



MEMO

From the office of the...

Vice President Finance & CFO

TO: Student Representative Assembly
FROM: Ryan MacDonald
SUBJECT: Update: A&R Expansion + Student Activity Building
DATE: February 24th, 2017

Moved by MacDonald, **seconded** by Nadarajah that the SRA approve holding a special referendum outside of the election schedule, with the suggestion that polling be finished no later than March 28, 2017 at 5PM, to send the question of an increase to the Athletics and Recreation Activity Fee and DBAC capital fee to referendum based on the following information:

The continuation of the DBAC capital fee, and an increase of \$2.99/unit to a max of 30 units (total \$89.70) effective once the building opens (estimated 2020) for the creation of a Student Activity Building and an Athletics & Recreation Expansion, as well as the continuation of the Athletics and Recreation Activity Fee, and an increase of \$95/year commencing in 2017 with a further \$10 increase starting when the building opens (estimated 2020) to eliminate the user fee for full-time undergraduate Pulse members and create a 12 month pulse membership for all MSU members, in addition to all other benefits as described in the memo presented at SRA 16I for the option with both the Student Activity Building and the A&R Expansion.

On September 30th at SRA 16I, Justin and I presented a plan that could change the future of McMaster University student life, with the introduction of a re-structured Athletics & Recreation Activity Fee. On January 27th, students voted in an incredibly close referendum, that though ultimately failed, did give a clear indication that more than 50% of students desired expansion in some form and were comfortable with the proposed costs. There were clear take aways following the referendum; a need for concise information is critically important, students need to be made aware of the timeline of when they will pay these fees more clearly and most importantly, the University needs to pay more of the overall cost.

What today's motion represents is the power of student advocacy and student voice. Just under a month ago students said clearly that they thought this project was too expensive, it was close for some, but for others it was clear that the University needed to contribute more. After working with the rest of the Board, along with our University partners in Sean Van Kougnett, Gina Robinson, Glen Grunwald, Mary Williams, Roger

Couldrey, Dee Henne, David Wilkinson and Patrick Deane, **the University is prepared to contribute \$10 million to the upfront costs**, to lessen the financial contribution of students. We've asked David Wilkinson, the Provost of McMaster University to write a letter to this Assembly, which is attached, articulating the University's commitment that this is the best possible offer the University can present, holding the institution accountable to that fact, and further committing to invest resources in Advancement to pursue further funding opportunities to potentially lessen the cost for students even further.

This proposal lowers the total cost of the capital increase from \$118.50 in once the building opens to \$89.70, if a student is taking 30 units or more. This is a 24% decrease or \$28.80 in the overall cost and brings the University's total contribution over 40 years to more than \$74 million, all costs considered.

The project as presented at SRA 16I has not changed in terms of outputs to students, but does include a new commitment , based on student feedback from the past referendum, that a grocery space be added to the list of commitments for the Student Activity Building. These commitments now include:

1. Study / lounge space or "collaborative unprogrammed student space"
2. A multi-faith space
3. An event Space
4. A grocery Space
5. That all remaining space allocations of the 40,000 square feet will be decided upon by students through a consultation process, as directed by the McMaster Students Union.

We recognize, that this motion is unexpected. That said, it represents something unprecedented in our student union's history. I can speak absolutely honestly in saying it was only over the past 24 hours that this offer has materialized and all those involved have worked hard to ensure that we are prepared to send this motion forward. What it also represents is a situation where students deserve the opportunity to be asked this new question and to simplify the question into a simple yes or no option.

The Board would have liked to have informed the Assembly earlier, and the Board would have liked to have circulated this memo earlier. I am sure we would have all liked the University to have come to the table with this offer in the first place. There are many reasons to consider why we shouldn't put this new referendum forward, however, I don't feel any of these reasons are substantive enough to disregard the immense value to students of asking this new question, as students have demonstrated significant interest thus far.

What is the process?

MSU Bylaw 10 section 3.5.1:

Referenda may be held outside this schedule by a two-thirds affirmative vote of the full SRA. The timetable for each special referendum shall be determined by the Elections Committee.

MSU Bylaw 10 section 3.5.1 explicitly gives the SRA the power to hold a special referenda outside of the traditional cycle. While this has not been a power the SRA has exercised in some time - it is something that we as an Assembly have the ability and right to enact. We have evaluated the timeline to ensure that there is the necessary amount of time to be able to have this procedure initiated. Nominations outside of by-elections must be open for ten school days including proclamation day (by-elections being five school days). Campaigning must take place for a minimum of six school days (whereas it is only four days for by-elections). Ultimately, the Elections Committee (EC) will determine the timeline for this referendum. With 23 school days available during this period and the possible 16 school days required, there is more than sufficient time. While tight, the request has been communicated to the Elections Department and they are aware of this task. The SRA has the power to enact special referenda for exactly this type of situation - a unique circumstance, in the interest of undergraduate students.

~ SCHOOL DAY CALENDAR ~

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26 SRA	27	28	1	2	3 SUGGESTED PROCLAMATION	4
5	6	7	8	9 SRA VOTING FINISHES	10	11
12	13	14	15	16	17 SUGGESTED CAMPAINING BEGINS	18
19	20	21	22	23	24 SUGGESTED CAMPAINING ENDS	25
26	27	28 DEADLINE FOR CAMPAINING				

The question of whether now is the right time needs to be considered carefully, but ultimately there are more reasons to do this now than to not. The University is making a time sensitive offer that after thorough conversation, I truly believe is the best they can possibly make. This is a contribution similar in size and scope to the original DBAC proposal with a \$10 million contribution to the upfront costs. If we refuse to send this question to referendum now, we wait a full year at minimum and the cost of the project

will undoubtedly increase. The impact to students will be higher financially and we would have to educate a whole new group of first-year students about this complex project.

This is a project for every type of student, and while this is an opportunity that has presented itself, I wouldn't consider this a situation where opportunity has "knocked" as the saying goes. This is a situation where opportunity presented itself after students beat down the door. Whether it be students voting 'no' in a previous referendum because they felt costs were too high, or the 'yes' campaigners who showed the University the importance of this project, to students who campaigned 'no' and articulated that some changes needed to be made, everyone has helped make this offer possible. This is an opportunity we can't afford to lose.

I'm not asking you to take a risk - I am asking you to let students have the chance to answer a new question, with lower costs and greater outputs.

If you have any questions please let us know and we would be happy to answer.

Sincerely,



Ryan MacDonald
Vice President (Finance)
McMaster Students Union