



SUBJECT	HOUSING ACTION PLAN – FIVE-YEAR REVIEW: STUDENT ISSUES FOLLOW UP
MEETING DATE	APRIL 19, 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	IT IS HEREBY REQUESTED that <i>the UBC Board of Governors approve amendments to Housing Action Plan (HAP) Policies as described in Attachment A, and authorize associated explanatory updates in the HAP, in response to engagement with students (the AMS, GSS and RHA) and direction from the February 2018 Board of Governors’ meeting.</i>
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Report Date	March 19, 2018
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Presented By Andrew Szeri, Provost and Vice-President Academic
 Louise Cowin, Vice-President Students
 Barbara Meens Thistle, Vice-President Human Resources
 Andrew Parr, Managing Director Student Housing & Hospitality Services
 Eric Eich, Vice-Provost and Associate Vice-President Academic Affairs
 Michael White, Associate Vice-President Campus + Community Planning
 Aubrey Kelly, President and CEO, UBC Properties Trust
 Linda McKnight, Managing Director, Human Resources – Strategic Staff Relations

EXECUTIVE SUMMARY

This report addresses the outstanding policy items from the previous Board meeting that were deferred as a result of a January 30, 2018 AMS letter to the Board of Governors (attachment A) indicating concerns for some of the proposed changes to the Student Housing policy section, specifically policies 9, 11 and 12. Specifically, the decision requested at the joint recommendation of the Property Committee and the Finance Committee states:

1. Approve the updated and consolidated Housing Action Plan core policy text amendments (revised Attachment A, not including Policies 9, 11, and 12) reflecting adjustments supported during the course of the HAP Five-Year Review; and
2. Direct the Administration to further explore Policies 9, 11, and 12 and report back in April 2018, including implications and opportunities for introducing “University Rental” policy commitments in the HAP as described in the AMS submission January 30, 2018.

The Administration met with AMS, GSS and RHA representatives on two separate occasions since then (February 14 and March 15) to further discuss this policy language and have agreed to the changes outlined within this report.

INSTITUTIONAL STRATEGIC PRIORITIES SUPPORTED

Learning

Research

Innovation

Engagement

International

(Internal / External)

or Operational

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 2010/11. 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 30-year umbrella strategy that sets out the University’s long-range targets to support improved housing choice and affordability for students, faculty and staff, for recruitment and retention purposes.

Results of a Five-Year Review were sent to Board for approval in February 2018, along with proposed housekeeping updates. On January 30, 2018, the AMS sent a letter to the Board of Governors identifying concerns with some of the proposed changes. After discussion, the Board approved all of the HAP housekeeping changes proposed by the Administration at the February 2018 meeting except those with which the students had outstanding concerns. The Board then directed staff to further engage with students to explore HAP Policies 9, 11 and 12 and potential “University Rental” policy commitments to respond to student outstanding concerns, and report back in April 2018.

This report focuses on the outstanding Student Housing policy review and rental housing opportunities in the neighbourhoods.

HAP Student Housing Program Policies

Progress has been strong toward meeting all existing student policy targets. UBC already has the largest commitment to student housing of any university in Canada and these policy adjustments ensure that commitment will endure. With students, the Administration recently explored the following HAP policies. Those marked with an asterisk also contain new edits for Board consideration since February 2018, also shown in Tracker in Attachment A:

*** Policy 9: Revised.** Expansion of student housing supply has been steady toward the existing 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 did not support the Administration’s proposal in February 2018 to change the above wording to “.. 17,300 beds” and asked to be consulted on appropriate replacement wording.

The Administration has subsequently met with student representatives and reached agreement to revise the target to “*buildout capacity for SHHS operated housing on the Academic lands as defined by UBC’s Vancouver Campus and Land Use Plans*”. This provides a flexible target based on housing need and land capacity. This latest proposed replacement wording is shown in context of the of the actual current HAP policy wording in Tracker in Attachment A.

Policy 10: Unchanged from the February 2018 Board submission. No further changes are requested for this policy that focuses on student bed unit types and sizes. A redundant reference to supply of student housing was deleted for clarity, noting that supply expansion targets are addressed in Policy 9. This change was approved as part of the previous Board submission in February 2018.

*** Policy 11: Revised.** 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 meetings with student representatives (AMS, GSS and RHA) since the February 2018 Board meeting, to change one portion of the wording proposed by the Administration in February from “*not to exceed HEPI*” to “*not to exceed annual CPI plus 2%*”. This change acknowledges that in most years HEPI and CPI + 2% are similar and that CPI + 2% is aligned with the recommendation embedded in the student-led (AMS, SFSS, UVSS and ABCS) Rent with Rights proposal, subject to Board support. This latest partial adjustment is shown in context of the full proposed wording change to the current HAP policy wording, all in Tracker in Attachment A.

*** Policy 12: Unchanged from the February 2018 Board submission, but decision now requested at April Board.** A grammatical text amendment is provided to update the tense in this policy from future to ongoing efforts (noting UBC advocacy to help address the gap between the shelter allowance portions of BC’s student housing loan programs and current rental rates at UBC has already been undertaken by now and will continue to be done going forward). The latest proposed replacement wording to achieve this change is shown in Tracker in context of the existing HAP wording, in Attachment A.

Policies 13, 14, 15: Unchanged from the February 2018 Board submission. Board members and students expressed no concerns in response to the Administration’s proposal at the last Board meeting to cross off completed commitments from the policy list, to avoid repetition in future annual monitoring reports. Policies 13, 14 and 15 were eliminated for this reason. This change was approved at the February 2018 Board meeting.

- **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-led 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.

Student Rental Housing Opportunities in UBC's Neighbourhoods

As the AMS submission notes, UBC's campus residential neighbourhoods provide another rental housing opportunity for students. Currently the neighbourhoods have nearly 900 market rental units including 304 "University Rental" units (market priced rental units that are available on a priority basis to people who work or study on campus, before the general public), the vast majority of which rent to UBC students.

HAP Policy 3 commits UBC to develop up to 30% of all new housing on campus as rental, subject to market demand in the recruiting and retention purposes context that governs the HAP. HAP Policy 4 says that up to 2/3 of this rental housing (20%) will be discounted 25% below market and restricted to faculty and staff, again subject to demand in the context of the HAP recruitment and retention lens. The remainder 10% potential could be other forms of rental including market or University Rental, both of which are available to students.

UBC explores the location and design parameters to accommodate successful delivery of all HAP housing target commitments in the Neighbourhoods, as part of the neighbourhood plan processes. The Neighbourhood Plan process can also be an appropriate method to explore the breakdown/ balance of University rental within the 10% other rental category, and can identify whether Neighbourhoods may even have the opportunity to exceed the HAP recruitment and retention targets, for other Neighbourhood building purposes.

The Neighbourhood Plan process allows a full consideration of multi-stakeholder community interests, technical and land use planning considerations. For example, the Stadium Neighbourhood Plan process is exploring where and how best to land current HAP 20% and 10% rental commitments, and can also identify, where viable, the potential to add additional rental housing beyond those commitments that could serve a range of UBC users. This includes exploration of the amount of University

Rental housing available to students within that mix. Neighbourhood planning includes extensive engagement with the UBC community, including students.

In response to the AMS request, the Administration proposes describing this existing process in Housing Action Plan policy.

*** Policy 3: Revised** *“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. In addition to 20% from Policy 4 below, this allows a further 10% of other forms of rental that may include market priced rental for general public or University Rental (market-priced rental with priority access for those who work or study on campus), or other rental opportunities. UBC will explore the breakdown amount of each of these other types of non-faculty staff discounted forms of rental through Neighbourhood Planning processes.*

The latest proposed replacement wording to achieve this change is shown in Tracker in context of the existing HAP wording, in Attachment A.

CONSULTATION Relevant Units, Internal & External Constituencies	The Administration has held multiple meetings with student representatives for the AMS, GSS, RHA (Residence Hall Association) and Board of Governors prior to the February 2018 Board of Governors meeting. Two additional meetings occurred on February 14 and March 15, 2018. Input from these students influenced the policy language changes proposed within this report. No further consultation is proposed.
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UBCPT COMMENTS Complete for all reports that include a property component	Date of Review:	March 15, 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: HAP policies Excerpt List with Changes shown in Tracker

Attachment B: AMS Letter to Board of Governors

Attachment C: UBC Administration response to AMS Letter

Previous Report Date	February 15, 2018
Decision	<ul style="list-style-type: none"> - Approval of the updated and consolidated Housing Action Plan core policy text amendments (revised Attachment A, not including Policies 9, 11, and 12) reflecting adjustments supported during the course of the HAP Five-Year Review; and, - Direction to the Administration to further explore Policies 9, 11, and 12 and report back in April 2018, including implications and opportunities for introducing “University Rental” policy commitments in the HAP as described in the AMS submission January 30, 2018.
Action/ Follow-up	Further Explore Policies 9, 11 and 12 and report back in April 2018, including implications and opportunities for introducing “University Rental” policy commitments.
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 Year 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	<p>To provide information and seek approval.</p> <ol style="list-style-type: none"> 1. Faculty Housing Assistance Financing Endowment (FHAFE) Terms of Reference will be provided for approval

	<p>2. The final Eligibility and Allocation Procedure Guidelines for Restricted Faculty Housing Program will be provided</p> <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	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. 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.
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.
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.
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

These consolidated and updated policies comprise the latest formal Board approved commitments of the Housing Action Plan to ~~Feb-15~~ April 19, 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 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. In addition to 20% from Policy 4 below, this allows a further 10% of other forms of rental that may include market priced rental for general public or University Rental (market-priced rental with priority access for those who work or study on campus), or other rental opportunities. UBC will explore the breakdown amount of each of these other types of non-faculty staff discounted forms of rental through Neighbourhood Planning processes.

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 Rent-Geared-To-Income units with priority to staff with annual household incomes of less than 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 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.

Policy 9

To support the University's continuing transition from a commuter campus to a more complete university community, UBC will aspire to provide up to the build-out capacity for SHHS operated housing on the Academic lands as defined by UBC Vancouver Campus and Land Use plans 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.

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 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 annual Consumer Price Index (CPI) plus 2%.

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

Policy 14 – REMOVED

Policy 15 – REMOVED

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

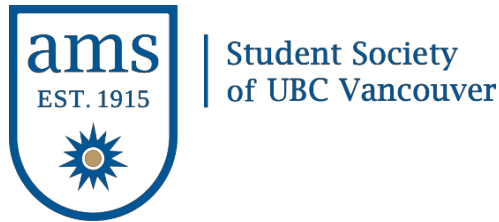
The University Community on Campus - UBC's Housing Action Plan policies are separate from the UBC Land Use Plan and do not have any regulatory effect. A comprehensive review of The University Community on Campus - UBC's Housing Action Plan will be undertaken every five years for review by the Board of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

PROPOSED

ATTACHMENT B – AMS LETTER TO BOARD OF GOVERNORS



**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,

A handwritten signature in black ink, appearing to read "Alan Ehrenholz", written in a cursive style.

Alan Ehrenholz
President
AMS Student Society of UBC Vancouver

A handwritten signature in black ink, appearing to read "Max Holmes", written in a cursive style.

Max Holmes
Vice President Academic and University Affairs
AMS Student Society of UBC Vancouver

**ATTACHMENT C – UBC ADMINISTRATION RESPONSE TO AMS LETTER TO BOARD OF GOVERNORS
SUBMITTED to FEBRUARY 2018 BOARD MEETING**

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.*
