

LAND ASSET STRATEGY

BCIT CAMPUS PLANNING AND FACILITIES
NOVEMBER 2024



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Introduction

In our Provincial context of growing needs for polytechnic education, competing priorities and significant financial pressures, BCIT is looking for innovative and creative ways to support the Institute's mission, vision and goals while maintaining financial sustainability.

As part of our Strategic Plan and the long-term financial sustainability strategy, BCIT initiated the Land Asset Strategy process. BCIT's Board of Governors approved this initiative with the intent to unlock the value of BCIT's land and space assets to strengthen the Institute operationally, build a financial legacy that will help sustain BCIT's essential educational mission, and ensure our buildings, equipment and technology remain current.

The Land Asset Strategy is intended to provide an overview of the opportunities and identify land development and utilization options that optimize the use of educational facilities and generate new revenue streams from property assets.

1. Purpose

A Land Asset Strategy is intended to leverage our campus lands and available density assets for the benefit of the strategic plan, students' needs, educational vision and long-term financial sustainability of BCIT.

BCIT is taking a long-term view to preserve value and options for the future and ensure intergenerational equity. Its intent is to structure a land asset strategy to generate revenue for future years while preserving ownership.

- Accelerate delivery of the educational vision;
- Generate additional income streams and in-kind spaces;
- Improve vibrancy of the BCIT campuses through partnerships; and
- Advance reconciliation, environmental sustainability and other key institute and ministry priorities.



A view over the Burnaby Campus from the top of the new Tall Timber Student Housing Building

2. Guiding Principles

The Land Asset Strategy Framework strives to:

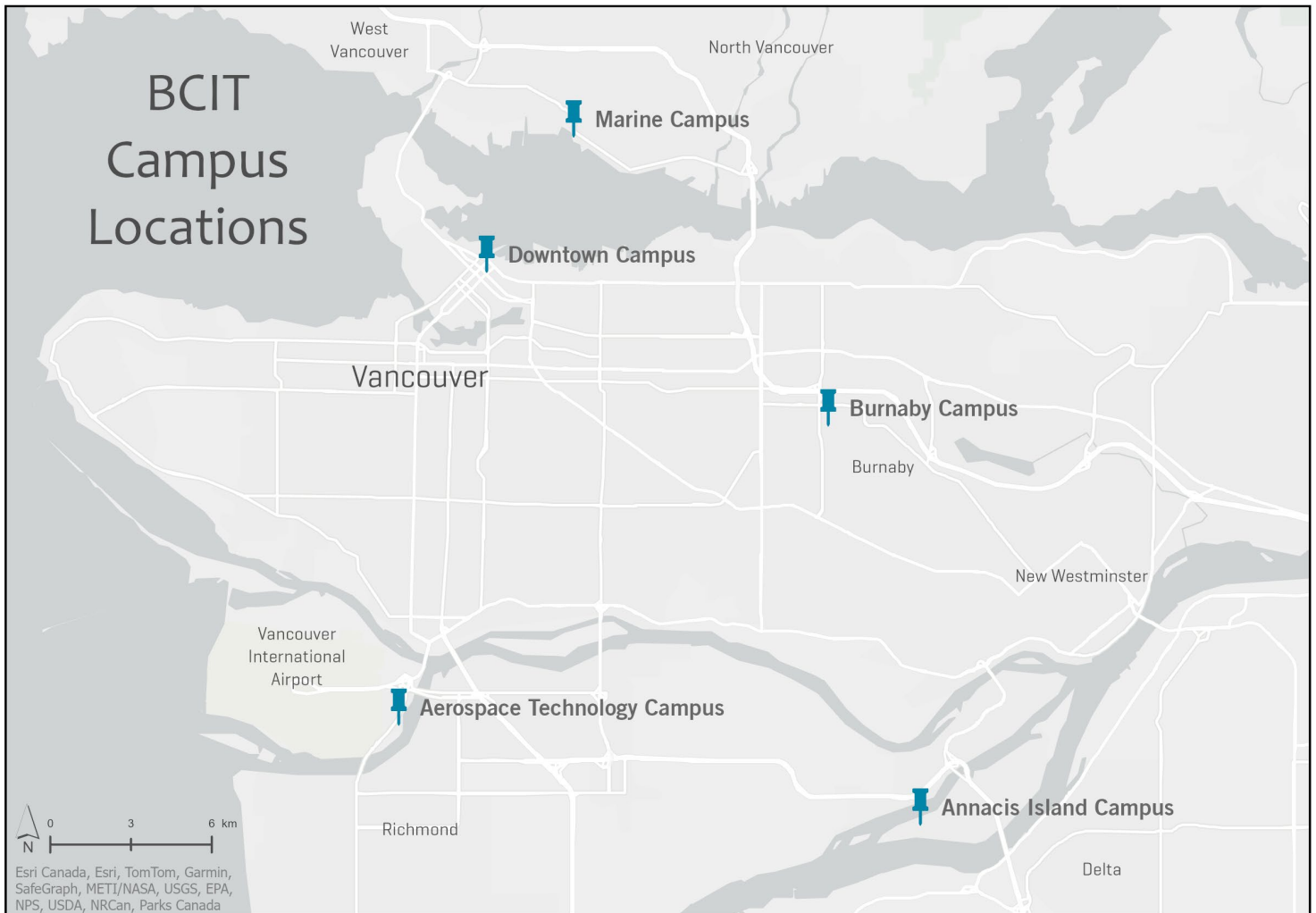
1. Support BCIT's Strategic Plan and Education Vision.
2. Respect the mission, vision and values of the organization.
3. Consider long-term education facility needs to optimize asset value and revenue.
4. Ensure short-term asset decisions that address immediate needs are also supportive of BCIT's long-term financial sustainability, development and growth aspirations.

The Land Asset Strategy will provide opportunities and considerations based on the property assessments for all five of BCIT's campus locations:

- Burnaby Campus, including Centre for Applied Research & Innovation (*Burnaby*)
- Downtown Campus (*Vancouver*)
- Marine Campus (*North Vancouver*)
- Aerospace Technology Campus (*Richmond*)
- Annacis Island Campus (*Delta*)

The Asset Strategy Framework is intended to provide an overview of the opportunities and identify land development and utilization options that optimize the use of educational facilities and generate new revenue streams from property assets.

This framework will also provide context as to why BCIT needs to review and assess the best use of campus property assets and outline the intended benefits that new revenue sources can bring to the delivery of educational programs.



A key principle is to optimize the current use of land and facility assets, such as partnership lease arrangements so that BCIT maintains continued ownership of properties to support the Institute's future growth and development aspirations.

The BCIT Board of Governors will provide ongoing oversight and direction throughout each stage of the process and be required to grant formal approval before potential property development option(s) are advanced to future engagement and implementation stages.

3. Operational Context

Strategic Plan and Education Vision Update Processes

BCIT has initiated engagement processes to update the BCIT Strategic Plan and Education Vision. The outcomes of these engagement processes will identify education priorities, student needs, and evolving service models. It is expected that the implementation of the Educational Vision and Strategic Plan will expand the future of education delivery methods along with modernized learning facilities, technology and supports for improving overall student success metrics.

Evolving Senior Level Governmental Priorities

Various senior level government policies are changing the educational context for BCIT. For example, new Federal visa policies for international student intake levels will pose limits to International student enrolments and related revenue.

In addition, the Provincial Government is encouraging post-secondary institutions to utilize assets and explore partnership opportunities that create new sources of revenue and also contribute to student support services and other important community objectives, such as addressing rental housing demand, childcare and sustainability objectives.



Financial Sustainability

BCIT's operational finances are considerably constrained. Government grants are flat, there is a 2% cap on domestic tuition and BCIT's unfunded operational costs are projected to continue rising.

BCIT needs to create new revenue sources to ensure financial sustainability. Financial sustainability includes investment capacity to keep programs, technology, and equipment current, so BCIT students can continue to be supported and graduate with the knowledge and skills that animate business and industry in British Columbia.

Peer Review

It is common practice amongst Canadian post-secondary institutions to manage campus facility and land assets for strategic revenue purposes by monetizing non-core assets and leveraging private sector partnership opportunities.

This approach has proven to accelerate the pace of new development on campus lands and contribute to community building.



Other post-secondary institutions, such as UBC, SFU and KPU, have been at the forefront of this trend to adopt land asset strategies for their land endowments and the resultant outcomes have proven to be beneficial to the financial stability and vitality of their respective communities.



Innovation and Partnerships

BCIT is looking to develop and facilitate deeper partnerships with other levels of government, First Nations communities, as well as private and non-profit sector organizations. There are significant opportunities in aligning BCIT's mission, purpose and goals with those of community focused organizations to creatively accelerate partnerships reflective of common goals.

Policy Context

Based on Provincial legislation, BCIT will need to seek Ministry approval for any contemplated land utilization changes, such as long-term facility or property leases.

As BCIT looks to develop the *Land Asset Strategy*, existing institute policies governing asset investment decision making must also be respected:

Policy #1000 - Policy Development and Maintenance

Policy #1300 - Enterprise Risk Management

Policy #2004 - Capital Asset

Policy #2030 - Investments Policy



4. BCIT Campus Land Assets Summary

Full-Time Student Enrolment

Post-secondary education enrolment can be volatile and is impacted by changes in federal/provincial policy (e.g., international students), the economy, technology, and geopolitics. As summarized in the Full-Time student numbers for BCIT programs 2019/20-2023/24, enrolment has recovered from the Covid 19 era, with total FTE enrolment for 2023/24 listed at 22,701 students. Head-count enrolment also indicates relatively stable student attendance at each of BCIT's campus locations.

Student FTE's 2019/20 – 2023/24

Student FTE

	Actual	Actual	Actual	Budget	Q3 Forecast	Budget
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2022/23	FY 2023/24
PSFS - Base	12,386	12,514	12,640	13,237	11,914	13,181
PSFS - Incremental Health Expansion						149
SkilledTradesBC	6,345	5,583	5,982	6,823	6,585	7,245
International	3,436	2,947	1,990	2,027	1,866	2,126
Institutional Total	22,167	21,044	20,611	22,087	20,365	22,701
Ministry PSEFS FTE Target*	12,616	12,714	12,724	12,724	12,724	12,915
BCIT PSEFS Utilization Rate	98%	98%	99%	104%	94%	102%

* FY 2023/24 Numbers are preliminary based on the Accountability Framework Performance Measure Targets and are subject to change based on the budget letter

BCIT Campuses Background

Many of BCIT’s facilities are several decades old and there are growing needs for major capital maintenance improvements to building systems and learning spaces. In addition, most of these aged facilities were designed according to instructional pedagogies prevalent at the time of construction. As reflected in the new Health Sciences Centre on the Burnaby Campus, BCIT requires modern educational facilities that support 21st Century instructional pedagogies, such as team-based active learning, simulation learning, digital technology supporting hybrid on-line and hands-on learning, and interprofessional collaboration amongst faculties.

Since many BCIT buildings were constructed over 50 years ago, there is pressure to replace them all within the same decade. The Province has been very supportive of BCIT over the last while by providing capital funding for new facilities; however, the current rate of redevelopment and replacement is not meeting educational needs. The Land Asset Strategy intends to bring forward creative options and partnerships that can accelerate redevelopment of our campuses and provide a contemporary environment and services for students.

As summarized in Figure 2, BCIT’s Burnaby Campus is by far the largest of the five campuses both in land area and building area. This campus also has the oldest building age, with an average age of 50 years. It should be noted that buildings over 50 years of age are approaching end of service life, without incurring significant building system investments.

The following section provides an overview of the primary education services offered at each campus location.

BCIT CAMPUS BUILDING SUMMARY	Hectares	Acres	Total	Age	M2	SF	Additional Notes
Main Campus and CARI - Burnaby	56.3	139.2	52	50 Years	223,558	2,406,358	44% of CARI is leased to Knowledge Network and NVIT.
Downtown Campus- Vancouver	0.2	0.5	1	28 Years	16,409	176,625	34% of building is leased to commercial users.
Marine Campus - Vancouver	0.7	1.8	1	44 Years	7,404	79,694	Property is located adjacent to Squamish Nation lands.
Aerospace Technology Campus - Richmond	4.9	12.2	1	18 Years	30,006	322,986	28% of building is leased to commercial users.
Annacis Island Campus - Delta	1.3	3.3	1	32 Years	13,174	141,803	BCIT doesn't own this property, facility is under long term lease.

Figure 3: BCIT Campus Building Summary

Burnaby Campus

3700 Willingdon Avenue, Burnaby

PROGRAM FOCUS

Over 300 programs and 1000 part-time courses offered in five schools of instruction:

Construction Trades; Health Sciences; Motive Power; Business; and Computing & Academic Studies.

TOTAL ENROLMENT IN 2022-23 ACADEMIC YEAR:

13,180 Full-Time + 10,693 Flexible Learning



RECENT INITIATIVES AND OPPORTUNITIES

Board of Governors approved Burnaby Campus Plan – May 29, 2018

City of Burnaby P6-BCIT Rezoning approved on July 8, 2021 to permit a much wider array of permitted retail and commercial uses and simplification of zoning bylaw requirements.

City of Burnaby / BCIT Development Memorandum of Understanding signed on March 13, 2024 to express mutual understanding of the general vision of the Burnaby Campus Plan, how it fits within the City Official Community Plan and to establish a review framework for higher density / mixed use development.

The Burnaby Campus continues to develop and renew. Based on educational needs and campus development timelines, there is an opportunity to optimize the land and available density that BCIT will not need in a short and medium timeframe. These opportunities could provide campus vibrancy and additional desired student services, while preserving the long-term land ownership for future BCIT needs. Complementary uses that will enhance student services at this time include additional housing and childcare, commercial and retail services, conference, and recreational uses and other.

There is significant redevelopment underway around this campus, with more opportunities to connect and stitch our campus into the greater community, where we can enhance services for students and community.

Considering partnership with other levels of government as well as the private and non-profit sectors is worth pursuing



Downtown Campus (DTC)

555 Seymour Street, Vancouver



PROGRAM FOCUS

Business, Information Technology, Continuing Education, Industry Tech Collider

TOTAL ENROLMENT IN 2022-23 ACADEMIC YEAR:

1,386 Full-Time + 2,734 Flexible Learning

RECENT INITIATIVES AND OPPORTUNITIES

Centered in the heart of downtown Vancouver's technology and business district, the Tech Collider on Level Two is a next-generation learning centre and event space. As part of BCIT's mandate to support strategic workforce development for BC's rapidly growing technology sector, the Tech Collider features space to enable deep connections with industry, along with enhanced academic technology resources and services.

Commercial restaurant tenants occupy the majority of ground level building space and commercial office tenants occupy a portion of Level Seven.

Assess the opportunity to utilize available site potential while complementing existing campus use and preserving a high profile BCIT presence in the Central Business District.

Marine Campus (BMC)

265 Esplanade West, North Vancouver

PROGRAM FOCUS

Marine training programs in Navigation, Marine Engineering, Seamanship, and Maritime Safety and Security.

TOTAL ENROLMENT IN 2022-23 ACADEMIC YEAR:

267 Full-Time + 242 Flexible Learning



RECENT INITIATIVES AND OPPORTUNITIES

The Marine Campus is located adjacent to the City of North Vancouver Waterfront Park and the Squamish Nation community named Eslha7an. BCIT is in the process of engaging with both stakeholders to ascertain long-term community development priorities for the local area.

Considering the waterfront location and adjacencies to important City of North Vancouver and Squamish Nation properties, there may be an opportunity to redevelop this property to serve greater community needs and generate new revenue opportunities for BCIT. This will require further analysis.

Aerospace Technology Campus (ATC)

3800 Cessna Drive, Richmond



PROGRAM FOCUS

Aerospace programs, including a 40,000-square-foot hangar housing BCIT's fleet of light piston, turboprop, corporate, jet transport and helicopter aircraft.

TOTAL ENROLMENT IN 2022-23 ACADEMIC YEAR:

515 Full-Time + 38 Flexible Learning

RECENT INITIATIVES AND OPPORTUNITIES

A new aviation simulator centre was implemented for Spring 2024 that offers advanced simulation technology that support both BCIT programming and aviation industry training partners.

BCIT has signed a Memorandum of Understanding with the Canadian Alliance for Skills and Training in Life Sciences (CASTL) to establish a Biomanufacturing training centre at ATC. The training centre is in the construction phase with tenant improvement construction anticipated for occupancy Fall 2024.

Assess existing utilization rates within the facility to determine whether there is sufficient space to create a transportation hub which would consider co-location of other programs to the campus within this more modern learning facility and encourage interprofessional collaboration between programs.

Annacis Island Campus (AIC)

1608 Cliveden Avenue, Delta

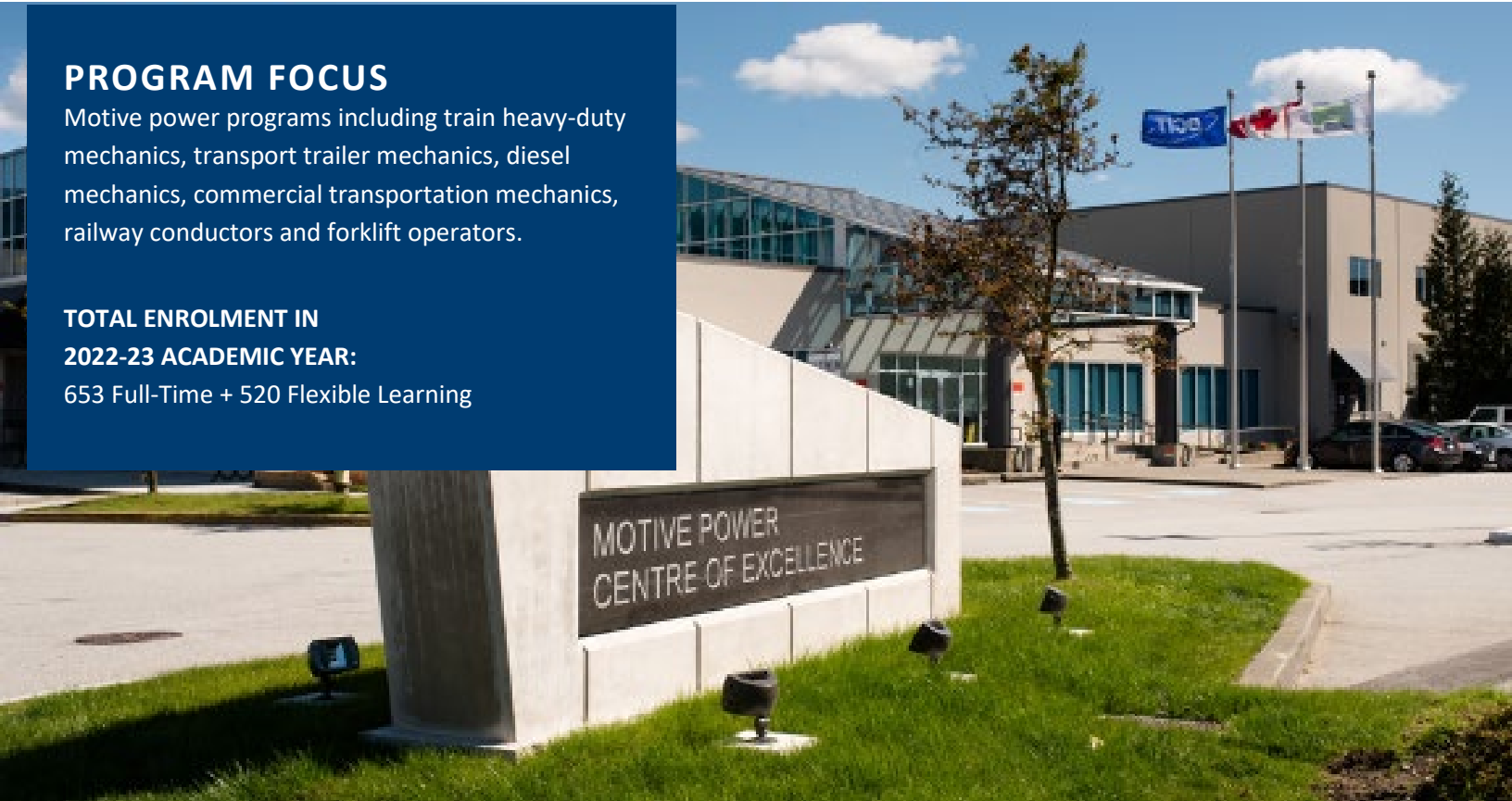
PROGRAM FOCUS

Motive power programs including train heavy-duty mechanics, transport trailer mechanics, diesel mechanics, commercial transportation mechanics, railway conductors and forklift operators.

TOTAL ENROLMENT IN

2022-23 ACADEMIC YEAR:

653 Full-Time + 520 Flexible Learning



RECENT INITIATIVES AND OPPORTUNITIES

The Annacis Island Campus is situated in a privately-owned leased building and was established through a partnership arrangement with Vancouver Community College (VCC) in 2016. From 2016 – 2022, motive power educational programs were offered by both institutions. In 2023, BCIT became the sole education provider at this facility and VCC programs were merged into BCIT programming.

Leverage the unique heavy duty automotive shop facilities and explore interprofessional collaboration options with other BCIT programs and consider industry partnership opportunities that might offer a means to upgrade the facility with new instructional equipment and technology.

5. Land Asset Strategy and Implementation Process

With the BCIT Board of Governors approval to initiate a Land Asset Strategy, preliminary information gathering activities have been undertaken in order to prepare this foundational report. Foundational tasks undertaken to date:

Education Vision & Program Alignment

A joint Land Asset Strategy Working Group has been established with senior personnel from the Academic portfolio, Campus Planning & Facilities, Strategic Procurement and Finance to ensure alignment with the educational vision, to scope program impacts associated with preliminary asset proposals.

This working group will provide advice to the Campus Planning and Development Steering Committee throughout the Land Asset Strategy process. As preliminary proposals are refined, additional participants will be added. Staff will provide regular updates to the Board and seek direction and Board approvals as appropriate.

Property Identification and Assessment

Staff have begun the process of identifying potential property assets that may offer viable opportunities to generate revenue and/or accelerate the delivery of in-kind spaces.

A real estate planning and development consultant has been engaged to provide site specific property evaluations and land-use development advice and opportunities.

Legal / Tax / Accounting Considerations

Legal consultants with expertise in land development, property trust and financial, tax and accounting requirements are providing advice on corporate legal framework and governance options appropriate for BCIT.

Partner Agency Discussions

Exploratory discussions with provincial and municipal representatives are underway to ascertain respective community development priorities for areas associated with BCIT campus locations and to identify potential Indigenous and First Nations engagement steps. These discussions are on-going and will serve as a basis to create a coordinated in-agency engagement process.

6. Next Steps

As indicated in Figure 3, the next step in the process is to prepare an Implementation and Delivery Strategy that will recommend implementation governance and include specific property asset development options that most effectively meet the strategic, educational, financial, Indigenous, sustainability and social benefits, outlined in Section 3 of this report.

Recommended asset development proposals will require a full business case, more detailed education impact and benefit assessments, including site specific work plans that include estimates of up-front implementation costs, resource and education program impacts, site specific engagement and consultation processes including First Nations, anticipated human resource, financial, legal and tax accounting implications and estimated timelines.

The BCIT Board of Governors will provide ongoing oversight and direction throughout this process and will be required to grant formal approval before potential asset development option(s) are advanced to future engagement and implementation phases. Some of these initiatives will also require formal Ministry's approval.



Implementation

Asset Strategy + Implementation Estimated Timelines

IMPORTANT: timelines are dependent on the capacity of our Partners

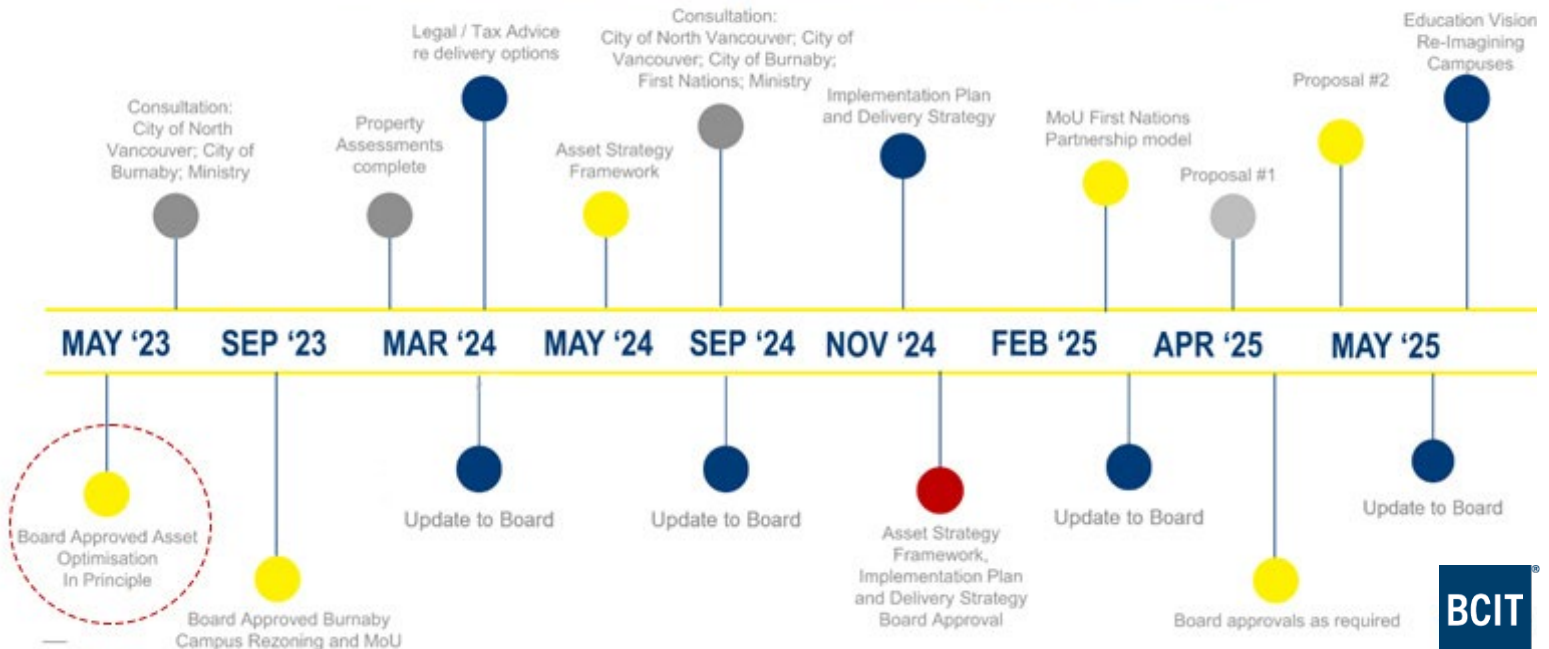


Figure 3: Land Asset Strategy + Implementation Estimated Timelines

