

Hodges, Nell AVED:EX

From: Springer, Kim C AVED:EX
Sent: Monday, January 18, 2016 10:31 AM
To: Hodges, Nell AVED:EX
Subject: CAP U DN for the Francophone Society
Attachments: F - 100787 - CAPU - DN - Dispose of Squamish Campus by Lease to Francophone Society.pdf

Here it is.

Thank you,

Kim Springer

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Decision Note Advice to Assistant Deputy Minister

Date: November 25, 2015

Cliff #: 100787

Issue: Capilano University is requesting approval to dispose of property in Squamish by way of a lease agreement to the Conseil Scolaire Francophone de la Colombie-Britannique.

Background / Facts:

- Capilano University (the University) has advised the Ministry that program offerings at the Squamish campus have been reduced due to declining demand. This is in large part due to improved access to the University's North Vancouver Campus and other lower mainland campuses as a result of improvements to the highway that were made in preparation for the 2010 Olympics.
- The University is currently reassessing the future academic delivery needs in the corridor.
- The Conseil Scolaire Francophone de la Colombie-Britannique (the Francophone Society) approached the University with an interest in leasing the University's Squamish Campus.
- As a result of the additional revenues that would be provided through a lease agreement, the University saw this as an opportunity to restructure their programming in the Howe Sound corridor.
- June 1, 2015, the University entered into an agreement with MLW Ventures to acquire by lease agreement, s.17 in downtown Squamish (the Squamish Learning Centre) to accommodate programs relocated from the Squamish Campus. Annual costs for this lease are base rent of s.17 plus common area and operating costs.
- The University then entered into a month to month agreement to dispose by lease the vacated Squamish Campus to the Francophone Society. This agreement is in place while the University and the Francophone Society negotiate a longer term agreement and the University obtains Ministry approval.

Analysis:

- FTEs at the Squamish Campus have declined from 136 in 2010/11 to 35 in 2014/15.
- The University advises that the new downtown location is more suitable to meet its current needs and is more visible, central and accessible to the students and surrounding communities.
- The Province of British Columbia has a Possibility of Reverter registered against the title of the Squamish Campus property. Should the University no longer use the land and premises for College purposes, the University may need to negotiate with the Crown to have the Reverter removed from the Title or the property may revert back to the Province.
- The University's legal advisor has confirmed that s.14 The proposed lease agreement with the Francophone Society contains a provision that enables the University to continue delivering programs at the former Squamish campus location in the evenings and weekends. This is at no cost to the University.
- The University has confirmed the following required information:
 - The University's Board of Directors has approved this disposition and confirms that the disposition have no negative impact on delivery of educational programming;
 - The Term of the proposed agreement is three years, plus two-one year renewal options,

commencing after Ministerial approval has been received by the University;

- The legal description of the property is: PID 007-191-847, Block W, District Lots 2034 and 4261, Plan 18351, except part dedicated road on Plan BCP39146;
- The agreement has been vetted by the University's legal advisor to ensure full protection of the University's rights and interests.
- Annual revenue from the lease is **s.17** The Francophone Society will be solely responsible for all operating and maintenance costs associated with the campus.
- The University estimates reduced operating costs will realize a total net savings of **s.17** Details of these savings are as follows:
s.13,s.17
- The revenue received and savings realized will go towards funding the **s.17** for the alternate leased space in downtown Squamish. The balance will go towards University operating costs and to cover budget pressures caused by inflationary cost increases.
- Ministry of Justice solicitors have reviewed this file and have concluded that there is no requirement for First Nations Consultation.
- The University is offering certificate programs in wilderness leadership as well as business programs at the downtown location.

Recommendation / Next Steps (if any):

- Approve Capilano University's request to dispose of property in Squamish by way of a lease agreement to the Conseil Scolaire Francophone de la Colombie-Britannique.
 - Pros:
 - Provides a source of revenue for the University.
 - All costs associated with the lease, including campus operating and maintenance costs, will be covered by the Francophone Society.
 - Cons:
 - None at this time.

Next Steps:

- Attached is the Consent Form for signature (Attachment A).

Approved / Not Approved

The Assistant Deputy Minister of Advanced Education is requested to approve the above recommendation.



December 2, 2015

Kevin Brewster

Date

Attachment A: Consent Form

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