



SUBJECT	Students' Union of UBC Okanagan (SUO) Building Project Interim Commitment
SUBMITTED TO	Finance Committee
MEETING DATE	February 12, 2025
SESSION CLASSIFICATION	Recommended session criteria from Board Meetings Policy: OPEN
REQUEST	APPROVAL REQUESTED IT IS HEREBY RESOLVED that the Finance Committee recommends that the Board of Governors approve the commitment by UBC of funds to support the design, construction, and financing of a new building on the Okanagan campus, to be occupied by the Students' Union of UBC Okanagan (" SUO "), subject to the following conditions: <ul style="list-style-type: none"><i>i.</i> the amount of the commitment will be \$12,875,000 or 23% of the total project costs, whichever is less;<i>ii.</i> the commitment will be subject to the approval of an SUO referendum question in March 2025, in a form that is satisfactory to UBC, authorizing the collection of capital and operational fees from the members of the SUO to support the project and operational costs of the building;<i>iii.</i> the commitment will be subject to UBC and the SUO entering into definitive agreements as contemplated by the transaction structure as set out in the briefing, with the execution of all such agreements being subject to approval of the Board of Governors or its delegates; and,<i>iv.</i> the commitment will be subject to the Board of Governors approving the project through its normal process for approving major institutional construction projects, including Board 3 approval.
LEAD EXECUTIVE	Ainsley Carey, Vice-President Students
SUPPORTED BY	Lesley Cormack, Principal and Deputy Vice-Chancellor, UBC Okanagan Frank Laezza, Vice-President Finance and Operations Hubert Lai, K.C., University Counsel Dale Mullings, Associate Vice-President Students, UBC Okanagan Rob Einarson, Associate Vice-President Finance and Operations, UBC Okanagan

PRIOR SUBMISSIONS

The subject matter of this submission has not previously been considered by the Finance Committee.

EXECUTIVE SUMMARY

The Students' Union of UBC Okanagan are proposing to go to referendum in March to ratify a fee increase that would be allocated to finance a new building project for students on the Okanagan campus. The referendum would be contingent upon a conditional commitment from UBC to provide a contribution to the building project in the amount of 23% of the project costs (which is the proportion of the AMS Nest project costs that was supported by UBC) or \$12,875,000, whichever is lower.

The building project would provide much needed space to gather, socialize and study, and is envisioned as a facility of approximately 3,810 square metres (41,000 gross square foot), including informal study and student lounge space, space for student-run services, club, recreation space, and food service/retail space.

The preliminary estimate for the capital budget is \$55.7M. The approved Executive 1 submission (Attachment 1) outlines a funding plan that includes an internal loan, repaid by student fee contributions, SUO reserves and funding from UBC.

The building project would proceed only if the SUO obtains referendum approval from UBCO students to establish new student fees related to financing and operating the project. A draft of the referendum question is attached as Supplemental Materials 1. The final form of the referendum question must be satisfactory to UBC.

The transaction structure for the building project would likely be similar to the transaction structure that was used for the AMS Nest Building Project. The SUO and UBC would first enter into a non-binding letter of intent or memorandum of understanding setting out the broad terms for the building project, including the legal agreements that will be required for the building project. The SUO and UBC would then negotiate those legal agreements. Such agreements would likely include:

1) Development Agreement

- a) UBC and the SUO would select the architect and approve the design of the building.
- b) UBC would manage construction of the building and would retain ownership of the building upon completion of construction.
- c) UBC would agree to lease the building to the SUO (further details under "Lease" below).
- d) UBC and the SUO would each agree to make their specified capital contributions to the building project. UBC would also pay the balance of the project costs, but all amounts in excess of UBC's initial capital contribution would be considered to be a loan to the SUO.
- e) UBC would not be responsible for any project cost overruns. UBC's commitment would be limited to the lesser of \$12,875,000 or 23% of the of the project cost, whichever is lower.

2) Commitment Letter / Loan Agreement

- a) UBC would agree to lend to the SUO the funds required to complete construction of the building (less the SUO and UBC's initial capital contributions).
- b) The loan would have a term of up to 40 years with interest at a rate to be determined.
- c) The SUO would agree to provide audited financial statements to UBC annually along with an annual operating budget for the building.

3) Lease

- a) UBC would lease the building to the SUO for a term of 40 years and would grant the SUO a right to renew for a further 15 years.
- b) Rent would be repayment of the loan and interest amortized over a period of up to 40 years.
- c) The Lease would restrict the use of the building to certain student activities and would only allow for commercial uses approved by UBC.
- d) The SUO would be required to maintain commercial general liability insurance.
- e) The SUO would be responsible for operating costs.

4) Security in favour of UBC

- a) As security for the loan the SUO would provide the following to UBC:
 - i) **Irrevocable Assignment of Student Fees.** The SUO would assign to UBC all rights in the student fees to be collected by UBC on behalf of the SUO for the building project. The SUO would authorize UBC to use such fees to repay the loan and to pay UBC's administrative fee for collecting the student fees.
 - ii) **Mortgage of Lease and Assignment of Rents.** The SUO would grant a mortgage of lease in favour of UBC and security over any rent collected by the SUO.
 - iii) **Security Agreement.** The SUO would grant UBC security over all assets of the SUO located within the building.

UBC's contribution is expected to come from internal funding sources outside of UBC Okanagan. Once funding sources are confirmed, UBC Treasury will assess the project's impact on liquidity; noting this project will draw on UBC's remaining liquidity, impacting projects on the capital projects priority list.

To enable the SUO to go to referendum, we are seeking the Board's approval for UBC to make its capital commitment on the terms and subject to the conditions set out in the resolution above, including the requirement that the building be subject to the normal approval processes of the Board of Governors for major institutional construction projects, including Board 3 approval.

APPENDICES (required reading for Governors)

- 1. Students' Union of UBC Okanagan (SUO) Building – Executive 1 (Update)

SUPPLEMENTAL MATERIALS (optional reading for Governors)

- 1. Students' Union of UBC Okanagan (SUO) Draft Referendum Question

Submission for Executive Review and Approval

Meeting Date: January 28, 2025

Subject: Students' Union of UBC Okanagan (SUO) Building – Executive 1 (Update)

Executive Sponsors:

Lesley Cormack, Deputy Vice-Chancellor and Principal, UBC Okanagan
Ainsley Carry, Vice-President, Students
Frank Laezza, Vice-President, Finance and Operations

Presenters:

Dale Mullings, Associate Vice-President, Students, UBC Okanagan
Rob Einarson, Associate Vice-President, Finance & Operations, UBC Okanagan
John Metras, Associate Vice-President, Facilities
Aaron Mogerman, Director, Infrastructure Development, UBC Okanagan
Denise Brown, Director, Capital Planning & Development
Yale Loh, Treasurer

Executive Summary

The Students' Union of UBC Okanagan (SUO) and the Associate Vice-President Students (AVPS) are proposing a new facility for all students on the Okanagan campus and are wanting to gauge the level of interest and financial support available for such a project. The building will provide much-needed space to gather, socialize and study, and will enhance campus life and the students' sense of belonging and connection. The new building will facilitate opportunities for undergraduate and graduate student interactions and activities, and will serve as a centre for student connection with the SUO services and the larger community. The project is contingent on UBC funding contribution and a successful student referendum for student fee funding.

The building is currently envisioned as an approximately 3,810 square metre (41,000 gross square foot) facility offering informal study and student lounge space, student-run services and activities including SUO administration offices, bookable multi-purpose rooms, club and recreation space, presentation and performance space, and food service and other retail operations. The SUO will retain 11,500 square feet of space in the University Centre (UNC). This space will be used for student resource centre, a print service shop, an expanded food pantry, student study areas, and food and retail operations.

Following Executive 1 approval, UBCO Campus Planning will engage with the SUO and campus student body to coordinate a site location technical review and selection process for the proposed new SUO Building. Campus Planning will also coordinate a meaningful process for Indigenous engagement in project development.

The preliminary estimate for the capital budget is \$55.7 million. **Attachment 1** outlines a funding plan that includes an internal loan, repaid by student fee contributions, SUO reserves and funding from UBC. The SUO Board will approve the total students' contribution following ratification of the student fee increase in the March 2025 referendum. The project is, however, also contingent on a UBC funding contribution of approximately \$12.9 million (or 23% of construction costs), which is proportionate to the contribution UBC made for the AMS Nest project at the Point Grey campus (UBC Vancouver). This is anticipated to be

an internal loan. Once funding sources are confirmed, UBC Treasury will assess the project's impact on liquidity; noting this project will draw on UBC's remaining liquidity, impacting projects on the capital projects priority list (**Attachment 3**). The internal loan requirement for the project will have an impact on UBC's operating budget.

Decision Requested

Executive 1 approval for the updated project concept and a funding contribution from UBC for 23% of the project capital cost (approximately \$12.9 million) is requested so that the project can proceed to SUO Board for approval and authorization to issue a student referendum vote for an increased student fee. Detailed work on determining project scope, functional program, costing, site analysis and approval, project agreement structure and funding/financing strategy will follow if the referendum is passed.

Introduction & Background

The Students' Union of UBC Okanagan provides numerous essential services for the UBC Okanagan (UBCO) student population. These services include federal and provincial lobbying on the students' behalf, student association funding, and organization of both non-academic and academic events which provide students with invaluable opportunities to gather, connect, and interact with their peers. Since the establishment of UBC Okanagan in 2005, the student population has more than tripled from 3,500 to over 12,000 in 2024 and is expected to grow further.

The SUO currently occupies a small footprint (11,500 square feet) on the main floor of the University Centre (UNC), operating small businesses, services and the SUO offices from this space. The existing SUO spaces are already stretched to capacity, regularly full of students who view them as the primary space on campus to study and gather in a non-academic space.

To meet the space needs of the current and future student population, the importance of creating additional, student-centered, non-academic space for the UBCO students cannot be understated. In the 2020 SUO Student Experience Survey, space concerns consistently ranked as a top priority for a majority of the SUO membership. Nearly 63% of SUO survey participants believe that there is inadequate study space at UBCO and almost 36% stated that, at one point or another, they had considered transferring schools due to these inadequacies. In addition, over 64% of students have expressed the opinion that space shortages have had a negative impact on their academics. Many student-planned activities cannot be accommodated or must be scheduled in academic and administrative spaces. This creates pressure on these areas throughout the day and evening, causing logistical challenges for facilities staff in scheduling, setup, and cleanup.

In 2021, a proposed SUO Building project was presented to the Executive to address the SUO space shortages. The SUO Building project was envisioned as a 50,000 – 80,000 gross square foot facility that included space for student services and associations, SUO offices, informal study space, student lounge space, and food services. Acting as a home-away-from-home when students are on campus, the SUO Building will provide them with non-academic spaces to gather and socialize which will enhance their sense of belonging and connection to the campus community.

Following Executive 1 approval, the SUO developed a comprehensive funding plan for the proposed project. This plan includes a student fee increase, an initial capital investment from SUO reserves, and a request for a financial contribution from UBC. The proposed SUO building has also been reduced to approximately 3,810 square metre (41,000 gross square foot) and the current SUO-allocated space in the UNC will be retained to balance the costs of constructing a new facility with providing approximately equal space per student across both the UBCO and UBCV campuses.

Project Description

The SUO has sent a letter to the UBC President, Principal and Deputy Vice-Chancellor and the Vice-President Students seeking financial support for the project; the Associate Vice-President Students has initiated discussions with the UBC Executive regarding a funding contribution for the SUO Building project. With support from UBC, the project can continue advancing so that UBCO student needs can be better met. The requested funding contribution from UBC is intended to proportionally align with UBC's funding support, in partnership with the UBC Alma Mater Society (AMS), for the construction of the 20,280 square metre (255,100 gross square foot) Nest at the Point Grey campus. UBC funded 23% of The Nest's total construction cost, and the SUO is seeking a similar 23% commitment for the construction of an SUO

building of proportional size (16% the size of the Nest, proportional to UBCO's student population) at approximately \$12.9 million.

The 3,810 square metre SUO Building project will support the provision of student-centric space and services that are proportional to the current student population will ensure that UBCO campus life is as enticing as UBCO academics for student recruitment and retention. A significant increase in informal study and lounge space is proposed, along with student-run services and activities such as bookable multi-purpose rooms, club and recreation space, presentation and performance space, and food service operations. The SUO Building will also seek to be a leading example of environmentally conscious development in the Okanagan, and include services (for example, pharmacy, optometrist, and grocery) that the on-campus UBCO community currently accesses by commuting off campus. The master plan will continue to be refined with ongoing consultant work as well as conversations with SUO and students.

Following Executive 1 approval, Campus Planning will engage with the UBCSUO and campus student body to coordinate a site location technical review and selection process for the proposed new SUO Building. Campus planning will also coordinate a meaningful process for Indigenous engagement in project development.

UBC Strategic Plan

The proposed project is aligned with the following strategies outlined in UBC's Strategic Plan 'Shaping the Next Century 2018-2028':

- Inspiring Spaces – Strategy 2: Inspiring Spaces. Create welcoming physical and virtual spaces to advance collaboration, innovation and community development.
- Thriving Communities – Strategy 3: Thriving Communities. Support the ongoing development of sustainable, healthy and connected campuses and communities.
- Transformative Learning – Strategy 15: Student Experience – Strengthen undergraduate and graduate student communities and experience.

Preliminary Budget, Funding and Financing

The capital budget is anticipated to be approximately \$55,653,250 and will be refined as planning continues. Site costs, which depend on the location of the building, have not been included in the preliminary project budget.

The funding plan, included in **Attachment 1**, consists of an internal loan, repaid using student fee contributions, SUO reserves, and funding from UBC. A project agreement structure will be developed with the SUO and will include a funding/financing agreement, project delivery agreement, and lease agreement for the building. The SUO Board will approve the total students' contribution following ratification of the student fee increase in the March 2025 referendum. The project is, however, also contingent on a UBC funding contribution of approximately \$12.9 million (or 23% of construction costs), which is proportionate to the contribution UBC made for the Nest project at the Point Grey campus. This is anticipated to be an internal loan. Building operating costs will be funded by SUO.

The project will draw on UBC's remaining liquidity, impacting UBC's ability to deliver projects on the capital projects priority list (**Attachment 3**). The internal loan requirement for the project will have an impact on UBC's operating budget.

Preliminary Schedule

The following preliminary schedule outlines the key milestone and estimated timelines for the Students' Union of UBC Okanagan (SUO) Building from initial approval through the project completion. The preliminary schedule may be subject to changes as planning progresses and the funding plan is refined.

MILESTONE	TARGET DATE
Executive 1	February 2025
SUO Referendum	March 2025
UBC Okanagan Site Selection Committee	July/August 2025
Executive 2	November 2025
Executive 3	January 2026
Board 1	March 2026
Board 2	March 2027
Board 3	March 2028
Construction Start	April 2028
Construction Completion/Occupancy	March 2030
Board 4	September 2033

Attachments

1. SUO Funding Plan
2. SUO Building – Executive 1 (April 2021)
3. UBC Future Capital Priorities

Attachment 1 – SUO Funding Plan

	Scenario 1
Fall/Winter Fee per Student	\$200.00
Projected Student Growth per year over 25 years	0.00%
Avg # of Students per year over 25 years	11,748
Summer Session Fee per Student	\$ 100.00
Avg # of Students per year over 25 years	3,074
Loan period (years)	25
Baseline Students' Contribution*	\$66,385,000
Loan	\$35,300,000
Interest	\$31,085,000
Students' Post-Construction Contribution Allocation	\$66,385,000
UBCO Maximum Contribution	\$12,875,000
Student Fee Collected During Construction	\$5,978,250
SUO Reserve Funding	\$1,500,000
Total Other Funding	\$20,353,250
Total Funds Available = Cost of the building	\$55,653,250
Interest Rate	5.75%
Construction Cost per Sq Foot	\$1,370
Estimated Facility Size in Sq Feet	41,000

*Total funds received over 25 years

Notes:

- a) Student Contribution funding is from student fees collected during construction; Other funding is from SUO reserves.
- b) UBCO will continue to work with the SUO to confirm student contributions and financing strategy.

Attachment 2 – SUO Building – Executive 1 (April 2021)

See attached report for reference.

Attachment 3 - UBC Future Capital Priorities

Project Name	Faculty / Dept	Construction Completion	Capital Cost (\$000s)	Current Status	Comments
Academic Projects - Current Five-Year Capital Plan (listed in priority order)					
Science Central One - Chemistry Lab Complex (Teaching)	Science	2029	\$226,300	Exec 2	2024.06.18 - Revised to be 2 projects Critical service teaching facility. Part of seismic plan. Two phases proposed: Phase 1 Teaching Building, Phase 2 Research Building. Government funding reqd. Need to figure out a way to do this project.
Science Central Two - Chemistry Lab Complex (Research)	Science	2031	\$273,200	Exec 2	2024.06.18 - Revised to be 2 projects Critical service teaching facility. Part of seismic plan. Two phases proposed: Phase 1 Teaching Building, Phase 2 Research Building. Government funding reqd. Need to figure out a way to do this project.
UBCO Centre for Climate Resiliency – Wildfire Facility	Science	TBD	\$30,000	In planning	Govt funding reqd.
Applied One	Applied Science	TBD	\$388,000	Exec 2	Program includes SALA, SCARP, Manufacturing Eng + replacement for Forward bldg. (Mining + Materials Eng). Funding plan includes donor funding, ACF and Central loan repaid through incremental international tuition.
Mathematics Building	Science	TBD	\$185,000	Exec 1	Opportunity for combined facility to address 3 old buildings (Math, Math Annex + Klinck). Govt funding reqd.
MPT-MOT Expansion - Kelowna	Medicine	2026	\$33,000	In planning	The program is like the Fraser region MOT/MPT expansion in Surrey. UBC intends to purchase and renovate space

Project Name	Faculty / Dept	Construction Completion	Capital Cost (\$000s)	Current Status	Comments
					in an existing or new commercial building in Kelowna. Govt funding reqd.
Medicine One	Medicine	TBD	\$680,000	Exec 1	Translational research facility. Home of Faculty of Medicine. Donor funding potential. Govt funding reqd.
Total Capital			\$1,815,500		
Academic Projects - Future Priorities (listed alphabetically)					
Arts Armoury Commons North Building	Arts	TBD	\$101,675	Exec 2	New project to accommodate Faculty of Arts space needs. Needed for Academic Renewal. Currently being re-evaluated.
Geography Building	Arts	TBD	\$88,966	In planning	Replacement of end-of-life facility. No program information has been developed.
Library PARC Module 2	UBC Library + Multi Faculty	TBD	TBD	In planning	New archival storage unit. Will allow further decanting of Koerner Library and conversion of space for priority use.
MacMillan Renewal	Land and Food Systems	TBD	\$219,938	In planning (paused)	
Malcolm Knapp Research Forest Gateway	Forestry	TBD	\$17,500	Exec 3	70-80% of capital costs to be secured through donor fundraising.
Music Building Replacement + Expansion	Arts	TBD	\$224,448	Exec 1	Replacement of aging facility. Part of seismic upgrade plan. \$5.5m in donor funding for rehearsal hall.
School of Public Policy & Global Affairs	Arts	TBD	\$49,440	In planning	High priority for Faculty of Arts. No detailed planning to date. Assumed that Arts would be funded with Faculty resources + donors.

Project Name	Faculty / Dept	Construction Completion	Capital Cost (\$000s)	Current Status	Comments
Technology Enterprise Facility 4 (TEF 4) - UBCPT	Central, Faculties	2024	\$30,575	On hold	Lease space for start-ups, industry partners, and UBC academic and admin uses (up to 49% of space). Currently on hold due to limited external demand.
UBC at Surrey	VP External	TBD	TBD	In planning	Early-stage program development.
Total Capital			\$732,542		
Student Experience Projects					
UBCO Student Housing Expansion - Phase 1 + 2 (500 beds)	SHCS	2028	\$103,864	Exec 1	Project included in Five-Year Capital Plan. Government financing/funding required.
Integrated Performance Centre (Strength and Conditioning)	Athletics & Recreation	TBD	\$19,620	In planning	
Thunderbird Stadium Redevelopment	Athletics & Recreation	TBD	\$117,000	Exec 1	To be funded from Stadium Neighbourhood development.
UBCO New Field House	UBCO Athletics	TBD	\$20,335	Exec 1	Interim solution to address enrolment growth until new gymnasium is built. Opportunity associated with turf field renewal. Donor funding + UBCO internal funding.
UBCO Student's Union Okanagan (SUO) Building	Students' Union of UBC Okanagan	TBD	\$65,400	Exec 1	
War Memorial Gym Renewal	Athletics & Recreation	TBD	TBD	In planning	
Total Capital			\$326,219		
IT Projects					
Campus Network Refresh/Modernization	Multi-campus	2026	\$3,000	In planning	Project included in Five-Year Capital Plan.
Total Capital Priorities in Planning			\$2,877,261		

UBC Student Union Okanagan (SUO) Building Project

February 12, 2025

Dale Mullings - AVP Students UBCO

Rob Einarson - AVP Finance & Operations UBCO



Introduction and summary



- The Students' Union Okanagan of UBC (SUO) and UBC propose a new 3,810 square metre (**41,000 gross square foot**) facility on the Okanagan campus. It offers informal study, student lounge, student-run services, bookable rooms, club and recreation space, presentation and performance space, and food service.
- The preliminary capital budget is **\$55.7 million**. The SUO plans to hold a referendum in March to raise a fee for the project. The referendum would be contingent upon a conditional commitment from UBC to provide a contribution to the building project in the amount of **23% of the project costs** (which is the proportion of the AMS Nest project costs that was supported by UBC) or **\$12,875,000**, whichever is lower.

Strategic plan alignment



UBC Strategic Plan

The proposed project is aligned with the following strategies outlined in UBC's Strategic Plan 'Shaping the Next Century 2018-2028':

- **Inspiring Spaces – Strategy 2:** Inspiring Spaces. Create welcoming physical and virtual spaces to advance collaboration, innovation and community development.
- **Thriving Communities – Strategy 3:** Thriving Communities. Support the ongoing development of sustainable, healthy and connected campuses and communities.
- **Transformative Learning – Strategy 15:** Student Experience – Strengthen undergraduate and graduate student communities and experience.

Additional details

SUO and UBC Legal Agreements Forthcoming:

- Development Agreement
- Commitment Letter/Loan Agreement
 - Loan term of up to 40 years; modelled on 25 year repayment
- Lease
- Security in Favour of UBC

Approval Requested



IT IS HEREBY RESOLVED that the Finance Committee recommends that the Board of Governors approve the commitment by UBC of funds to support the design, construction, and financing of a new building on the Okanagan campus, to be occupied by the Students' Union of UBC Okanagan ("SUO"), subject to the following conditions:

- i. The amount of the commitment will be \$12,875,000 or 23% of the total project costs, whichever is less;**
- ii. The commitment will be subject to the approval of an SUO referendum question in March 2025, in a form that is satisfactory to UBC, authorizing the collection of capital and operational fees from the members of the SUO to support the project and operational costs of the building;**
- iii. The commitment will be subject to UBC and the SUO entering into definitive agreements as contemplated by the transaction structure as set out in the briefing, with the execution of all such agreements being subject to approval of the Board of Governors or its delegates; and,**
- iv. The commitment will be subject to the Board of Governors approving the project through its normal process for approving major institutional construction projects, including Board 3 approval.**

Do you support the Student Union of UBC Okanagan (“SUO of UBC”) establishing a new capital fee (the “Capital Fee”) to be used to pay for the construction (including financing costs) of a new SUO Student Building (the “Building”), and a new operational fee (the “Operational Fee”) to cover associated operational and maintenance costs?

Construction is expected to begin in Spring 2028, with the project completed by 2030. The Building will be occupied by the SUO of UBC and used to provide informal learning, study, and club spaces, as well as other services for students. The total cost of constructing the Building is estimated to be \$55.7 million, not including the cost of financing. UBC is expected to contribute an amount equal to 23% of the project cost, up to a limit of \$12.875 million. The balance of the project costs will be covered by the Capital Fee and any amounts required for the project costs that exceed the amount of the Capital Fee already collected will be financed through a loan and the Capital Fee will be used to repay the loan and to pay any interest and other financing costs. The Operational Fee will cover the costs of operating and maintaining the Building to ensure its sustainability and functionality. Details of the amount, collection, and payment of the Capital Fee and the Operational Fee are as follows:

1. **Between the 2025/2026 and 2027/2028 academic years**, students will pay a Capital Fee of \$75.00 for each of Terms 1 and 2 of the Winter Session (for a total of \$150.00 per academic year) and \$37.50 for each of Terms 1 and 2 of the Summer Session (for a total of \$75.00 per Summer Session).
2. **Beginning in the 2028/2029 academic year**, students will pay a Capital Fee of \$100.00 for each of Terms 1 and 2 of the Winter Session (for a total of \$200.00 per academic year) and \$50.00 for each of Terms 1 and 2 of the Summer Session (for a total of \$100.00 per Summer Session).
3. **Beginning in the term during which the Building is opened**, students will also pay an Operational Fee of \$20.00 for each of Terms 1 and 2 of the Winter Session (for a total of \$40.00 per academic year) and \$10.00 per term during the Summer Session (for a total of \$20.00 per Summer Session). The Building is anticipated to open in March 2030. The Operational Fee will be indexed annually to the BC Consumer Price Index (CPI).

The SUO of UBC Board of Directors will establish a process and criteria for active members demonstrating financial need to apply for a full or partial refund on the new Capital Fee and Operational Fee.

Students will pay the Capital Fee until the project costs, including any loan, interest, and other financing costs are fully repaid. Students will pay the Operational Fee until the Building is no longer leased to the SUO of UBC.

The design, construction, and financing of the Building is subject to approval by UBC’s Board of Governors and the Building project will require the negotiation of several agreements between UBC and the SUO of UBC. In the event the project does not proceed as scheduled for any reason, any fees already collected will be held with the SUO of UBC until the situation is resolved. In the event the UBC Board of Governors determines that the Building will not be built, the Capital Fee will cease to be collected and the Operational Fee will not be collected. In such event, the Board of Directors of the SUO of UBC may allocate any collected Capital Fees in such manner as may be approved by a future student referendum.

The SUO of UBC will pay from the Capital Fee and Operational Fee such administrative charges assessed by UBC for managing the collection and remittance of the Capital Fee and Operational Fee.

Yes _____ No _____