



**SUBJECT: Burlington Economic Development Corporation (BEDC)
Update on Post-Secondary Attraction for Burlington**

TO: Committee of the Whole

FROM: City Manager's Office

Report Number: CM-16-19

Wards Affected: All

File Numbers: 155-03-01

Date to Committee: October 7, 2019

Date to Council: October 28, 2019

Recommendation:

Receive and file city manager's office report CM-16-19 on Post-Secondary Attraction for Burlington.

Purpose:

The purpose of the report is to provide council with an update on BEDC's activities and work completed to date on developing a framework to guide Post-Secondary Attraction to Burlington.

BEDC's mandate and the development of a Post-Secondary Attraction Strategy for Burlington relate to the following sections of the city's Strategic Plan.

A City that Grows

- Promoting Economic Growth
- Focused Population Growth

Background and Discussion:

Context

The City of Burlington Strategic Plan 2015 – 2040 calls for Burlington to be a City that Grows. One of the actions is to develop a Post-Secondary Attraction Strategy.

The intent of this report is to provide an update to Council on work completed to-date on a Post-Secondary Attraction Framework for Burlington and next steps.

In order to develop an attractive 21st century city and create a post-secondary attraction strategy, BEDC has conducted a series of initial discussions with city partners and post-secondary institutions to gather information on the benefits, challenges, and specific interest for bringing a post-secondary institution to Burlington. Building upon past work and a study conducted by MDB Insights on Post-Secondary Attraction, this update summarizes the main findings and outlines the potential paths forward.

Burlington has some experience with post-secondary institutions in the City. In 2010, the DeGroot School of Business opened the Ron Joyce Centre in Burlington for their MBA and Executive Education programs. In 2015, the Halton McMaster Family Health Centre, a Clinical Education Campus of McMaster University, opened at Joseph Brant Hospital. Additional adult education opportunities exist through Mohawk College Enterprise's Digital Literacy Courses at TechPlace and private operators such as Oxford Learning. NUVO's partnership with Sheridan College offers an example of a mixed-use learning hub in Burlington. In 2005, Charles Sturt University opened in Burlington. They enrolled 250 students and closed in 2015 due to a focus on online education.

Summary of findings on Post-Secondary Attraction

Exploration of post-secondary attraction has occurred in prior years. City partners and surrounding post-secondary institutions have shown interest in Burlington. The benefits of attracting post-secondary institutions to Burlington are many, with a focus placed on an improved talent pool, commercial and retail boosts, and benefits to the city's brand. Work to-date shows the highest economic impact and benefits for post-secondary institutions would be through attracting an institution to the Downtown or GO Mobility Hubs.

In supporting the opening of the Ron Joyce Centre, municipal funding amounted to \$10 million, split equally between the City and the Region of Halton. While on the higher end when considering per student costs as seen in the table below, the overall municipal contribution for another post-secondary institution of a similar nature would likely need to be at a similar level of \$5 Million to \$10 Million.

Average Contributions and Costs per student for post-secondary campuses in Ontario

								
\$8 M contribution	\$10 M* contribution	\$10 M contribution	\$10 M contribution	\$11 M contribution	\$14 M contribution	\$20 M contribution	\$25 M* contribution	\$50 M contribution
360 Students	1,600 Students	2,300 Students	500 Students	1,500 Students	3,100 Students	4,000 Students	5,000 Students	2,500 Students
\$22,200 Per 	\$16,700 Per 	\$4,350 Per 	\$20,000 Per 	\$7,000 Per 	\$4,500 Per 	\$5,000 Per 	\$5,000 Per 	\$20,000 Per 

Note: Stratford and Markham exclude land value in municipal contribution.

Timelines for bringing a post-secondary institution to Burlington vary greatly depending on the nature of the institution but are typically 5 to 10 plus years.

Post-secondary institutions indicated that a specialized, self-contained program would be the optimal fit for Burlington. More immediate possibilities also exist in the form of adult learning or mixed-use learning hubs. Interest in specific programs vary greatly and depend largely on the institution in question. A specialized program was most commonly cited by partners and post-secondary institutions as having the highest impact among immediately feasible options for post-secondary in Burlington.

Overview of Options for Post-Secondary in Burlington

The following options have been developed to consider the different models to attract a post-secondary institution to Burlington. Moving from left to right increases commitment, time, and costs.

Level of Commitment (Estimated Time and Costs)

					Highest Economic Impact
					Impetus for Transit
					Impetus for Housing
					Retail Revitalization
					Talent Pipeline
					City Prestige
Benefits	Upskilling and Retraining	Knowledge creation	Tailored partnerships	Focused Branding	
	Adult Learning Courses	Centres of Excellence	Mixed-Use Learning Hub	Specialized Program	Post-Secondary Campus
Challenges	Low boost to city profile	No Students	Local demographics Enrollment Fluctuation	Transit Connectivity Commuter Base Cost/Student Ratio	Land Constraints Cost Affordable Housing Provincial Political Climate
Municipal Contribution	Minimal	Minimal	<\$5 Million	\$5-10+ Million	>\$10 Million
Students	Dependent	0	<500	<1,000	1,000+

Examples	City School by Mohawk	Centre for Biomedical Engineering and Advanced Manufacturing (BEAM)	Pickering Learning Site	Ron Joyce Centre	Laurier Brantford
	Multiple Locations		Pickering	Burlington	Brantford
	Mohawk College	Hamilton	Durham/Centennial College	McMaster University	Laurier University
	Size: Mobile, Pop-Up	Fraunhofer-McMaster Project	Size: 9,000ft ²	Size: 90,000ft ²	Size: 190,000ft ²
	Students: Dependent	Size: 20,000ft ²	Students: 300	Students: 250, target 500	Students: 3,000
	Funding: \$600k Provincial	Unknown Funding	Unknown Funding	\$10 Million City/Region	\$22 Million City Funding
			Oshawa Teaching City	School of Architecture	
			Several Institutions	University of Waterloo	
			Oshawa	Cambridge	
			Size: 2,653ft ²	Size: 85,000ft ²	
			Students: None-Classroom, Lab, and Shared Spaces	Students: 398	
			Unknown Funding	\$7.5 Million, \$8 Million Additional for Expansion	

Prior Work on Post-Secondary Attraction

MDB Insights and Urban Metrics Study

In 2018, MDB Insights and Urban Metrics prepared a report for BEDC on a “City of Burlington: Post-Secondary Attraction Study.” This report was based on the experiences of nine other municipalities including the Town of Milton, City of Mississauga and City of Markham on the cost, process and benefits of attracting post-secondary institutions.

The summary of this report is as follows:

<p><i>Potential Benefits</i></p>	<ul style="list-style-type: none"> - Enhancement of the municipal profile - Intellectual property commercialization within the local community - Direct partnership ventures, co-op student and graduate placements - Broadened cultural base of the community, source of creative talent - Unique and accessible urban spaces and green spaces that offer both passive and active recreational amenities, generate tourism - Expanding industry clusters
<p><i>Potential Locations</i></p>	<p>Downtown</p> <ul style="list-style-type: none"> - Small parcels, higher land cost compared to the industrial lands - Extensive urban infrastructure, proximity to housing and the waterfront - Much stronger impact on the surrounding neighbourhood than other locations <p>Mobility Hubs</p> <ul style="list-style-type: none"> - Large parcels available for redevelopment with some constraints, moderate costs - May offer opportunities for larger institutions with long-term expansion opportunities - Development may be slower, and benefits could be more delayed than downtown

	<p>DeGroot School Innovation District</p> <ul style="list-style-type: none"> - Vacant, available land - Highway accessible and a McMaster shuttle bus provides connection to Appleby GO - Largely isolated and there are no nearby housing options for students <p>Bronte Meadows</p> <ul style="list-style-type: none"> - Large area of vacant land, highway access but limited alternative transportation options - Relatively isolated and there are limited student housing opportunities - Nearby businesses provide some opportunity for partnership
<p><i>Site Factors</i></p>	<ul style="list-style-type: none"> - Availability and cost of land - Proximity to housing, transit - Benefit to existing retail and service businesses, tourism impact, community benefits - Municipal profile enhancement, urban design and city building - Proximity to cultural institutions, pedestrian accessibility - Opportunity for business expansion - Development timing and infrastructure
<p><i>Considerations</i></p>	<p>Type of school</p> <ul style="list-style-type: none"> - University programs are often longer compared to college programs - Universities tend to have a higher profile than colleges, but this is not always the case <p>Size</p> <ul style="list-style-type: none"> - The size of the school impacts the number of students attending and the physical size of the building <p>Program Level</p> <ul style="list-style-type: none"> - Undergraduate programs attract students to a community for longer periods of time than a graduate program or a college-university transfer program

Schedule

- Full-time programs attract students for longer periods of the day and more frequently trigger students to move to an area, rather than commute in from another municipality.

Program Type

- Programs that strengthen a city's existing sectors or bring a new sector that is underrepresented are desirable when attracting a new post-secondary institution

The MDB Insights and Urban Metrics Study also provided an analysis of the key impacts for different campus locations across Burlington. This study was completed in 2018 based on the adopted Official Plan and may need to be updated following the conclusion of the Official Plan work. A summary of the location options is as follows:

↑ Strength relative to other sites

↔ Neutral relative to other sites

↓ Weakness relative to other sites

	Downtown	Burlington GO Station	Appleby GO Station	Aldershot GO Station	Innovation Area (DeGroot School)	Bronte Meadows
Availability of land	↓	↓	↔	↔	↑	↑
Cost of land	↓	↔	↔	↔	↑	↑
Proximity to housing	↑	↔	↔	↔	↓	↓
Benefit to existing retail and service business	↑	↔	↓	↔	↓	↓
Tourism impact	↑	↑	↔	↔	↓	↓
Transit accessibility	↔	↑	↑	↑	↓	↓
Pedestrian accessibility	↑	↔	↓	↓	↓	↓
Municipal profile enhancement	↑	↑	↔	↔	↓	↓
Urban design and city building	↑	↔	↔	↔	↓	↓
Community facility benefits	↑	↑	↑	↑	↓	↓
Proximity to cultural institutions	↑	↔	↓	↓	↓	↓
Opportunity for business expansion	↔	↑	↑	↑	↑	↑
Development timing and infrastructure	↑	↑	↑	↑	↑	↓

Summary of Options

Various options for pursuing post-secondary education, with differing levels of time and associated costs, are available. A low hanging opportunity offering some potential benefits might be found through pursuing adult learning courses in existing spaces. A Centre of Excellence could serve to bring knowledge-based employees to Burlington. A mixed-use learning hub akin to the Pickering Learning Site could potentially capture greater economic benefits, but may necessitate an uncertain level of funding. Perhaps the most realistically feasible and beneficial prospect is a specialized program like the Ron Joyce Centre in Burlington or the University of Waterloo School of Architecture in Cambridge. Support for such a program would likely necessitate municipal contributions of \$5-10+ million. A fully realized post-secondary offering, consisting of multiple buildings would offer the greatest benefits, but would be faced with numerous challenges along the way, and would likely require a substantial financial contribution.

Paths Forward

There are five main paths forward to pursue some form of post-secondary expansion.

- Focus on expanding economic benefits from the Ron Joyce Centre
- Pursue low-cost, short timeline opportunities
- Pursue immediate opportunities with interested post-secondary partners, with notable financial incentivization
- Focus on attraction of a specialized program or school, potentially with \$5-10+ million in financial incentivization
- Plan for a long-term, larger scale campus with significant financial incentivization

Moving forward with post-secondary attraction to Burlington can be divided into short-term and long-term objectives. In the short-term, BEDC will continue discussing interest shown by specific post-secondary partners. With a firm understanding of the business cases and the financial models, BEDC will report back to Council on existing opportunities for future post-secondary expansion in Burlington.

With a focus on the Downtown and GO Mobility Hubs, long-term post-secondary attraction will follow the finalization of the Official Plan Review and associated studies in 2020-2021. Large-scale campus or faculty opportunities can also be considered over the long term with the development of a framework and process for post-secondary attraction.

Financial Matters:

This Update was developed using BEDC’s operating budget. Depending on Council’s preferred actions, potential municipal costs to attract a post-secondary institution to Burlington may range from \$0 to over \$10,000,000. No additional funding is being requested at this time.

Public Engagement Matters:

BEDC reached out to nine stakeholders to validate assumptions and gather further insight into post-secondary attraction. These insights have been incorporated into the Update.

Post-Secondary Institutions	Municipal Partners
McMaster University	City of Burlington
Mohawk College	Burlington Downtown Business Association
Sheridan College	Burlington Planning Department
Brock University	Tourism Burlington
	Milton Economic Development

Conclusion:

Thank you for receiving our Update on a Post-Secondary Attraction Strategy for Burlington and providing us the opportunity to present it to Council for feedback. We look forward to the discussion.

Respectfully submitted,

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Manager, Innovation and Partnerships

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Appendices:

- A. Confidential update regarding a letter of understanding

Report Approval:

This report has been reviewed and approved by BEDC's Acting Executive Director and final approval was received by the City Manager.