



Board of Governors  
**PROPERTY COMMITTEE**  
**MINUTES**

**WEDNESDAY, SEPTEMBER 11, 2024**  
**9:08 AM to 10:47 AM**

**VIDEOCONFERENCE**  
Approved: November 21, 2024

<b>Chair</b>	<b>Ms. Miranda Lam, K.C.</b>	<b>Designated Executive Liaisons</b>
<b>Vice-Chair</b>	Ms. Anthonia Ogundele	Mr. Frank Laezza, Vice-President Finance & Operations <i>Facilities, Infrastructure Development, Energy and Water Services</i>
<b>Members in Attendance</b>	President Benoit-Antoine Bacon	Dr. Melanie Stewart, Vice-President External Relations <i>Campus and Community Planning</i>
	Mr. Sandy Hilton	
	Dr. Anna Kindler	
	Mr. Dallas Leung	
	Mr. Ali Pejman	<b>Administration</b>
	Chancellor Judy Rogers, C.M.	Dr. Gage Averill, Provost and Vice-President Academic, UBC Vancouver
	Mr. Byron Thom	Mr. Adam Charania, Interim Vice-President Human Resources
<b>Regrets</b>	None	Dr. Lesley Cormack, Deputy Vice-Chancellor and Principal, UBC Okanagan
		Mr. Dermot Kelleher, Vice-President Health
	<b>Board Secretary</b>	Mr. Hubert Lai, K.C., University Counsel
	Ms. Karen Hakkarainen	Ms. Heather McCaw, Vice-President Development & Alumni Engagement
		Dr. Rehan Sadiq, Provost and Vice-President Academic, UBC Okanagan

The Chair called the open session of the September 11, 2024 Property Committee meeting to order at 9:08 a.m.

The Board Secretary reviewed attendance and confirmed quorum.

### 1. Welcome from the Chair and Approval of Agenda

The Chair respectfully acknowledged the ancestral and unceded territories of the Musqueam and of the Syilx Okanagan Nation upon which UBC campuses are located.

The Chair thanked outgoing Committee members Governor Kamil Kanji and Governor Leonard Schein for their service, and welcomed new members Governor Dallas Leung, Governor Byron Thom and Chancellor Judy Rogers, along with incoming Vice-President External Relations Dr. Melanie Stewart.

A Committee member asked for an opportunity to discuss two items forwarded under the Consent Agenda: Item 12 Metro Vancouver Regional District Statutory Right of Way Wreck Beach Trail 4; and Item 14 UBCV Campus Security *2023 Report to our Community*. The Committee agreed that Item 12 would be moved up to become Item 9 on the September 2024 Agenda and that, in the interests of time, Item 14 would be deferred to the Property Committee's November 2024 meeting.

The following resolution was moved, seconded, and **CARRIED**:

**IT IS HEREBY RESOLVED that the Property Committee approves as amended the Agenda for the open session of the September 11, 2024 Property Committee meeting.**

The Chair asked if Governors had any actual, potential or apparent conflicts of interest to declare with any items on the open Agenda. In accordance with *Code of Conduct and Conflict of Interest Guidelines for the Board of Governors*, the following declarations were made:

- Governor Lam declared that her employer leases space from UBC Properties Trust.
- Governor Pejman declared that his family was a donor to the UBC Sauder School of Business Power House Expansion Project.

The Chair ruled that Governor Pejman was not in a position of conflict with respect to the UBC Sauder School of Business Power House Expansion Project at the Vancouver campus, and could participate in the discussion and vote.

## 2. Consent Agenda

The Chair asked if members had noted any errors or omissions in the Minutes of the open session of the June 2024 meeting of the Property Committee, circulated under the Consent Agenda. None were raised.

The Chair noted that two items were circulated under the amended Consent Agenda for approval:

- University Boulevard Retail Leases – Gateway Building and School of Biomedical Engineering; and,
- FortisBC Statutory Right of Way: 1135 Alumni Avenue (xəl sic snpaʁnwix<sup>w</sup>tn), Kelowna (UBC Okanagan).

The following resolution was moved, seconded, and **CARRIED**:

**IT IS HEREBY RESOLVED that the Property Committee approves the resolutions forwarded under the open Consent Agenda, as amended.**

The Chair noted the briefings circulated under the amended Consent Agenda for the Committee's information:

- Capital Projects Update as at June 30, 2024;
- Streamlining of Board Policy Requirements (No Feedback Requiring Discussion)
- Streamlining of Board Policy Requirements (Feedback for Discussion)
- Policy Priorities: Update on the Status of Board Policies assigned to the Committee
- Committee Action Items Status Report

## 3. UBC Sauder School of Business Power House Expansion Project – Board 3 (UBC Vancouver)

Responsible Executives: Frank Laezza, Vice-President Finance & Operations  
Gage Averill, Provost and Vice-President Academic, UBC Vancouver

The Administration presented the conditional Board 3 approval request for the UBC Sauder School of Business Power House Expansion project, as set out in the circulated briefing.

A Committee member asked if the project would have implications for the Sauder School's overall debt burden ratio. In response, the Committee was advised that the funding provided by the Academic Capital Fund will be categorized as central funding in the University's financial statements, and will therefore not count against Sauder's debt burden ratio. A separate, smaller internal loan will count against Sauder's debt burden ratio.

The following resolution was moved, seconded, and **CARRIED**:

**IT IS HEREBY RESOLVED that the Property Committee recommends that the Board of Governors grant conditional\* BOARD 3 approval for the UBC Sauder School of Business Power House Expansion project as follows:**

- i.* approval of final capital and operating budgets;
- ii.* approval of final funding sources and financing;
- iii.* authorization to proceed to award construction contracts; and,
- iv.* approval of final funding release of \$143,110,000.

\* Conditional on construction tenders being received at or below budget based on 80% of tenders.

#### **4. Advanced Therapeutics Manufacturing Facility (ATMF) at Gateway North CFI Project - Board 1 & 2 and Tenant Improvements (UBC Vancouver)**

Responsible Executives: Frank Laezza, Vice-President Finance & Operations  
Gage Averill, Provost and Vice-President Academic, UBC Vancouver  
Gail Murphy, Vice-President Research & Innovation  
Dermot Kelleher, Vice-President Health

The Administration presented the Board 1 and Board 2 approval request for the Advanced Therapeutics Manufacturing Facility (ATMF) at Gateway North project on the Vancouver campus, as set out in the circulated briefing. The Committee was advised that the two Board approval stages have been combined to meet the March 2028 project completion deadline set by the granting agencies.

The Committee discussed the various components of the project's lease and financing structure, with the Administration advising that with the inclusion of revenue-generating tenants, the overall cost to the University can be reduced. Once the building is fully leased, it is expected that a portion of project revenues will flow to the Trek Endowment.

The following resolution was moved, seconded, and **CARRIED**:

**IT IS HEREBY RESOLVED that the Property Committee recommends that the Board of Governors grant BOARD 1 + 2 approval for the Advanced Therapeutics Manufacturing Facility (ATMF) at Gateway North as follows:**

- i.* **approval of project in principle;**
- ii.* **approval of preliminary schedule;**
- iii.* **approval of location;**
- iv.* **approval of estimated lease payments of \$1,475,000 for 10 years, estimated Tenant Improvement budget of \$35,979,000 and approximate operating costs as set out in the Appendices of this submission;**
- v.* **approve a proposed 99-year ground lease to UBC Properties Investment Ltd. (UBCPIL), as trustee for UBC Properties Trust, to develop the office/research building at Gateway North on Wesbrook Mall substantially in the form attached provided that any non-substantial revisions to the ground lease are satisfactory to University Counsel or their delegate;**
- vi.* **declare that the disposal of the interests in land will not affect the future delivery of educational programs; and,**
- vii.* **authorize the University Administration to:**
  - a.* **seek approval from the Minister of Post-Secondary and Future Skills (PSFS) to enter into the Lease and any statutory right of way agreements or road dedications required, pursuant to section 50(2) of the University Act (British Columbia); and,**
  - b.* **execute the agreed Sublease between UBC and UBCPIL provided the form of the Sublease is in a form satisfactory to the University Counsel or their delegate.**
- viii.* **approval of preliminary capital budget of \$35,979,000 and operating costs as set out in the Appendices of this submission;**
- ix.* **authorization to lease, to continue negotiations as required, and to proceed with design of tenant improvements; and,**
- x.* **approval of funding release of \$3,500,000 for design of tenant improvements.**

## 5. Child Care at Orchard Commons – Board 2 (UBC Vancouver)

Responsible Executives: Frank Laezza, Vice-President Finance & Operations  
Ainsley Carry, Vice-President Students  
Melanie Stewart, Vice-President External Relations

The Administration presented the Board 2 approval request for the Child Care at Orchard Commons project at UBC Vancouver, as set out in the circulated briefing.

A Committee member asked the Administration to quantify the risk of proceeding prior to official confirmation of government funding for the project. The Administration acknowledged that should government funding not be confirmed by June 2025, the project may not proceed, and expenses of slightly over \$1 million incurred up to that point would be sunk costs. Noting that schedule slippage and cost escalation are also risks, the Administration is recommending Board 1 and Board 2 approval at this time, to ensure that the University will be ready to move ahead quickly once funding approval is granted.

The following resolution was moved, seconded, and **CARRIED**:

**IT IS HEREBY RESOLVED that the Property Committee, in accordance with authority delegated by the Board of Governors, grants BOARD 2 approval for the Child Care at Orchard Commons project as follows:**

- i. approval of the revised capital budget and operating budgets;*
- ii. approval to issue the development permit;*
- iii. authorization to proceed to working drawings and tender; and,*
- iv. approval of funding release of \$300,000 for the next stage.*

## 6. Lower Mall Precinct (LMP) Student Housing Redevelopment – Phase 1 at St. John’s College – Update (UBC Vancouver)

Responsible Executives: Frank Laezza, Vice-President Finance & Operations  
Ainsley Carry, Vice-President Students  
Melanie Stewart, Vice-President External Relations

The Lower Mall Precinct (LMP) Student Housing Redevelopment project on the Vancouver campus received conditional Board 1 approval in June 2024 in closed session, contingent on confirmation of government funding. At this meeting, the Administration provided an update on the project’s status, as set out in the circulated briefing.

A Committee member asked about the University’s ability to support the project as conceived given the difference between the University’s preliminary expectations for government funding and the final amount granted the Province. In response, the Committee was advised that careful analysis of the financial model for the project indicates that it can be delivered within the current budget. The Committee was further advised that the Province has issued funding approval certificates; the Administration is confident that the University’s design and construction costs will be reimbursed in a timely manner.

The Committee considered the implications of the project for UBC’s overall liquidity position. The Administration advised that sufficient liquidity is in place to complete all of the capital projects for which construction is under way as well as those projects that have received Board approval to date. The Administration further advised that should the UBC’s overall credit rating be downgraded, the cost of external borrowing would increase. However, as the Province currently does not allow the University take on external debt, this is not likely to be a significant challenge for UBC.

## **7. Housing Action Plan Annual Report 2023-2024 (UBC Vancouver) Follow Up**

Responsible Executives: Adam Charania, Interim Vice-President Human Resources  
Gage Averill, Provost and Vice-President Academic, UBC Vancouver

The 2023-2024 Housing Action Plan Annual Report was submitted to the Property Committee in June 2024, under the Consent Agenda. At the June meeting, a Committee member requested an opportunity for discussion. However, due to time constraints, it was agreed that discussion should be deferred to the September 2024 meeting. At this meeting, the Administration provided the additional information requested at the June 2024 Property Committee meeting, as set out in the circulated briefing.

A Committee member noted that the Housing Action Plan and its programs are primarily focused on the Vancouver campus, and asked that this be clarified in the language of the policy implementation report to avoid confusion, and to highlight the need for similar supports for the Okanagan campus.

Another Committee member suggested that reduced uptake of the Down Payment Assistance Program may be due to the amount offered, which does not provide sufficient support in the extremely costly Vancouver/Lower Mainland housing market. It was further suggested that additional consideration be given to affordable home ownership and off-campus rental assistance programs.

## **8. UBC Vancouver Land Use Plan, Transportation, and Engagement Principles Annual Monitoring Report – Follow Up**

Responsible Executive: Melanie Stewart, Vice-President External Relations

In response to questions raised in June 2024, when the item was submitted but not discussed due to time constraints, the Administration provided a verbal overview the ways in which data from annual monitoring reports informs transportation and public realm planning for the Vancouver campus. The Administration noted specific examples such as improvements to intersections, prioritization of bus routes through neighborhoods, implementation of safety measures, and upgrading of streetscapes and arterials.

The Committee was advised that the Administration works with various levels of government on issues of land-use planning, safety and security, transportation, and sustainability. These activities fit into the broader planning context for the Vancouver campus through Campus Vision 2050 and the recently approved UBC Vancouver Land Use Plan.

## **9. Metro Vancouver Regional District Statutory Right of Way: Wreck Beach Trail 4**

A Committee member raised concerns with respect to the impact on campus security and the potential for additional costs that UBC may incur as a result of renewal of the Metro Vancouver Regional District Statutory Right of Way over Wreck Beach Trail 4. It was suggested that UBC negotiate with Metro Vancouver to include contributions towards the costs of maintaining campus security as part of the right-of-way agreement. The Administration advised that the specific right-of-way agreement under discussion is part of a larger relationship with Metro Vancouver, through which broader issues of security, policing, and costs may be addressed in a more comprehensive manner.

The following resolution was moved, seconded, and **CARRIED**, with one abstention:

**IT IS HEREBY RESOLVED that the Property Committee, in accordance with authority delegated by the Board of Governors:**

- i.* **authorizes the Administration to seek Ministerial approval for the renewal of a statutory right of way over the lands shown on Appendix 2 to the briefing to Metro Vancouver Regional District for trail access and maintenance pursuant to Section 50(2) of the *University Act*;**
- ii.* **authorizes the Administration to, upon receipt of Ministerial approval, execute such documents as are required to renew the aforementioned statutory right of way to Metro Vancouver Regional District on terms and conditions approved by the University Counsel; and,**
- iii.* **declares that the disposal of an interest in land (i.e., the grant of statutory right of way described above) will not affect the future delivery of educational programs.**

The open session of the September 11, 2024 Property Committee meeting adjourned at 10:47 a.m.

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## **ACTION ITEMS**

None identified.

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## **CONSENT AGENDA – FOR APPROVAL**

The following items were approved under the Consent Agenda appended to the Agenda:

### **10. Minutes of Previous Meeting**

IT IS HEREBY RESOLVED that the Property Committee approves as circulated Minutes of the open session of the June 11, 2024 Property Committee meeting.

### **11. University Boulevard Retail Leases – Gateway Building and School of Biomedical Engineering (UBC Vancouver)**

IT IS HEREBY RESOLVED that the Property Committee, in accordance with authority delegated by the Board of Governors:

- i.* authorizes the Administration to seek Ministerial approval for the granting of the following leases to UBC Properties Investment Ltd. (UBCPIL), as trustee for UBC Properties Trust pursuant to Section 50(2) of the *University Act*:
  - a. a ground floor commercial retail unit in the School of Biomedical Engineering (SBME) building currently under construction at 6088 University Boulevard as detailed in Appendix 1 of the briefing;
  - b. a ground floor commercial retail unit in the Gateway building currently under construction at 5955 University Boulevard as detailed in Appendix 2 of the briefing; and,
- ii.* authorizes the Administration to, upon receipt of Ministerial approvals, execute such documents as are required to grant aforementioned leases to UBC Properties Investment Ltd. (UBCPIL), as trustee for UBC Properties Trust on terms and conditions approved by the University Counsel; and,
- iii.* declares that the disposal of an interest in land (i.e., the grant of leases described above) will not affect the future delivery of educational programs.

**12. FortisBC Statutory Right of Way: 1135 Alumni Avenue (x̌əl sic snpaḥnwix<sup>w</sup>tn), Kelowna (UBC Okanagan)**

IT IS HEREBY RESOLVED that the Property Committee, in accordance with authority delegated by the Board of Governors:

- i.* authorizes the Administration to seek Ministerial approval for the grant of statutory right of way over the lands shown on Attachment 1 to the briefing to FortisBC Inc. for utility purposes pursuant to Section 50(2) of the *University Act*;
- ii.* authorizes the Administration to, upon receipt of Ministerial approval, grant the aforementioned statutory right of way to FortisBC Inc. on terms and conditions approved by the University Counsel; and,
- iii.* declares that the disposal of an interest in land (i.e., the grant of statutory right of way described above) will not affect the future delivery of educational programs.

**CONSENT AGENDA - For Information**

The following items were received under the Consent Agenda appended to the Agenda:

**13. Capital Projects Update as at June 30, 2024**

**14. Deferred**

**15. Streamlining of Board Policy Requirements (No Feedback Requiring Discussion)**

**16. Streamlining of Board Policy Requirements (Feedback for Discussion)**

**17. Policy Priorities: Update on the Status of Board Policies assigned to the Committee**

**18. Committee Action Items Status Report**