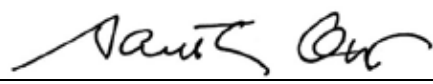


SUBJECT ARTS STUDENT CENTRE

MEETING DATE SEPTEMBER 24, 2019

APPROVED FOR SUBMISSION Forwarded on the Recommendation of the President



Santa J. Ono, President and Vice-Chancellor

DECISION REQUESTED IT IS HEREBY REQUESTED that *the Board of Governors approve BOARD 1 (Revised) for the Arts Student Centre project as follows:*

- a. *new project location to reflect a change in site selection from the Bosque site to Brock Commons site;*
- b. *\$750,000 funding release;*
- c. *revised preliminary capital and operating budgets and revised schedule; and,*
- d. *commencement of schematic designs for Brock Commons site.*

Capital Budget	\$10,772,000
Operating Budget	\$92,355
Schedule	
Funding Release	\$750,000
Information	
Expenses to date	\$456,511
Funding released to date	\$500,000

Report Date August 15, 2019

Presented By Ainsley Carry, Vice-President Students
 Peter Smalles, Vice-President Finance & Operations
 Andrew Szeri, Provost and Vice-President Academic, UBC Vancouver
 Robin Ciceri, Vice-President External Relations
 Gage Averill, Dean, Faculty of Arts
 John Metras, Associate Vice-President Facilities
 Michael White, Associate Vice-President Campus & Community Planning
 Jennifer Sanguinetti, Managing Director, Infrastructure Development
 Aubrey Kelly, President & CEO, UBC Properties Trust

If this item was previously presented to the Board, please provide a brief description of any major changes since that time.

There have been three notable changes since the original June 2018 Board 1 approval:

- 1) Following a higher than anticipated cost estimate for the initial schematic design on the original Bosque site, the Faculty of Arts and the Arts Undergraduate Society agreed to contribute an additional \$500,000 each to increase the project budget by \$1.0 million.
- 2) The project has been relocated to the Brock Commons Phase 2 site after concerns were raised about the removal of eight trees in the Bosque.
- 3) The Executive has agreed that all costs associated with the site change will be covered by UBC Central contingency.

EXECUTIVE SUMMARY

The Arts Student Centre (ASC) received Board 1 approval on June 14, 2018 for a new building located in the Bosque, west of the UBC Life Building. In response to community feedback on the Bosque site, in late May 2019, staff were asked to find alternative sites for the project. In consultation with the Arts Undergraduate Society (AUS), the Faculty of Arts, and the Alma Mater Society (AMS), staff identified and evaluated five possible sites against site selection criteria per the Vancouver Campus Plan. The evaluation concluded that the northeast corner of East Mall and Walter Gage Road (within the broader Brock Commons Phase 2 site) is the only viable alternative location for the standalone ASC building. Attachment 1 shows the Brock Commons site. Attachment 2 shows the five sites evaluated in June 2019.

The proposed new ASC facility will be integrated into the broader Brock Commons complex at the edge of the Buchanan complex and Arts precinct. Design will be coordinated with the Brock Commons Phase 2 project currently in progress. Consultation with the Peter A. Allard School of Law has been and will continue to be undertaken to ensure the ASC siting and design optimize the use and enjoyment of the adjacent open space by all users including those of Allard Hall.

The original Board 1 approval was for a 10,739 gsf building, with a capital budget of \$8.315 million, including \$500,000 for utility relocation work funded through Infrastructure Impact Charges (IICs). Following initial design and cost estimating, project funding was increased by \$1 million (\$500,000 from the Faculty of Arts plus \$500,000 from Arts students' fees).

The estimated capital cost for the ASC project is now \$10.772 million. The increase from the June 2018 Board 1 estimate includes monies spent to date on the original Bosque site, an allowance for escalation, and projected cost premiums arising from the change in site. The project will be funded through student fees, the Faculty of Arts, IICs, and the Executive has agreed that UBC Central contingency will cover any additional costs arising from the change of site.

The student fees will service an internal loan to the Faculty of Arts in accordance with the terms of a referendum approved by the AUS membership in February 2013. A draft Financing Contribution Agreement between the Alma Mater Society (the AUS's legal entity) and UBC has been prepared and agreed upon in principle with the AMS. Sufficient liquidity is available to provide the estimated \$5.815 million internal financing. The Faculty of Arts Dean's Office originally approved a \$2.5 million contribution to the project. Following increased cost projections for the building in the Bosque site, the Faculty of Arts committed up to \$500,000 more to match an equivalent additional amount contributed by the AUS. The AUS committed to extending fee collection to raise an additional \$500,000, for a total \$1.0 million. UBC Properties Trust estimates the costs associated with the change in site at approximately \$1.0-1.5 million, to be refined as the project progresses. These additional costs will be fully funded by UBC Central contingency.

Attachments

1. Recommended Alternative Site with Previously Approved Sites
2. Sites Evaluated in June 2019
3. AUS Executive Roles and Student Clubs
4. Original Sites Evaluated in 2013
5. ASC Master Program
6. Revised Payment Schedule

STRATEGIC CORE AREAS SUPPORTED

People and Places Research Excellence Transformative Learning Local / Global Engagement

**DESCRIPTION &
RATIONALE** **Project Description**

The Arts Student Centre (ASC) is envisioned as an efficient multi-purpose facility that will advance the core mission of the Arts Undergraduate Society (AUS). This mission includes improving the academic, social, personal, and professional lives of Arts students at UBC Vancouver, and providing much-needed amenities to support the learning, social, collaboration and innovation space needs of a diverse Faculty of Arts student population. It will be a “common ground” for UBC Arts students to interact across disciplines.

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 display space. A dedicated multi-use space will be used for increasing collaborative engagements with Faculty groups – e.g. the 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 wellbeing 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 café. Similarly, the Buchanan Courtyard Renewal project, completed in 2011, saw the revitalization of two outdoor spaces. The Meekison Arts Student Space was created in 2003 as the home of the Arts Undergraduate Society (AUS) and offers administrative and informal space for 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 ASC located in the Brock Commons site immediately east of the Buchanan complex, and the subsequent repurposing of the Meekison Arts Student Space 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. A draft 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 3.

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 18% 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 space limitations that 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)**	2018 SF/ STUDENT
	2013	2015	2017	2018	Num	%		
Arts	12,002	12,862	14,021	14,188	2,186	+18%	4,000	0.28
Science	7,364	7,784	8,344	8,426	1,062	+14%	7,030	0.83
Commerce	5,013	5,447	5,621	5,577	564	+11%	2,100	0.38
Applied Science	4,531	4,717	4,964	5,047	516	+11%	10,250	2.03

*Source for enrolment numbers: *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 **0.64** sf per undergraduate student.

Original Sites: Brock South and Bosque

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. In early 2018, following the University Boulevard Area re-visioning process in the fall of 2017, UBC staff asked the AUS to consider a site in the Bosque as a more appropriate location for the modest-sized ASC building to:

1. Contribute to the 2010 Board-approved University Boulevard vision which included the idea of a pavilion structure in the middle of the Bosque as a means to enliven the area;
2. Free up the larger, permanent academic site previously targeted for the ASC;
3. Fulfill the ASC building criteria of being a centrally located, moderately-sized, standalone building in close proximity to other Arts buildings; and
4. Advance the schedule for the revitalization of the Bosque.

The ASC project in the Bosque received Board 1 approval in June 2018.

There was strong support voiced for the ASC project and Bosque Revitalization from many members of the UBC community and at the same time, worries expressed from many community members about the loss of eight trees to accommodate the new ASC building. In May 2019, staff were asked to evaluate alternative sites for the ASC.

New Site: Brock Commons

In consultation with the Arts Undergraduate Society (AUS), the Faculty of Arts and the AMS, staff identified and evaluated five sites against site selection criteria defined in the Vancouver Campus Plan Policy 7, and including additional criteria identified by staff. The evaluation concluded that the northeast corner of East Mall and Walter Gage Road, within the broader Brock Commons Phase 2 site, is the only viable location for the standalone ASC building. The new site was supported unanimously by the New Building Site Selection Committee on June 11, 2019, endorsed unanimously by the Property and Planning Advisory Committee on June 18, 2019, and accepted by the Executive on July 16, 2019. The AUS also supports the new site. See Attachment 1 for the original and current sites, and Attachment 2 for other sites evaluated in June 2019.

The site is located within the Brock Commons Phase 2 (BCP2) site. Given that BCP2 is currently under design, the ASC building will be carefully coordinated with the BCP2 project, including regular consultation with the BCP2 design team and other stakeholders. This includes consultation with the Peter A. Allard School of Law to ensure the ASC siting and design optimize the use and enjoyment of the adjacent open space by all users including those of Allard Hall. In addition, the site allows an opportunity for the ASC building to be a transition point between the academic campus (the Buchanan complex) and the student life area of campus (Brock Commons and Brock Hall).

For the AUS community, the selected building site is ideally located at the intersection of the Arts academic precinct in the Buchanan complex and the student services/student life precinct at Brock Commons and Brock Hall, and between the Bus Exchange and the Arts precinct. The Arts Student Centre will contribute to the strong presence of UBC's active student bodies in a section of campus serving the Arts precinct as well as the broader student population.

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. Construction will be coordinated with the Brock Commons Phase 2 project.

Master Program

A master facility program has been developed and is summarized below. The full program is included in Attachment 5.

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

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 and beyond to book space for conferences and events.
- Increase the quantity of informal learning spaces available to Arts students.
- Connect the academic Buchanan precinct with the student services- and student life-centred Brock Commons.

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 \$500,000 (8%) has been included in the cost estimate to mitigate this risk.
- The site faces prominent buildings on all sides. Designing the building so that it is not perceived to be "turning its back" on any neighbours will be challenging. There are several design strategies to help mitigate this, including accommodating some service spaces below grade.
- The change of site carries increased costs, including the costs to date on planning for the Bosque site, as well as additional project costs arising from complexities on the new site. For example, there may be constraints on the building massing and footprint to minimize building shadows on the adjacent public realm, maximize retention of the public realm for access by the broader community, and maintain sight lines from East Mall to the Peter A. Allard School of Law building, Allard Hall. These costs, and any other costs deemed to result from the change in site, will be tracked separately by UBC Properties Trust and will be fully covered by UBC Central contingency.
- The change of sites from the Bosque to the BCP2 site was in response to community concerns about tree removal. As part of the BCP2 development the two mature trees on the site will be retained and will inform the design and character of the open space. Existing conifer and dogwood trees will also be retained at the northeast corner of the site and a wider range of native and drought tolerant plantings will be planted to support biodiversity and pollinators. This is part of a broader strategy being developed by Campus and Community Planning to ensure new developments contribute net positive benefits to the ecological health of the campus.
- There is a risk that UBC could be liable for any outstanding payments should the AMS 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 The following table reflects UBC Properties Trust's preliminary capital budget estimate for the ASC. Construction Period Financing and Owner/Design/Escalation Contingency costs have been reduced to reflect the Faculty of Arts' upfront contribution, and the cumulative student fees collected to date. These combined amounts can be applied toward the construction phase, reducing the financing amount required. The Bosque Site Planning Sunk Costs reflect monies spent to date on the original Bosque site.

Project Capital Cost Breakdown	Board 1 – Bosque Site		Brock Commons Site	
	\$	\$/gsf	\$	\$/gsf & Notes
CONSTRUCTION				
Construction	\$4,430,000	\$413	\$5,853,355	\$545
General Conditions	\$250,000		\$0	<i>Included in construction value</i>
CM Fee	\$150,000		\$130,000	
Construction Contingency	\$310,000		\$310,000	
Additional Site Works	\$100,000		\$100,000	
Total Construction	\$5,240,000	\$488	\$6,393,355	\$595
CASH ALLOWANCES				
FF+E Allowance	\$200,000		\$200,000	
UBC IT/AV/Security Allowance	\$200,000		\$200,000	
Total Cash Allowances	\$400,000	\$37	\$400,000	\$37
SOFT COSTS				
Design Consultants	\$786,000		\$824,500	
Project Management	\$395,000		\$395,000	
Moving/Keying	\$10,000		\$10,000	
Permits	\$80,000		\$80,000	
IIC	\$64,434		\$0	
Commissioning + Inspection	\$10,000		\$10,000	
Insurance + Legal	\$10,000		\$10,000	
Total Soft Costs	\$1,355,434	\$126	\$1,329,500	\$124
Project subtotal	\$6,995,434		\$8,122,855	
GST	\$186,255		\$135,652	
Building total	\$7,184,689	\$669	\$8,258,507	\$769
Construction Period Financing Costs	\$58,464		\$20,000	
Retained Risk	\$71,847		\$82,585	
Owner/Design/Escalation Contingency	\$500,000		\$453,908	
IIC Funded Civil Works	\$500,000		\$500,000	
Bosque Site Planning – Sunk Costs			\$456,511	
Brock Commons Site Premiums			\$1,000,000	
PROJECT TOTAL	\$8,315,000	\$774	\$10,772,000	\$1,003
<i>Gross area (sq.ft.)</i>	<i>10,739</i>		<i>10,739</i>	

Operating Costs

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

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

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

FINANCIAL
Funding Sources,
Impact on Liquidity

The proposed funding sources for the new ASC building are as follows:

Funding Source	Contribution
Student fees	\$5,815,000
Faculty of Arts	\$3,000,000
Infrastructure Impact Charges (IICs)	\$500,000
Total	\$9,315,000
UBC Central contingency*	1,457,000
Total	10,772,000

* NB – This amount is subject to change through the design and tender process and will be updated in subsequent Board updates.

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.

The referendum-approved student fee will be used to debt service an internal loan of up to \$5.815 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, \$1.243 million has been collected in student fees. The preliminary payment schedule is outlined in Attachment 6.

There will be a contribution of up to \$500,000 from the Infrastructure Impact Charge (IIC) program for the cost of relocating underground utilities at the planned building site.

SCHEDULE
Implementation
Timeline

Preliminary Schedule

Milestone	Target Date
Executive 1	December 2012
New Building Site Selection Committee v1	September 2013
Executive 2	December 2017
Property & Planning Advisory Committee v1	January 2018
New Building Site Selection Committee v2	February 2018
Executive 3 v1	May 2018
Board 1	June 2018
New Building Site Selection Committee v3	June 2019
Property & Planning Advisory Committee v2	June 2019
Executive 3 v2	July 2019
Board 1 – Revised	September 2019
Board 2	February 2020
Board 3	June 2020
Construction Start	June 2020
Construction Completion	July/August 2021
Occupancy	July/August 2021
Board 4	September 2023

CONSULTATION Relevant Units, Internal & External Constituencies

The Arts Undergraduate Society (AUS) has consulted with its constituents throughout the planning process. In 2012, they held a referendum to raise fees for a new, standalone facility. They have developed and regularly updated their main webpage as well as a dedicated web page focusing on the ASC project. They have held several publicity campaigns starting in 2011 to keep Arts students informed and engaged about the project, including through social media and live initiatives.

There have been several articles in the *Ubysey* about the project, including coverage of the previous site.

The project has been reviewed at the New Building Site Selection Committee three times, and twice at the Property and Planning Advisory Committee.

The AUS leadership team has worked closely with the Dean of Arts office, the AMS and with UBC Facilities Planning to develop the functional program, ensuring that the project will meet the needs of Arts students. Campus & Community Planning has guided the public engagement process around site selection and community consultation.

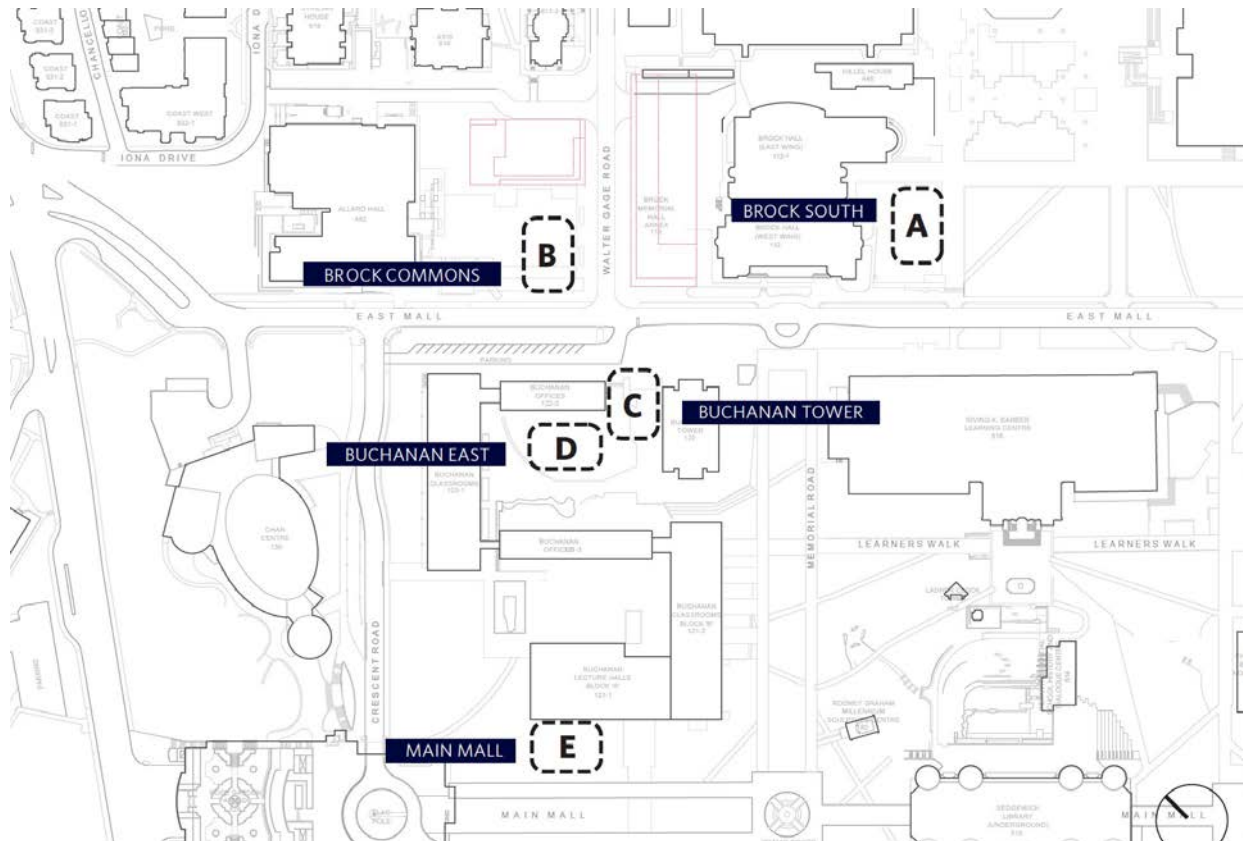
The Brock Commons Phase 2 team (consultants and constituents) have been engaged to ensure the two projects are closely coordinated. PFS is the landscape consultant for both projects to ensure continuity, consistency and integration across the two projects. The Peter A. Allard School of Law has been consulted on building massing and siting.

UBC Properties Trust (UBCPT) will continue to provide project management services for the Arts Student Centre project, including providing budget costing and tracking the additional costs of the recent site change to Brock Commons.

UBCPT COMMENTS Complete for all reports that include a property component	Review Date	August 15, 2019	Signed off by	Aubrey Kelly
		N/A		

Previous Report Date	June 14, 2018
Decision	Board 1 approval for the Arts Student Centre project with a funding release of \$500,000
Action / Follow Up	Commence schematic design

Attachment 2: Sites Evaluated in June 2019

**Recommended Alternative Site** - Site B (Brock Commons):

Site B (Brock Commons) on above map is the recommended site for the ASC. The Brock Commons site was one of the sites originally evaluated in 2013 (Attachment 4). At the time it was deemed not viable because UBC could not guarantee a stand-alone building, a requirement for the ASC arising from the student fee referendum to finance the project. Brock Commons was again discussed with the AUS as an alternative site to Brock South in early planning for Brock Commons, but again, a stand-alone building could not be guaranteed. Following design development for BCP2, the building massing that has emerged for that project has now been refined enough to confirm that a fully stand-alone ASC building is possible and will contribute positively to the BCP2 project and broader precinct.

Summary of analysis of sites not recommended:

- | | |
|--|--|
| A. Brock Hall South | Compromises future higher density academic facility and requires relocation of temporary modular Integrated Health Services building. |
| C. Infill between Buchanan Tower and Buchanan E | Compromises Buchanan Block and Tower access; mature tree removal; compromises Block E redevelopment. |
| D. Buchanan East Courtyard | Recently upgraded courtyard public realm; compromises heritage integrity. |
| E. Main Mall (west of Buchanan A) | Conflicts with Vancouver Campus Plan “Build-to-Line” line for Main Mall, disrupting Main Mall as a primary element of the campus; mature tree removal. |

Attachment 3: AUS Executive Roles and Student Clubs**AUS Executive Roles**

President
 VP Internal
 VP External
 VP Administration
 VP Finance
 VP Academic
 VP Student Life
 VP Engagement

Arts Student Centre Planning and Execution Committee (ASCPEC)

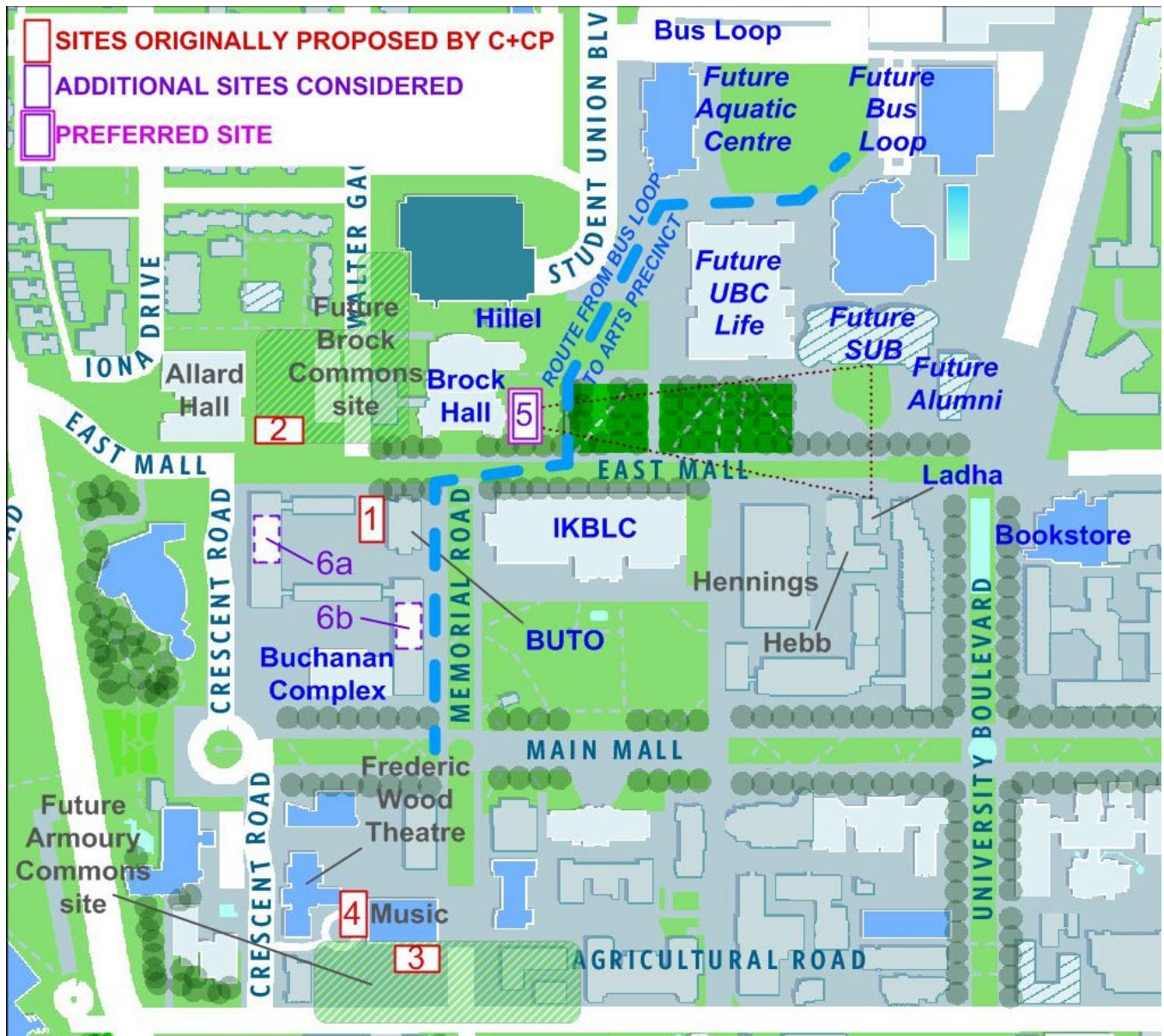
ASCPEC Chair
 Members-at-Large

Arts Student Clubs

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

Attachment 4: Original Sites Evaluated in 2013

Site map included in 2013 New Building Site Selection Committee submission



Attachment 5: ASC Master Program

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

Attachment 6: Revised Payment Schedule

Internal loan repayment - 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>	13,400	13,457	13,500	13,550	13,600	13,650	13,700	13,750	13,800	13,850	13,900	13,950	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
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%
Admin Fee		-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%
Sum student fees per year		333,734	339,822	346,197	352,686	359,293	366,018	372,864	379,833	386,928	394,149	401,501	408,984	415,119	421,345	427,666	434,081	440,592	447,201	453,909	460,717	467,628	474,642	481,762
Fees already collected to date	909,500																							
Accumulated student fees	909,500	1,243,234	1,583,056	1,929,252	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)	5,815,000			3,885,748																				
Interest rate	5.75%																							
Term of loan (years)	20																							
Principal payment					(\$108,504)	(\$114,743)	(\$121,340)	(\$128,317)	(\$135,696)	(\$143,498)	(\$151,749)	(\$160,475)	(\$169,702)	(\$179,460)	(\$189,779)	(\$200,691)	(\$212,231)	(\$224,434)	(\$237,339)	(\$250,986)	(\$265,418)	(\$280,680)	(\$296,819)	(\$313,886)
Interest payment					(\$223,430)	(\$217,192)	(\$210,594)	(\$203,617)	(\$196,239)	(\$188,436)	(\$180,185)	(\$171,459)	(\$162,232)	(\$152,474)	(\$142,155)	(\$131,243)	(\$119,703)	(\$107,500)	(\$94,595)	(\$80,948)	(\$66,516)	(\$51,255)	(\$35,116)	(\$18,048)
Sum internal loan payment					(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)	(\$331,934)
Principal balance					3,777,244	3,662,501	3,541,161	3,412,844	3,277,148	3,133,650	2,981,900	2,821,426	2,651,723	2,472,263	2,282,484	2,081,793	1,869,562	1,645,128	1,407,788	1,156,802	891,384	610,704	313,886	(0)
Excess student fees					20,752	27,359	34,084	40,930	47,899	54,994	62,215	69,567	77,050	83,184	89,411	95,731	102,146	108,658	115,267	121,975	128,783	135,694	142,708	149,828
Accumulated excess student fees					20,752	48,111	82,195	123,125	171,024	226,017	288,233	357,799	434,849	518,033	607,445	703,176	805,323	913,980	1,029,247	1,151,221	1,280,004	1,415,698	1,558,407	1,708,234

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 16 years given the current assumptions.