



<b>SUBJECT</b>	<b>ARTS STUDENT CENTRE</b>
<b>MEETING DATE</b>	<b>JUNE 14, 2018</b>

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

**APPROVED FOR  
SUBMISSION**

Santa J. Ono, President and Vice-Chancellor

<b>DECISION REQUESTED</b>	<p><b>IT IS HEREBY REQUESTED that the UBC Board of Governors grant BOARD 1 approval for the Arts Student Centre project with a funding release of \$500,000 to commence schematic design</b></p>	
	Preliminary Capital Budget	\$8,315,000
	Preliminary Operating Budget	\$See report
	Schedule	
	Project in Principle	
	Preliminary Program	
	Consultant Selection	
	Proceed to Schematic Design	
	<b>Funding Release</b>	<b>\$500,000</b>
	<b>Information</b>	
	Expenses to date	\$0
	Funding released to date	\$0

<b>Report Date</b>	May 18, 2018
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**Presented By** Andrew Szeri, Provost and Vice-President Academic  
 Louise Cowin, Vice-President Students  
 Peter Smailes, Interim Vice-President Finance & Operations  
 Gage Averill, Dean, Faculty of Arts  
 John Metras, Acting Associate Vice-President, Facilities  
 Michael White, Associate Vice-President Campus & Community Planning  
 Jennifer Sanguinetti, Acting Managing Director, Infrastructure Development  
 Aubrey Kelly, President & CEO, UBC Properties Trust

**EXECUTIVE SUMMARY**

The Faculty of Arts and the Arts Undergraduate Society (AUS) propose to develop a new Arts Student Centre (ASC). The facility will provide much-needed space to support the informal learning and social space needs of a large and diverse student population and provide a focal point to advance the mission and goals of the Faculty and the AUS.

With over 14,000 domestic and international undergraduate students, the Faculty of Arts has the largest undergraduate population on campus. The 4,000 s.f. Meekison Arts Student Space (MASS) in Buchanan Block D is currently the primary meeting space for the AUS and its constituents. However, the space is too small to meet the needs of this large undergraduate population.



The facility will include a range of targeted activity spaces and amenities to support creative engagement. These include media production, videoconference and graphics production spaces as well as a student-run art gallery. A dedicated multi-use space will be used for increasing collaborative engagements with faculty groups – e.g. Arts Co-Op program, Go Global studies abroad mentorship program, tutoring services and ‘Welcome to UBC’ resources for first-year Arts students, to name a few.

In addition, the ASC will address the constant demand for space for Arts departmental clubs to hold meetings and for other UBC and outside organizations to book space for conferences and events. The most important role for the ASC will be to promote and facilitate interaction within the AUS’s broad, multi-disciplinary undergraduate community. This vision is in alignment with the Faculty of Arts’ goals to support student well-being, personal development and outstanding campus life.

### **Project Rationale**

#### ***Overview***

A key goal of the Faculty of Arts is to support student well-being and positive affiliation with UBC and to create spaces where students can informally learn together. To that end, the Buchanan Renewal project saw the creation of four very popular, if small, informal learning spaces including the Stir It Up (SIU) café. Likewise, the Buchanan Courtyard Renewal project (completed in 2011) saw the revitalization of two outdoor spaces. The Meekison Arts Student Space (MASS) was created in 2003 as the home of the Arts Undergraduate Society (AUS) and offers administrative and informal space for individual students and various student organizations. All of these spaces are well used and popular, but are insufficient to meet the needs of Arts’ substantial undergraduate student population. The proposed Arts Student Centre located in the Bosque west of the UBC Life Building, and the subsequent repurposing of MASS as Faculty of Arts space, will go a long way toward supporting the Faculty’s goals for students. The new ASC will acknowledge the contributions of the Meekison Family in the new building. (The Faculty of Arts will undertake a separate process to determine the most appropriate re-use of the MASS space.) A Building Use Agreement has been negotiated with the AUS and AMS that outlines social space programming, building use and building governance.

#### ***Organization***

From its beginnings in 1915, the AUS has actively enhanced the undergraduate experience for Arts students at UBC. It now represents more than 14,000 students and in recent years has seen a rapid expansion in its governing body, provision of services, and organization of events; currently the AUS has eight executive positions and supports over twenty student clubs in the various departments. A comprehensive list of AUS portfolios and clubs is included in Attachment 2.

The AUS is committed to diversity and inclusivity through transparent governance and advocacy. It strives to provide programming, services, events for arts students, and a physical space to promote community within the faculty.

### Demand Analysis

Arts undergraduate enrolment has increased by 17% since 2013, the fastest growth among the four largest faculties at UBC Vancouver. Despite its growing influence and goal to provide benefit to the Arts student community, the AUS faces limitations which make it difficult to meet its own expectations as well as those of the student body. The following table illustrates the imbalance of space for Arts students.

FACULTY	ENROLMENT*			GROWTH		STUDENT SPACE (SF)**	2017 SF/ STUDENT
	2013	2015	2017	Num	%		
Arts	12,002	12,862	14,021	1,450	+17%	4,000	0.28
Science	7,364	7,784	8,344	793	+13%	7,030	0.84
Commerce	5,013	5,447	5,621	562	+12%	2,100	0.37
Applied Science	4,531	4,717	4,964	298	+10%	10,250	2.07

\*Source for enrolment numbers: [pair.ubc.ca](http://pair.ubc.ca).

\*\*Spaces dedicated to undergraduate student societies as follows: Meekison Lounge (Arts), Ladha Centre (Science), Angus 239 (Commerce), and Engineering Students Centre (Applied Science).

The proposed new Arts Student Centre would result in **0.77** sf per undergraduate student.

### Site

On September 5, 2013 the New Building Site Selection Committee (NBSSC) approved the open site south of the Brock Hall West Wing for the new Arts Student Centre. However, through the University Boulevard Area re-visioning process this past winter, UBC staff, the AUS and AMS concluded that the modest-sized ASC building would be much better located as an integral part of the Bosque, bringing animation as part of the larger vision to revitalize the Bosque and at the same time freeing up the original site for much-needed large academic building capacity. The new Bosque site was supported by the NBSSC in February 2018 subject to feedback gathered during the U Boulevard Area consultation in March 2018.

The Bosque was planted in 1968 with the completion of the Student Union Building. Since that time, the formal grid of non-native red oak trees has grown into a singular mass averaging about 65' in height. Today, the design and programming of the Bosque is a significant challenge. The dark shade cast by the tree canopy makes it impossible to maintain a persistent grass lawn without significant operational effort. Further, it has little physical or social relationship with the adjacent University Commons Plaza, and the experience of moving through the Bosque is often dark, damp and uninviting. Coupled with the absence of any programming or site furniture, the Bosque provides limited aesthetic and social value. Given its prime location at the very centre of the social heart of the campus, many members of the campus community want to see the maintenance of the Bosque's ecological value while realizing its full aesthetic and social potential.

In response to this challenge, a draft vision has been developed for the Bosque, based on a 2014 public realm Ideas Fair, recent U Boulevard Area consultation feedback, and follow-up design workshops.

Through respectful revitalization, this draft vision offers the potential for significant improvements to the social, ecological, and visual aesthetic of this important public realm asset. In this vision, the ASC pavilion building is imagined as a lantern-like wood structure with transparency on the ground floor and vertical expressions that reflect the character of the oak trees. As a space-defining element, the Arts Student Centre program would activate and animate the edges of a tree-canopied outdoor room in all seasons of the year.

The construction of the Arts Student Centre in the Bosque would require the removal of approximately eight of the oak trees at a natural break line. This would create two substantial outdoor rooms of oak trees and a unique ‘tree-house’ experience not found elsewhere on the campus. The AMS and AUS Executive are supportive of siting the Arts Student Centre in the Bosque and will help facilitate student community (including AMS clubs) involvement in finalizing the Bosque vision.

For the AUS community, the selected building site is well located between the Arts precinct and the AMS Nest, and on a main circulation path between the Bus Exchange and Arts precinct. Lastly, combined with the Nest, the UBC Life Building and Abdul Ladha (Science Undergraduate Society) Building, the Arts Student Centre will contribute to the strong presence of UBC’s active student bodies in a section of campus traditionally dedicated to supporting students through informal learning space, service and study amenities.

### ***Sustainability***

The Arts Student Centre will target LEED Gold certification as required for all new UBC buildings.

### ***Implementation Issues***

There is no requirement for swing space for the AUS during construction. The site is close to all required major services.

### ***Master Program***

A master facility program has been developed and is summarized below. The full area estimate is included in Attachment 3.

<b>Component</b>	<b>Area</b>	
	<b>Sq. Ft.</b>	<b>Sq.M.</b>
Targeted Activity Space	863	80.2
Collaborative Engagement	180	16.7
Study/Meeting Spaces	1,090	101.3
AUS Offices & Support	910	84.5
Social/Lounge Space	3,429	319
<b>Total Net Assignable Area</b>	<b>6,472</b>	<b>292.3</b>
<i>Gross-up @ 1.66</i>	<i>4,267</i>	<i>396.4</i>
<b>Total Gross Building Area</b>	<b>10,739</b>	<b>997.7</b>

**BENEFITS**

Learning, Research,  
Financial,  
Sustainability &  
Reputational

- Increase the opportunity for the Arts Undergraduate Society to provide programming, services, events for Arts students, and a physical space to promote community within the Faculty.
- Promote and facilitate interaction within the AUS's broad, multi-disciplinary undergraduate community. This vision is in alignment with the Faculty of Arts' goals to support student well-being, personal development and outstanding campus life.
- Provide a space for departmental clubs to hold meetings and for other members of the UBC community to book space for conferences and events.
- Increase the quantity of informal learning spaces available to Arts students.
- Revitalize, ecologically enhance and animate the Bosque.

**RISKS**

Financial,  
Operational &  
Reputational

- Current market conditions are resulting in unusual levels of cost escalation due to a high level of market activity that has reduced contractor availability and bid coverage. An escalation contingency of 6% has been included in the cost estimate to mitigate this risk.
- The site is constrained on all sides by trees. Minimizing the removal of trees is necessary. For this reason, the team has done significant up-front due diligence to investigate underground utilities in order to site the building where tree removal is minimized.
- Public feedback from consultation indicated concerns over the loss of trees and reduction of green space on campus. To both address this concern and to mitigate risks to the ecological health of this green space, the building design and revitalization of the Bosque will include measures to enhance its ecology and biodiversity with a goal of achieving a net positive ecological performance relative to its current condition.
- The AMS's main lender will not permit the AMS to guarantee any loans beyond what are already in place. This includes loans that are to be repaid with student fees. Without a guarantee, there is a risk that UBC could be liable for any outstanding payments, should the AUS default on their commitments. This risk is mitigated by the fact that the BC Societies Act does not permit a student fee levy to be overturned once a debt is in place.

**COSTS**  
Capital &  
Lifecycle Operating

**Preliminary Capital Budget**

UBC Properties Trust has estimated the preliminary capital budget of the ASC to be as follows:

<b>Project Capital Cost Breakdown</b>	<b>\$</b>	<b>\$/gsf</b>
<b>CONSTRUCTION</b>		
Construction	\$4,430,000	\$413
General Conditions	\$250,000	
CM Fee	\$150,000	
Construction Contingency	\$310,000	
Additional Site Works	\$100,000	
<b>Total Construction</b>	<b>\$5,240,000</b>	<b>\$488</b>
<b>CASH ALLOWANCES</b>		
FF+E Allowance	\$200,000	
UBC IT/AV/Security Allowance	\$200,000	
<b>Total Cash Allowances</b>	<b>\$400,000</b>	<b>\$37</b>
<b>SOFT COSTS</b>		
Design Consultants	\$786,000	
Project Management	\$395,000	
Moving/Keying	\$10,000	
Permits	\$80,000	
IIC	\$64,434	
Commissioning + Inspection	\$10,000	
Insurance + Legal	\$10,000	
<b>Total Soft Costs</b>	<b>\$1,355,434</b>	<b>\$126</b>
<b>Project subtotal</b>	<b>\$6,995,434</b>	
GST	\$186,255	
<b>Building total</b>	<b>\$7,184,689</b>	<b>\$669</b>
Construction Period Financing Costs	\$58,464	
Retained Risk	\$71,847	
Owner/Design/Escalation	\$500,000	
Contingency	\$500,000	
IIC Funded Civil Works	\$500,000	
<b>PROJECT TOTAL</b>	<b>\$8,315,000</b>	<b>\$774</b>
<i>Gross area (sq.ft.)</i>	<i>10,739</i>	

**Operating Cost**

The estimated annual operating, capital renewal and cyclical maintenance costs are summarized in the table below. The Faculty of Arts will be responsible for the annual operating (space chargeback) cost. Cyclical renewal costs will be covered through the Routine Capital program jointly funded by the Provincial government and UBC.

<b>Estimated Annual Costs*</b>	<b>\$</b>
Operating & Maintenance Cost @ \$8.60/gsf (space chargeback)	\$92,355
Capital Renewal/Cyclical Maintenance cost @ \$4.44/gsf	\$47,681
<b>Total</b>	<b>\$140,036</b>

\* NB –The annual cost calculations will be based on actual built areas and are subject to change pending final design and construction.

**FINANCIAL** The proposed funding sources for the new ASC building are as follows:  
Funding Sources,  
Impact on Liquidity

<b>Funding Source</b>	<b>Contribution</b>
Student fees	\$5,315,000
Faculty of Arts	\$2,500,000
Infrastructure Impact Charges (IICs)	\$500,000
<b>Total</b>	<b>\$8,315,000</b>

AMS student fees will service an internal loan from UBC Treasury to the Faculty of Arts in accordance with the terms of the AUS ASC Referendum. A Financing Contribution Agreement between the Alma Mater Society (the AUS legal entity) and the University has been agreed upon in principle.

There will be a contribution of approximately \$500,000 from the Infrastructure Impact Charge (IIC) program for the cost of relocating underground utilities at the planned building site. The referendum-approved student fee will be used to debt service an internal loan of up to \$5.315 million issued by Treasury to the Faculty of Arts at an annual interest rate of 5.75% repaid over approximately 20 years. The AMS has agreed that this loan will be repaid using student fees pursuant to the Financing Contribution Agreement. This repayment period is shorter than the typical 25-30 year loan amortization for most capital projects. The amortization projection may change with changes in student enrolment. To date, \$909,500 has been collected in student fees. The preliminary payment schedule is outlined in Attachment 4.

**SCHEDULE** Preliminary Schedule  
Implementation  
Timeline

<b>Milestone</b>	<b>Target Date</b>
Executive 1	December 2012
New Building Site Selection Committee	September 2013
Executive 2	December 2017
Property & Planning Advisory Committee + Senate Academic Building Needs Committee	January 2018
New Building Site Selection Committee Update	February 2018
Executive 3	May 2018
Board 1	June 2018
Board 2	February 2019
Board 3	June 2019
Construction Start	July 2019
Construction Completion	March 2021
Occupancy	March 2021
Board 4	April 2023

**CONSULTATION** Public Consultation on the alternative location for the ASC in the Bosque was conducted as part of a broader University Boulevard Area planning and project update, between March 14 and April 8, 2018. Approximately 120 people attended two Open Houses (at the AMS Nest and IK Barber Learning Centre) and about 140 people participated in the online survey.  
Relevant Units,  
Internal & External  
Constituencies



Public response to the survey indicated considerable concern over the removal of trees and the removal of green space on campus. These concerns and other comments regarding the need to improve lighting, circulation and general access through and social use of the Bosque have been carefully considered in the draft vision presented in the Rationale section.

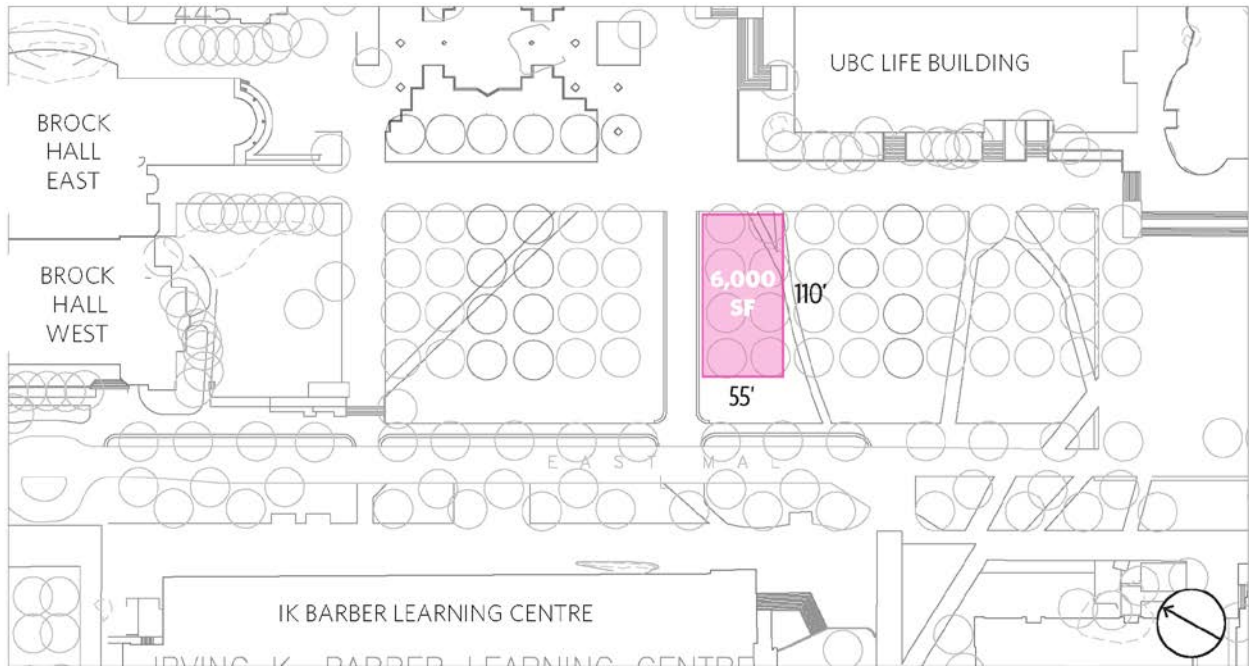
In addition to enhancing the social and programmatic potential of the Bosque, UBC is committed to replacing the eight trees at a minimum and will implement other measures (e.g., green building strategies, native understory plantings, rainwater infiltration) as part of the building design and the broader Bosque revitalization to enhance the “ecosystem services” it provides and to ensure a net positive impact.

The AMS and AUS Executive are supportive of siting the Arts Student Centre in the Bosque and will facilitate student community (including AMS clubs) involvement in finalizing the Bosque vision through workshops and broad public consultation in the fall.

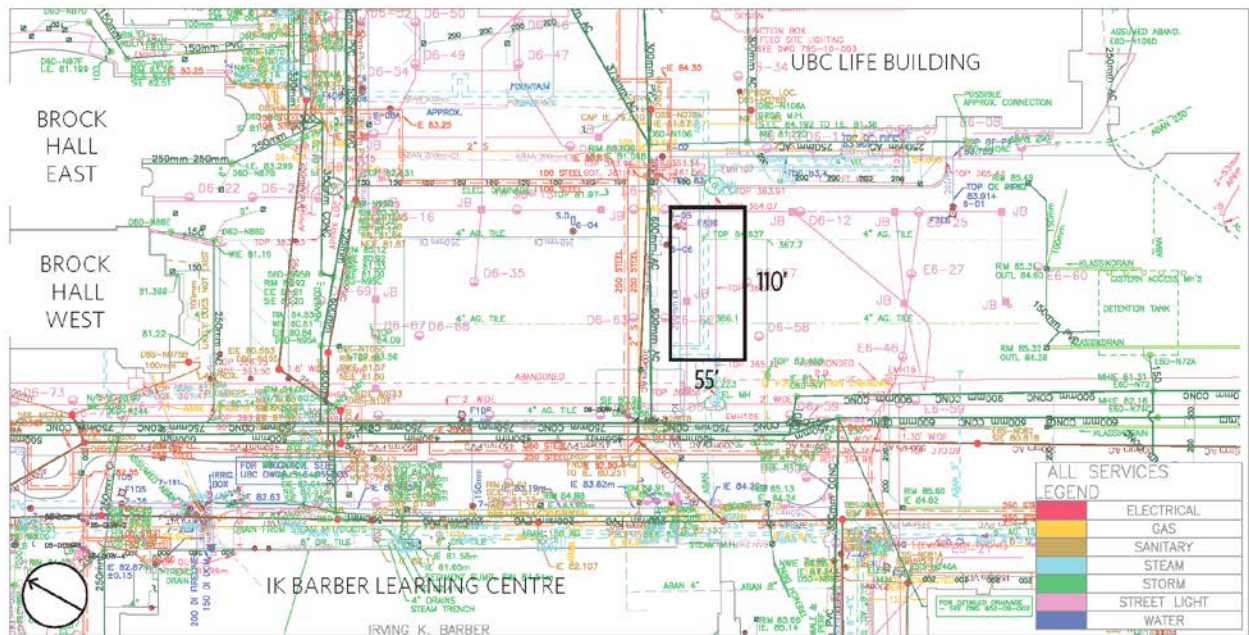
UBC Properties Trust will manage the project. A shortlist of architectural consultants will be presented at the Board Property Committee meeting on June 5, 2018.

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Attachment 1 – Site Map



ASC Proposed Location: Context



Proposed Location: Underground Utilities

ASC

## Attachment 2 – List of AUS Clubs

### AUS Executive Roles

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President  
 VP Internal  
 VP External  
 VP Administration  
 VP Finance Interim  
 VP Academic  
 VP Student Life  
 VP Communications

### Arts Student Clubs

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Anthropology Students Association	History Students Association
Art History Students Association	International Relations Students Association (IRSA)
Asian Studies Interests Association	Law and Society Chats
CNERS Students Association	Le Club Français
Club de Español	Philosophy Students Association
Cognitive Systems Society	Political Science Students Association
Computer Science Students Association	Psychology Students Association
English Students Association	Russian Cultural Club
First Nations Studies Students Association	Sociology Students Association
Gender, Race, Sexuality, and Social Justice Students Association	Speech and Linguistics Students Association
Geography Students Association	Visual Arts Students Association
German Club	

## Attachment 3 – Preliminary Program

Master Area Program Component	Count	Area	
		Sq. Ft.	Sq.M.
<b>Targeted Activity Space</b>		<b>863</b>	<b>80.2</b>
Video Conference Room		100	9.3
Photo Equip. Studio		300	27.9
Art Gallery/Exhibition Space		277	25.7
Printmaking & Graphics		186	17.3
<b>Collaborative Engagement</b>		<b>180</b>	<b>16.7</b>
Studies Abroad & Internship Resource Ctr.		180	16.7
<b>Study/Meeting Spaces</b>		<b>1,090</b>	<b>101.3</b>
Study Space - Small	4	480	44.6
Study Space - Medium	2	360	33.4
Study Space - Large	1	250	23.2
<b>AUS Offices &amp; Support</b>		<b>910</b>	<b>84.5</b>
AUS Exec. & Constituents Work Space		470	43.7
AUS Meeting Room		250	23.2
Copy Room		90	8.4
AUS Archives		100	9.3
<b>Social/Lounge Space</b>		<b>3,429</b>	<b>319</b>
Programmable Common Space		1,855	172.3
Self-Service Microwave Kitchen		<i>--incl. in PCS above--</i>	
Recreation Space		678	63.0
Digital Café Lounge		200	18.6
Nap Capsule Room	10	443	41.2
Arts Merchandise Store		150	13.9
Lockable Cold Storage		48	4.5
Club Storage		55	5.1
<b>Total Net Assignable Area</b>		<b>6,472</b>	<b>601.3</b>
<i>Gross-up @ 1.66</i>		<i>4,267</i>	<i>396.4</i>
<b>Total Gross Building Area</b>		<b>10,739</b>	<b>997.7</b>

# Attachment 4 – Preliminary Payment Schedule

## Internal loan repayment schedule – student fees

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41
<i>Enrollment - Faculty of Arts</i>	14,020	14,070	14,120	14,170	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220	14,220
Student fee (per student per year)		25	25.4	25.8	26.1	26.5	26.9	27.3	27.7	28.2	28.6	29.0	29.4	29.9	30.3	30.8	31.3	31.7	32.2	32.7	33.2	33.7	34.2	34.7
BC Consumer price index		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Sum student fees per year		351,750	358,295	364,957	371,739	377,315	382,974	388,719	394,550	400,468	406,475	412,572	418,761	425,042	431,418	437,889	444,457	451,124	457,891	464,760	471,731	478,807	485,989	493,279
Fees already collected to date	909,500																							
Accumulated student fees	909,500	1,261,250	1,619,545	1,984,502	We assume that the fees collected up until the point where the project is complete and the repayment schedule begins, are netted against the internal loan requirement																			
Project completion	Spring/Summer 2021																							
Internal loan estimate (Exec 3)	5,312,490			3,327,988																				
Interest rate	5.75%																							
Term of loan (years)	20																							
Principal payment					(\$92,929)	(\$98,272)	(\$103,923)	(\$109,899)	(\$116,218)	(\$122,900)	(\$129,967)	(\$137,440)	(\$145,343)	(\$153,700)	(\$162,538)	(\$171,884)	(\$181,767)	(\$192,219)	(\$203,272)	(\$214,960)	(\$227,320)	(\$240,391)	(\$254,213)	(\$268,831)
Interest payment					(\$191,359)	(\$186,016)	(\$180,365)	(\$174,390)	(\$168,070)	(\$161,388)	(\$154,321)	(\$146,848)	(\$138,945)	(\$130,588)	(\$121,750)	(\$112,404)	(\$102,521)	(\$92,069)	(\$81,017)	(\$69,329)	(\$56,968)	(\$43,898)	(\$30,075)	(\$15,458)
Sum internal loan payment					(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)	(\$284,288)
Principal balance					3,235,059	3,136,786	3,032,863	2,922,964	2,806,746	2,683,846	2,553,879	2,416,438	2,271,095	2,117,395	1,954,857	1,782,973	1,601,205	1,408,986	1,205,715	990,755	763,435	523,044	268,831	(0)
Excess student fees					87,450	93,026	98,686	104,431	110,262	116,180	122,187	128,284	134,472	140,754	147,130	153,601	160,169	166,836	173,603	180,471	187,443	194,519	201,701	208,991
Accumulated excess student fees					87,450	180,477	279,163	383,594	493,855	610,035	732,222	860,505	994,978	1,135,732	1,282,861	1,436,462	1,596,631	1,763,467	1,937,070	2,117,541	2,304,984	2,499,503	2,701,203	2,910,194

**Assumptions:**

- Assume internal loan repayment begins the school year after project completion (2021/22).
- Assume 1.5% BC CPI going forward (average 2015-2017 is 1.36%)
- Assume that internal loan at time of occupancy is reduced by the amount collected in fees up to that point (including 2020/21).

If the excess student fees are used exclusively to pay down the internal loan, the loan can be repaid in approx 13 years given the current assumptions.