

**South Campus Consultation Group**

Wednesday, May 21, 2014

7:00 to 9:00pm

Agrifood Discovery Place

University of Alberta: Don Hickey, Anastasia Lim (Chair), Emily Ball, Ben Louie, Pat Jansen, Doug Dawson

Community members: Frank Weichman (McKernan), Stephen Dobson (Lendrum), Bernie Schwartz (Lansdowne), Paul Greenwood (Lansdowne), Bob Kamp (Belgravia), Anish Neupane (Grandview), Gail Faurschou (Grandview)

Commenced: 7:00pm

Minutes from January 28, 2014 meeting – no changes and accepted

Chair asked everyone around the table to introduce themselves.

Chair (A. Lim) asked E. Ball to update the group on the Second Access Point project. E. Ball told the group that there had been a meeting set up by A. Neupane and the City of Edmonton (COE) representative for the project for the community of Grandview. The meeting outlined the project and the response by the COE to community concerns and requests. E. Ball told the group that a lot of work has gone into ensuring community members are not impacted by the project. E. Ball was happy to report that the U of A and its contractor have been able to find a way to keep the 65 Avenue bike/pedestrian route open throughout the duration of the project and that the backup plan in case the path needed to be closed was a temporary intersection at 62 Avenue. E. Ball reported to the group the SCCG is and will continue to receive a monthly e-newsletter about the project.

The Chair asked E. Ball to update the group on the Michener Park Sector Plan. E. Ball reported to the group that the Michener Park Sector Plan was now complete and the documentation regarding the consultation – which includes the letter from the SCNC and the U of A response – will go to the Facilities Development Committee (FDC) for review. E. Ball thanked the SCCG members for their time and commitment to the consultation part of the project and reminded the group that the consultation for Michener Park would continue when development takes place through a consultation process for substantial development. E. Ball told the group that many of the topics raised during the open houses were about operational issues but were important to hear so that if/when substantial development takes place, the U of A has a better understanding of how the community wants to see the site not only developed but operated.

The Chair deferred the agenda item of partnership buildings on Sector 12 until the Chair of the SCCG arrived.

The Chair introduced the agenda item regarding the status of the South Campus LRDP Amendment. Don Hickey, Vice President, Facilities and Operations, reported to the group that given the significant changes that recently took place with the provincial government, changes in the Advanced Education portfolio and that the Minister of Advanced Education was also currently the Premier – the U of A is tracking the document closely and is hoping for a response in the very near future. Representative from Lendrum asked if the document was on the website and E. Ball responded that it was and if he had difficulty finding it to contact her.

Chair asked D. Hickey to give his presentation. D. Hickey thanked the group for the opportunity to present information about an important initiative the U of A is considering which will go to the Board of Governors on

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June 20, 2014. D. Hickey gave a brief presentation about the potential formation of a Land Trust. Highlights from the presentation and D. Hickey's comments are:

- What other universities have land trusts and best practices?
  - Guelph University and York University in the east, University of British Columbia (UBC), Simon Fraser University (SFU) in the west, and in Alberta, both University of Calgary (U of C) and Keyano College institutions have been able to turn land assets into long-term financial assets, generating a sustainable, long-term revenue source to support their core missions.
  - A land trust operates at arms-length of the university, which also allows the U of A to maintain its charitable status under the *Income Tax Act*.
  - Our Provost has indicated that this is a movement being undertaken worldwide as all post-secondary institutions look for sustainable revenue.
  - UBC has had excellent results and success with their land trust.

#### Questions:

- Rep from Lansdowne – what are the disadvantages if the U of A does not set up a land trust?
  - If U of A proceeds to develop its lands for commercial purposes without a land trust, and creates a profit, the U of A charitable status would be in jeopardy. Under the land trust model, the U of A becomes a beneficiary of the profits of the trust.
  - The U of A is not set up to deal with real estate – the land trust is an excellent way to ensure experts in the area are involved and will see to ensuring the U of A benefits from the development of its land assets.
- Reps from Lendrum – does a land trust raise cash more quickly?
  - The land trust can borrow money against the land and move relatively quickly. The current position is that the land trust will align with the LRDP.
- Why now?
  - U of A has reviewed this option over the last 25-30 years.
  - U of A needs to identify and implement new strategies to enhance revenue streams to offset reduced government investments to the institution.
  - All indicators point to the appropriateness of proceeding at this time, subject to the approval of the Board of Governors and the Government of Alberta, to consider the various means by which our land assets can benefit the mission of the university.
- What is it and how does it work?
  - The land trust is a corporate trust mandated to develop U of A land assets in accordance with the mandate from the U of A's Board of Governors. It is an arm's length relationship with the university with all profits going back to the U of A.
  - Trusts operate completely independent of the institution and are able to borrow money against lands that have been leased from the institution to cover their operating and development costs.

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- How is it governed?
  - The U of A Board of Governors approves a trust. A trust agreement creates the trust, establishes its mandate, the powers and obligations of the trustee, as well as any reservations of rights to the identified beneficiary, or the original donor. The trustee of the trust becomes responsible for making all decisions on behalf of the trust, and owes a fiduciary duty to act exclusively in the best interests of the beneficiary.
  
- What are the benefits?
  - The development of designated lands can contribute to the demand for high-quality, residential, mixed use, in-fill developments of vibrant, livable communities near the university and the city's core.
  - A land trust offers an opportunity for the U of A to diversify its revenue streams while maintaining the institution's academic integrity.
  - Consultation for land assets that are transferred to the land trust will be the responsibility of the land trust and the COE.

Questions:

- Rep from McKernan – The experience of what happened with the U of A and College Plaza left a negative impression on the community.
  - The U of A did not exempt itself from the municipal process with College Plaza and did not hide behind the PSLA. College Plaza is a 75 year lease and the land trust that is being discussed now is not the same model of what was used for College Plaza. The land trust will get its mandate from the Board of Governors.
  
- Will development align with the LRDP?
  - The U of A is currently in discussion with the COE to understand how the land trust will work between and interact with the LRDP and the COE *Municipalities Act*. The U of A has officially begun these discussions with the COE.
  
- Consultations?
  - The role of the public in our planning processes has increased significantly and will continue.
  - We have an established process and the COE has an established process.
  - We understand the community is looking for both groups to work together and this will be explored.
  
- Timelines?
  - The U of A is asking the Board of Governors on June 20, 2014 for approval to proceed with forming the land trust.
  - If the Board of Governors approves the establishment of the trust, the Board must create the trust and its mandate, seek necessary government approvals and Orders in Council allowing the institution to lease the land to the trust, and then to allow the trust to enter into lease agreements with third parties.

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- Once the trust is established there will be a need to nominate board members and its chair, and recruit trust staff, including its CEO.
- It will take approximately a year to set up.
- D. Hickey will come to future SCCG meetings and provide updates on the status of the land trust.

D. Hickey asked the group for further questions.

Representative from Lansdowne responded that this is a difficult topic to follow and is rather abstract and asked for an example. D. Hickey offered an example of Michener Park (MP). If the U of A redeveloped MP at a cost of \$250 million the U of A would have to come up with 20% equity for the project which is not possible at this time. The land trust can borrow the money for the project and turn it around faster.

Representative from Lansdowne responded that the West 240 was supposed to be partner lands and asked if it would now be potential housing. D. Hickey responded that the 2002 LRDP saw the West 240 having partner lands at the center and housing on the edge and that the amended LRDP more specifically outlines the transition zones for housing. Representative from Lansdowne asked if the land trust would develop the West 240. D. Hickey responded that it could. Representative from Lansdowne commented that if the land trust operates arm's length and acts in the best interest of the U of A – he is worried about who will be on the Board of Trustees. D. Hickey responded that the U of A is looking for experts in the area of land development. The U of A knows that it will be held to a higher standard and takes this responsibility very seriously. He added that the Board of Governors will choose the land trust board trustees. The U of C has already done this and this model is not new to the provincial government. Representative from Lansdowne responded that he understands the need for the U of A to do this and hopes it will adhere to developing the land according to the LRDP which D. Hickey responded that it is his belief that the land trust will develop land according to the LRDP.

Representative from McKernan again brought up College Plaza and told the group that he wants to make sure that if the land trust is created it has a series of discussion with communities.

Representative from Grandview shared with the group that given all the time and efforts that communities have put in the LRDP that if the land trust is not held accountable to what all agreed upon – there will be significant problems. He added that the Board of Governors is not a body set up to understand the complicated issues that communities face with development by the U of A.

Representative from Lendrum asked when the U of A or the land trust will announce what land will be designated for development and can D. Hickey forecast what kind of profit the land trust will make. D. Hickey responded that it will be at least a year before any land is designated to the land trust and it is difficult to forecast what the profit will be for the U of A.

Representative from Grandview asked for a commitment from the U of A that community will get input into what the trust will look like with specific input into the Terms of Reference for potential developers. He added that the land trust is another layer of development that the community will not want to deal with or that they will not understand the impact on local communities. D. Hickey responded that this is one of several meetings

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with the SCCG where the land trust will be discussed and that he would return to respond to questions as the initiative progresses.

Representative from Lansdowne asked where he can find a good example of a land trust. D. Hickey responded that UBC has an excellent website and information about what their land trust has accomplished. The representative from Lansdowne added that how does the U of A ensure the land trust Trustees do not take advantage of the public land. D. Hickey responded that Trustees are not the owners of the land and will be responsible for making all decisions on behalf of the trust, and owes a fiduciary duty to act exclusively in the best interests of the beneficiary.

E. Ball asked community members to keep track of questions they get from their communities and bring back to the next meeting to review and get answers.

Chair revisited agenda item about partnership buildings on Sector 12 and reported that there is no further information on a possible twin arena project/partnership and that the U of A is still seeking possible partners for the project. Talks continue with the COE with a possibility of signing an MOU in the near future.

P. Jansen reported that there were two initiatives for Foote Field last year being track replacement and turf replacement. The track replacement is complete and the turf replace is going forward over the summer.

P. Jansen added that the U of A continues to look for funds to advance the project whereby a temporary dome would be placed on Foote Field.

Representative from Grandview told the group and U of A reps that signs for people to park on North Campus - if South Campus parking is full - are too small and not useful.

The meeting was adjourned at 8:50 p.m.