



University of Toronto

CAPITAL PROJECTS DEPARTMENT

TO: Business Board

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DATE: October 21st, 2004 for November 8th, 2004

AGENDA ITEM: 6(b)

ITEM IDENTIFICATION:

Capital Project – 155 College Street Renovation

JURISDICTIONAL INFORMATION:

Pursuant to Section 5.2. (b) of its Terms of Reference, the Business Board approves expenditures for, and the execution of, approved Capital Projects.

PREVIOUS ACTION TAKEN:

This is the second time this project is being presented to the Business Board.
Other Board and Committee approvals to-date include:

- Business Board – June 17, 2004
- Academic Board – June 3, 2004
- Planning & Budget – May 18, 2004

HIGHLIGHTS:

In April 2002, the University of Toronto purchased a significant property from the Toronto Board of Education comprising the following: office buildings at 155 College Street and 263 McCaul Street, a warehouse building at 255/257 McCaul Street, and a parking garage at 240 McCaul Street. The cost to the University of Toronto was \$17 million and the property transaction closed on September 1, 2003.

The building complex at 155 College Street is intended to be the new home for the Faculty of Nursing (“FoN”), the Department of Public Health Sciences (“PHS”) and the Department of Health Policy, Management & Evaluation (“HPME”) within the Faculty of Medicine.

Currently all three departments are scattered across six different buildings. The space assigned to all three of these units is grossly inadequate for their needs and is of poor quality. Upon completion of the planned renovations each unit will occupy one or more contiguous floors of the building, to consolidate their respective faculty, administrative staff, research associates, and graduate students. The relocation will allow the units to facilitate closer collaboration in their research and program delivery. The space vacated by these units will be required to be renovated and reassigned to other units; these secondary effects are NOT addressed in the current project.

The proposed allocation of space is summarized below:

Faculty of Nursing	3,163 nasm on the 1 st , 2 nd , 3 rd floors,
HPME	1,257 nasm on the 4 th , 5 th floors, and
PHS	2,715 nasm on the 4 th , 5 th , 6 th , 7 th floors,
Common space	532 nasm located throughout the building,
OSM classrooms	864 nasm located throughout the building, and
Floor space for computers controlled by the Provost Office	63 nasm located on the 3 rd floor.

On June 17, 2004 the Business Board approved the expenditure of up to \$1,300,000 to hire the architect and consultants to undertake the design and the preparation of all construction documentation. Subsequent to this approval the University of Toronto has hired the architectural firm of Dunlop Architects to lead the project team.

In order to meet the aggressive completion deadline of August 2005 the University must commence with some of the renovation work immediately. The scope of work would include interior demolition of flooring material, ceilings and drywall partitions, asbestos abatement, elevator modernization for all four elevators and pre-ordering of several long lead delivery items.

Consequently, we are seeking Business Board approval to release additional funds of \$6 million to allow this work to proceed.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The total project cost [TPC] for the renovations at 155 College Street has been estimated to be \$24,140,000.

The project construction cost has been apportioned to each academic unit in relation to the space occupied within the building plus the specific outfitting costs, including the equipment, required by each of the units, as follows:

- Nursing = \$12.94 M
 - Health Policy Management and Evaluation = \$ 4.00 M
 - Public Health Sciences = \$ 7.20 M
- TOTAL = \$24.14 M

This project is one of very high academic priority within the University and will be identified as such within the revised Capital Plan. The six million dollars being requested at this time will be required to be borrowed and will therefore increase the level of borrowing by the full 6 million dollars. These funds will be used to advance the project, but specifically to begin the clean-up of asbestos, redo the electrical wiring, heating and cooling systems which represent the essential infrastructure building blocks prior to the commencement of any customizing of the space needs for the new occupants. It is important to proceed at this time since the target date for the completion of the project is August, 2005; the additional shortfall to complete the project will be requested in early in 2005 once the revised Capital Plan is approved.

External funding for this project, which addresses many aspects of health care, continues to be sought from the Ontario Government. Once the project is completed, the Faculty of Nursing and the Faculty of Medicine will be required to service the outstanding mortgage which will certainly present a difficult challenge to both Faculties.

Operating Costs:

The estimated costs for the building at 155 College Street are estimated in 2004 dollars to be \$1,087,950 [\$127 per nasm] comprising the operating costs of \$599,764 and utility costs [heat, hydro, water & gas] of \$488,186. These numbers will be subsequently refined as the project is developed.

RECOMMENDATION:

THAT the Vice-President – Business Affairs be authorized to expend up to an additional \$6.0 million to complete the demolition, asbestos abatement, elevator upgrades and pre-ordering of equipment for the 155 College Street Renovation Project.