation and Status: We agree with UBC that these policies are either completed or no longer need to be included in the Housing Action Plan.

Recommended Future Commitments:

A recent AMS survey found that a significant number of students live on campus—not through student housing—but through market rentals and purchased apartments in the Wesbrook Village. The Stadium Road Neighbourhood Plan, currently under development, will be a significant addition to the campus for the next century. As such, ensuring that the Stadium Road Neighbourhood is accommodating towards the long-term vision of the University, including student housing and campus culture, is essential.

Recommendation: Make the Stadium Road Neighbourhood Plan a more direct attempt to tie land usage to UBC beyond the incremental land lease revenue contributions made to the endowment and Student Housing Financing Endowment (SHFE). This could be achieved through university related rental units and the expectation that there will be a significant student population within those communities. Specific ratios as outlined in the HAP for faculty and staff should also be included for students. Further information from Properties Trust is needed to calculate the reduced land lease revenue for market rentals in comparison to sold condominiums and apartments.

MEMORANDUM

TO: Board of Governors

FROM: Andrew Szeri, Provost and Vice-President Academic
Louise Cowin, Vice-President Students
Eric Eich, Vice-Provost and Associate Vice-President Academic Affairs
Linda McKnight, Interim Vice-President Human Resources
Andrew Parr, Managing Director Student Housing & Hospitality Services
Lisa Colby, Managing Director, Housing & Relocation Services

DATE: February 5, 2018

RE: UBC Administration Report Addendum:

Response to AMS January 30, 2018 Submission to the UBC Board of Governors regarding the proposed changes to the UBC Housing Action Plan

RECOMMENDATION

IT IS HEREBY REQUESTED that the UBC Board of Governors:

- 1. Approve the updated and consolidated Housing Action Plan core policy text amendments (revised Attachment A) reflecting adjustments supported during the course of the HAP 5-Year Review.**
- 2. Direct the Administration to further explore and report back on the implications and opportunities for introducing “University Rental” policy commitments in the HAP as described in the AMS submission January 30, 2018.**

DISCUSSION

This memorandum provides additional information and replacement recommendations for Board consideration in conjunction with the January 19, 2018 Board report entitled *Housing Action Plan (HAP) – Housekeeping Consolidated Version Reflecting 5-Yr Review*. This memorandum is submitted in response to a Jan 30, 2018 letter submitted by the UBC AMS to the Board of Governors.

The AMS letter expressed concern that students were not adequately consulted and has requested deferral of consideration of the HAP policy text amendments until a future Board meeting in order to allow time to consider the following additional changes to Policy 9, 11 and 12:

- Policy 9: Increase the future SHHS housing target beyond the 17,300 total beds proposed, by changing the target instead to 70% of the student full time enrollment, and including introduction of required thresholds for the “University Rental” program in the Neighbourhoods.

- Policy 11: add two more items to the proposed price controls in this policy with supplementary commitments to a 2% cap on the average student housing price increases each year, and introduce the requirement in the HAP to explore a Rent-Geared-to Income (or Expenses, or Debt) pilot program.
- Policy 12: Supplement the University's commitment to continue to advocate for increases to the shelter allowance within the BC Loan program (already in Policy 12) with additional advocacy towards increasing the overall loan allowance, decided by student leaders and University Administration, and that the Student Housing Financial Aid pool be tied directly to bursaries for student applicants to increase utilization.

The Administration has carefully reviewed the AMS letter. Commentary and additional information on the consultation concern and each of the AMS requests for Policies 9, 11 and 12, is provided in Attachment B to inform Board discussion.

For reasons detailed in Attachment B, the Administration continues to recommend approval of the HAP policy text edits as originally crafted and shown on Tracker in Attachment A. However two changes to the Attachment A improve clarity for the reader:

- A new preamble sentence under the title in Attachment A now reminds the reader the Policy list is just an extract list of the formal policies themselves, but that the larger HAP booklet offers more explanatory background and narrative.
- The section subtitles in Attachment A separating the Faculty/ Staff support policies and the Student support policy sections have been removed to avoid giving the unintended impression that the market rental programs of Policy 3 are not available for use by students. In fact many occupants of market priced rental housing are students.

The Administration also recommends separate exploration of the AMS suggestion to introduce policy commitments to "University Rental" Housing for 20% of the student full time enrollment at a ratio of 2 University Rental beds per student. (Approximately 20,000 units/ beds). The suggestion would introduce considerable planning and financial considerations that should be carefully reviewed, with a report back to the Board. If desired following a deeper analysis, additional commitments with regard to University Rental can be added to the HAP by Board resolution at a later date.

The University and the AMS are aligned in the desire for more student housing and the University is committed to making the necessary investments to provide it.

Attachment A: Updated HAP Policy Extract List with Tracker Changes

Attachment B: Administration Response to AMS Letter Jan 30, 2018 RE: UBC HAP Policy Changes

REVISED ATTACHMENT A:**UPDATED HAP POLICY LIST WITH TRACKER CHANGES**

These consolidated and updated policies comprise the latest formal Board approved commitments of the Housing Action Plan to Feb 15, 2018. They are extracted into one summary list here for quick reference. However, please see the full Housing Action Plan booklet for explanatory background discussion on these policies.

Policy 1

To support the university's faculty recruitment and retention priorities, UBC will introduce a new restricted home ownership option for up to 10% of all new housing units built on campus subject to sufficient demand. These units will be phased in over time with an interim target of up to 5% as we test the interest of faculty owners. Eligibility for this option will be restricted to tenured and tenure-track faculty. Re-sale values of these homes will be indexed to faculty salaries to a maximum resale price no higher than 33% below a benchmark value. [Other options to be counted as contributions toward this restricted faculty home ownership target:](#)

- [Active \(outstanding\) UBC Prescribed Interest Rate Loans \(PIRL\) advanced in support of purchase of a home on or off-campus anywhere within Metro Vancouver.](#)
- [Other Board-approved ownership support models for a home purchase on or off campus, as may be introduced from time to time.](#)

Policy 2

To improve the ability of faculty and select staff to access the University's [Housing-Down Payment Assistance Program](#) to assist with the purchase of a principal residence within Metro Vancouver, the eligibility period for the Program will be extended to 10 years.

Policy 3

To support the University's objective of ensuring that a significant proportion of future housing on campus will be accessible to those who work or study on campus, the University will build up to 30% of all new housing on campus as rental, subject to market demand.

Policy 4

To help address housing affordability challenges of UBC's workforce, up to 20% of future housing on campus will be built as restricted rental available only to faculty and staff. Rents will reflect costs and expenses and are anticipated to be approximately 25% below average rental rates charged for unrestricted housing on Vancouver's west side.

Policy 5

To help address the challenges of lower income employee groups in accessing housing on campus, UBC will develop a pilot project of up to 100 ~~non-profit rental~~ [Rent-Geared-To-Income](#) units with priority to staff with annual household incomes of less than ~~\$64,000~~ [BC Housing Guidelines for similar programs, as amended from time to time](#). This pilot project will be developed in collaboration with UBC Properties Trust and brought back to the Board of Governors for approval.

[UBC will also develop a supplementary version of the program for Faculty as a pilot project, subject to household income thresholds and parameters approved by the Board of Governors.](#)

Policy 6

To provide campus housing that reflects the demographics of the University's workforce, UBC and UBCPT will encourage a wide range of unit sizes, to include smaller "starter" units, units suitable for single or 2 person households, and [larger 3-bedroom](#) units for families.

Policy 7

To improve opportunities for UBC faculty and staff to purchase market leasehold units on campus, the University will work with UBC Properties Trust to provide preferential, early access for faculty and staff to purchase new units before they are released for sale to the general public. This is a non-financial benefit.

Policy 8

Tax associated with taxable benefits, if any, will be borne by the employee.

Student Housing Program

Policy 9

To support the University's continuing transition from a commuter campus to a more complete university community, UBC will aspire to provide capacity to accommodate student housing for up to ~~17,300 50% of the 2010 full time student enrollment~~, subject to debt capacity, financial capacity within the university, student demand and necessary combination of project characteristics such as unit mix.

Policy 10

To better respond to the increasingly diverse housing needs and demands of students including undergraduate, graduate and students with families, UBC will continue with the Student Housing and Hospitality Services (SHHS) business plan to expand ~~the supply of student housing and the range of unit types and sizes (studio units, 4-6 bedroom style units, and furnished and unfurnished 1, 2 and 3-bedroom units).~~

Policy 11

To help address housing affordability concerns for students, the University will increase on-campus dedicated student housing supply, will continue to limit rental rates based on ~~a self-supporting, fully cost-recovery basis, and will operate in a fiscally responsible fashion to ensure rates are maintained at or below market rental rates.~~

the following pricing principles and practices:

- covering all costs of operation including borrowing costs,
- self-supporting, fully cost-recovery basis,
- at or below market rental rates; relative to the local marketplace per CMHC data and peer university across Canada,
- More price variance will be explored between older and newer inventory by implementing variable rate increases over time under existing pricing principles,
- Maximum annual rent increase of any specific unit type will not exceed Higher Education Price Index (HEPI).

Policy 12

To help address the gap between the shelter allowance portions of BC's student loan program and current rental rates at UBC, the University will ~~continue develop~~ on behalf of students to advocate for an advocacy strategy seeking greater housing allowance in Provincial financial aid programs for lower income students on student loans.

Policy 13 – REMOVED

~~To improve awareness of graduate student housing opportunities, the University, through SHHS, will review and adjust its communication and marketing strategy as needed.~~

Policy 14 – REMOVED

~~To provide enhanced opportunities for community building for graduate students, the University through SHHS will develop additional programming in consultation with the Graduate Student Society and the Faculty of Graduate Studies.~~

Policy 15 – REMOVED

~~To support the University's mixed use objectives for the Gage South area, the University will develop Gage South for student housing, with priority for graduate students and post-doctoral fellows.~~

Plan Monitoring

Policy 16

To ensure that The University Community on Campus - UBC's Housing Action Plan responds to UBC's priorities and housing needs, the plan is structured to be dynamic and remain flexible.

Policy 17

To maintain awareness of campus housing issues and progress being made to improve housing choice and affordability for faculty, staff and students, an annual monitoring report will be provided for consideration to the Board of Governors.

Policy 18

The University Community on Campus - UBC's Housing Action Plan policies are separate from the UBC Land Use Plan and do not have any regulatory effect. A comprehensive review of The University Community on Campus - UBC's Housing Action Plan will be undertaken every five years for review by the Board of Governors.

Policy 19

In the event of insufficient market demand, additional units allocated to restricted home ownership or restricted rental program options under this plan may be delivered as 99-year lease units. It is anticipated that this could occur through the 5 year review.

ATTACHMENT B**ADMINISTRATION RESPONSE TO AMS LETTER JAN 30, 2018****Administration Information Response Related to:**

The AMS letter expressed concern that students were not adequately consulted on HAP text amendments proposed to the Board for ratification following the 5 Year Review.

The AMS letter also requested additional text amendments to Policy 9, 11 and 12 as follows:

- Policy 9: Increase the future SHHS housing target beyond the 17,300 total beds proposed, by changing the target instead to 70% of the student full time enrollment, and including introduction of required thresholds for the “University Rental” program in the Neighbourhoods.
- Policy 11: add two more items to the proposed price controls in this policy with supplementary commitments to a 2% cap on the average student housing price increases each year, and introduce the requirement in the HAP to explore a Rent-Geared-to Income (or Expenses, or Debt) pilot program.
- Policy 12: Supplement the University’s commitment to continue to advocate for increases to the shelter allowance within the BC Loan program (already in Policy 12) with additional advocacy towards increasing the overall loan allowance, decided by student leaders and University Administration, and that the Student Housing Financial Aid pool be tied directly to bursaries for student applicants to increase utilization.

The Administration provides information context for these AMS suggestions followed by a recommendation course of action, to help inform Board discussion at its meeting February 2018.

1. Consultation concerns:

With respect to student related HAP Review interests, The University, via the Vice-President Students and Managing Director of SHHS met with the AMS and other student representatives (Board reps, Residence Hall Association and GSS) 4 times between September 2017 and January 2018 on this topic, including on January 17 to review the final draft of the HAP Board report.

All HAP policies affecting students were open for discussion. Proposed draft housekeeping wording changes for Policies 9 through 15 were also shared with students for feedback in this process. At that time one minor change was requested pertaining to the calculation of the 17,300 bed target (Policy 9). This wording change was implemented, as referenced in the first bullet on page 5 of the submitted Board docket. Open and transparent consultation took place from the University’s perspective. Conversation was robust and student input has shaped the changes to the HAP commitments. We were surprised by the AMS’ submission to the Board re. SHHS operated housing as the majority of the issues and recommendations contained in the AMS letter were not brought forward for discussion during our meetings with students.

However, observations and background for Board consideration on these newly identified student requests, is now provided in items 2-4 below. Associated recommendations with respect to each are also provided.

(It is also noted that with respect to the proposed updated language for faculty and staff related policies, the change to Policy 1 and 2 reflect a Board approval and direction from open session at the December 2016 meeting (including Prescribed Interest Rate Loan and Down Payment Assistance program changes, and the Policy 5 change reflects a Board approved decision from open session at the June 2017 meeting (approval of the Rent-Geared-to Income framework). AMS, Student board representatives and the general public have thus had opportunity to consider and address these issues at the time of those Board meetings. These text amendments are now put forward for ratification to allow the published policy materials to better align with the cumulative Board changes approved to date in earlier phases of the HAP review).

2. The future student housing target (Policy 9) :

SHHS Inventory

The AMS letter statement that there are current nearly 16,000 student beds and that therefore a 17,000 target is unambitious and will quickly become outdated and surpassed by 2021, is mistaken.

In fact currently there are 11,800 SHHS beds on the Vancouver campus meaning the 17,300 bed policy goal is one which could deliver 5500 new SHHS beds past those in existence today. As stated on page 5 of the Board docket 17,300 beds represents 35% of the 2017 FT student enrolment. The SHHS accelerated growth plan hopes to deliver 3950 more beds for a total of 15,750 beds by 2023, still leaving room for further growth within the longer term HAP target of 17,300 beds. Policy 18 requires a comprehensive review of the HAP every 5 years; there will be opportunity at the next 5 year review in 2022/23 for the Board to consider whether to extend the 17,300 goal if needed at that time based on an updated assessment of needs and capacity.

The AMS Recommendation of committing to student housing for 70% of current full-time enrolment represents approx. 30,000 additional beds; comprising 50% by SHHS (22,000 beds in the Academic lands) and 20% from 'a new University Rental housing requirement (20,000 beds in the Neighbourhoods where each bed counts only as 0.5 bed to offset other groups competing for units in the University rental housing). Based on the current Campus and Land Use plans, 22,000 new SHHS beds would be an unattainable / unreasonable target from a land use, demand and financial perspective. From an investment perspective, the updated commitment from 16,500 beds (in the 2012 HAP Policy 9) to the 2018 amended commitment of 17,300 beds will cost \$100M (at 125K per bed). The AMS proposed 22,000 beds would cost \$687M.

- ❖ ***The Administration recommends that the Policy 9 text amendments as originally submitted with a goal for 17,300 beds be maintained as shown in Attachment A of this memorandum, for consideration by Board.***

Other Inventory options and the request for “University Rental”

The AMS also request adding reference in Policy 9 to a commitment to develop enough “University Rental” to house 20% of the student FTE at a ratio of 2 units per student (which would appear to be equivalent to 20,000 units for the current student full time enrollment year, and could presumably be more for future years). They have suggested Stadium Road Neighbourhood as a likely opportunity to deliver on this kind of a policy commitment. This request has significant land use, demand and financial implications.

Students currently have access to the following rental housing options in context of the existing HAP policies today:

- On-campus: SHHS operated rental with restricted access to students – on Academic campus lands. Supply expansion is encouraged through Policy 9 in the HAP. This portfolio is intended to offset shortage of supply of proximate affordable housing in the open rental market.
- On-Campus: UBC Properties Trust built and operated rentals in the Neighbourhoods portion of campus – all are market priced. Supply expansion is encouraged through Policy 3 in the HAP. There are two variations, and students are eligible for both.
 - Market rentals (open to all) in the Neighbourhoods, and heavily used by students.
 - Market-priced “University Rental” (open to students, faculty staff and others who work on campus first, before the general public). Heavily used by students (almost 100%).
- On-Campus: Private long-term leasehold units rented from private owners. (The university has no control over this supply).
- Off-Campus: Private units rented from private owners. The university has no control over this supply but realizes it has been diminishing for years. It is why SHHS targets and the supplementary UBC PT run rental opportunities exist and the supply expansion targets in Policy 3 and 9 were introduced in 2012.

If the Board wishes the Administration to explore formal student housing restrictions and obligations outside the SHHS portfolio, there may be additional administrative questions to be researched and considered as the policies are shaped. Also, if the Board wishes to consider supplementary supply commitments to “University Rental” of the scale suggested in the AMS submission, whether in the context of the Stadium Road Neighbourhood or other Neighbourhood lands, a careful analysis through appropriate processes would be required with Campus and Community Planning, UBC Properties Trust and Treasury, as well as other affected departments with interrelated program responsibilities such as Student and Hospitality Services and Housing & Relocation Services.

- ❖ ***The Administration therefore recommends that the implications and opportunities to include “University Rental” at an enhanced policy commitment level (rather than continuing to develop it as one discretionary market-priced option within the current Policy 3 goal), be explored separately from the remainder of policy amendments outlined in Attachment A of the memorandum, with report back to Board at a future meeting.***

3. Limits on the average SHHS price increases each year (Policy 11)

The Policy 11 text edits proposed in the January 19, 2018 Board report Attachment A introduced significantly more defined principles than the original 2012 HAP version of Policy 11, and the wording was created with input from various student groups including the AMS.

Supplementary requests now introduced in the January 30, 2018 submission by the AMS for SHHS housing are:

- Changing “at or below market” to “below market” and removing the reference to CHMC and peer university benchmarking;
- Seeking a policy commitment to exploring a pilot rent geared-to-income, -to-expenses or -to-debt program for students;
- Adding a clause about average annual rent increases not exceeding 2%.

While UBC and students are aligned with the principle of providing student housing as affordable as possible, the additional requested changes presented by the AMS in their January 30 2018 letter are too restrictive to be affordable by SHHS operations, and a number of the principles / practices are potentially in conflict with each other. For example, the AMS’ proposal about rent-geared-to-an external factor would likely be in conflict with the principle of self-supporting, full cost recovery financial performance. Finally, the 3 principles of 1) variable price changes 2) not to exceed HEPI on any single unit and 3) the average not to exceed 2% collectively could restrict our ability to cover costs and/or maintain a reasonable position in the marketplace (within Vancouver and among our peers across Canada).

❖ ***The Administration recommends that the Policy 11 text amendments as originally submitted in the Board docket and shown again in Attachment A to this memorandum, be maintained for Board consideration at the February 2018 meeting.***

4. Student Loan allowance / Student Housing Financial Aid (Policy 12):

The AMS January 30, 2018 submission recommends that the University’s commitment in Policy 12 to advocate for increases to the BC Loans program shelter allowance, should be supplemented with:

- Commitment to help advocate for an increase to the *overall* loan allowance, and to be decided by student leaders and University Administration.
- the Student Housing Financial Aid pool should be tied directly to bursaries for student applicants to increase its utilization.

The VPS and SHHS consider the HAP mission more suited to supporting advocacy for change to the housing allowance portion of the BC Student Loan program than it would be to recommending approval of the overall loan allowance.

❖ ***The Administration recommends that the Policy 12 text amendments as originally submitted in the Board docket and shown again in Attachment A to this memorandum, be maintained for Board consideration at the February 2018 meeting.***
