

**THE GOVERNING COUNCIL**  
**REPORT NUMBER 75 OF**  
**THE PLANNING AND BUDGET COMMITTEE**

**November 13, 2001**

To the Academic Board,  
University of Toronto.

Your Committee reports that it met on Tuesday, November 13, 2001, 5:00 p.m. in the Council Chamber, Simcoe Hall, with the following members present:

Professor Avrum Gotlieb (in the Chair)  
Professor W. Raymond Cummins, Vice-Chair  
Professor Adel Sedra, Vice-President and Provost  
Mr. Felix Chee, Vice-President, Business Affairs  
Professor Derek McCammond, Vice-Provost, Planning and Budget  
Professor Philip H. Byer  
Mr. Brian Davis  
Professor Ruth M. Gallop  
Professor Marc Gotlieb  
Professor Paul J. Halpern  
Professor Susan Horton  
Professor Bruce Kidd  
Professor Ian R. McDonald  
Professor Robert H. McNutt

Mr. Kashif S. Pirzada  
Ms. Ilcather C. Schramm  
Professor Victor R. Timmer

**Non-voting Assessors:**

Ms. Sheila Brown, Controller and Director of Financial Services  
Professor Ron Venter, Vice-Provost, Space and Facilities Planning

**Secretariat:**

Mr. Neil Dobbs  
Ms Susan Girard  
Ms. Cristina Oke  
Mrs. Beverley Stefureak, Secretary

**Regrets:**

Professor Carl Amrhein  
Ms. Shirley Hoy  
Ms. Francoise Ko  
Professor David Mock  
Mrs. Susan M. Scace

**In Attendance:**

Professor Sandford Borins, Chair, Division of Management, University of Toronto at Scarborough  
Dr. Luc De Nil, Acting Chair, Department of Speech-Language Pathology  
Professor Wayne Hindmarsh, Dean, Faculty of Pharmacy  
Dr. Sheldon Levy, Vice-President, Government and Institutional Relations  
Ms. Lesley Lewis, Assistant Vice-Provost  
Ms. Mary McGee, Assistant Provost  
Mr. Tom Nowers, Associate Principal, University of Toronto at Scarborough  
Miss Janice Oliver, Assistant Vice-President, Operations and Facilities  
Professor Helen Polatajko, Chair, Department of Occupational Therapy

**In Attendance** (cont'd)

Professor Edward Relph, Associate Principal for Campus Development, University of Toronto at Scarborough  
Ms. Shirley Roll, Facilities Planner  
Professor Jake J. Thiessen, Associate Dean, Faculty of Pharmacy  
Professor Molly Verrier, Chair, Department of Physical Therapy  
Dr. Catharine Whiteside, Associate Dean, Inter-Faculty and Graduate Affairs, Faculty of Medicine

**ITEMS 4 TO 11 INCLUSIVE ARE RECOMMENDED FOR APPROVAL.**

The Chair welcomed Professor Victor Timmer of the Faculty of Forestry as a new member. Professor Timmer had been appointed to the Committee by the Academic Board to replace Professor Nina Bascia who had resigned.

Professor Gotlieb informed the Committee that there had been a request to add to the Agenda a proposed allocation from the University Infrastructure Investment Fund for the construction of three additional floors to the Botany Soils Facility. On motion duly moved and seconded this item was added as a new number 10 following the other Capital Project items. Due to lack of time, it was later agreed to delay consideration of this item until the next meeting.

The Chair also welcomed a number of guests from the Faculties of Medicine and Pharmacy, and from the University of Toronto at Scarborough who were present to respond to questions about capital projects related to their areas.

**1. Report of Previous Meeting**

Report Number 74 of September 21, 2001 was approved

**2. Business Arising out of Report of Previous Meeting**

There was no business arising out of Report Number 74.

The Chair reported that it had been brought to the Secretary's attention that there was a factual error in Report Number 73 of June 27 which had already been approved by the Committee. He was informing the Committee that the Report had been amended as follows: Part of item 12, "Affiliation Agreement – Bloor MacMillan Centre" read "Dean Naylor explained that the proposed agreement was the result of two years of discussions that would see the merger of Bloorview and MacMillan Hospitals". This had been changed to read, "Dean Naylor explained that the proposed agreement was the result of two years of discussions that followed the earlier merger of Bloorview and MacMillan Hospitals".

**3. Senior Assessor's Report**

The Chair invited Professor Sedra to report.

Professor Sedra was delighted to report that, in the annual Macleans survey released on November 12, the University of Toronto had retained its first place rating among medical/doctoral universities. It also, again, captured the number one position in the overall reputational ranking among the 15 research-intensive universities in its category. It was evident that this University remained very attractive.

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### 3. Senior Assessor's Report (cont'd)

A member commended the Planning Department for a job well done in providing the excellent data that were necessary for decision-making to result in continued recognition as a first class institution.

Reporting on the enrolment, Professor Sedra said that the University had taken in 1,300 full-time undergraduate students above the target set for this year. He also indicated that the University had been successful in its objective of registering Arts and Science students in majors and specialists thus assuring their accurate count as basic income units (BIUs). On the St. George campus, the numbers of students not in programs had been reduced from 496 to 31 for the full-time, compared to a year ago, and from 539 to 64 for part-time. He recognized that the registrarial staff had worked very hard to accomplish this and, as a result of both higher intake and more registrations in programs, the University would count 2,100 more BIUs. That translated into an increase of \$6.7 million in operating grants for undergraduate students and \$1.9 million for graduate students.

Professor Sedra reported that the Working Group on Enrolment Expansion had defined and would be recommending appropriate intake numbers. The Group had suggested a modest increase in 2002 and greater increases in 2003 and 2004 over the span of the double cohort. Spreading the increase over two years would help maintain the quality of the admissions.

A member questioned how the increase in operating grants for graduate enrolment related to guaranteed funding for graduate students. Professor Sedra replied that it was not in balance; \$9.4 million in base funding had been committed for graduate students phased in over three years (2000-01, 2001-02, 2002-03) and that was more than the expected increase in funding over the three years.

Professor Sedra continued with a financial outlook. Although numbers were not yet firm, there had been some changes from the budget approved by the Governing Council last spring. The base Government grant had been \$6.4 million less than forecast due to lack of inflationary adjustment. On the positive side there had been \$1.2 million increase from the performance-based funding envelope. The University's share of the Enrolment Growth Fund was expected to be \$6.7 million out of the first-entry, undergraduate pool amount and \$1.9 million out of the second-entry and graduate pool. In addition, tuition revenue had increased by \$5.7 million for an overall increase in revenue of \$9.1 million.

Professor Sedra noted that the additional students meant increased expense in the form of \$7.5 million allocation to the Enrolment Growth Fund and \$3.1 to student aid, including graduate student funding. An expense saving of \$1.5 million had been realized as well as \$2 million worth of repairs and renovations that had been targeted to be expended from the University Infrastructure Investment Fund (UIIF) but had been funded by an increased grant. Overall, the change in revenue and expenses had resulted in a positive variance of \$2 million from the approved budget. However, last year there had been a deficit of \$1.3 million so the total outcome was a positive difference of \$.7 million.

A member asked if there had been changes in revenue from interest on investments. Ms. Brown replied in the positive but indicated that projections were being developed and she was not able to provide a report as yet.

The member further queried if there had been any changes in capital funding.

### 3. Senior Assessor's Report (cont'd)

Professor Sedra and Dr. Levy replied that intense discussions continued with the Provincial Government and that every creative option was being explored.

There was further discussion relating to why the capital projects brought to this meeting were coming forward at a time when the funding was not yet secure. Professor Venter and Professor McCammond explained that it was critical to have the approval in principle of the Project Planning Reports in place so that if and when Government capital funding was announced the University could move quickly. The proposed projects were for buildings that were critical to enrolment expansion and there could be no unnecessary delay in proceeding with design and architect selection if funding made the projects feasible. This Committee's objective was to consider the scope of the project, the site, the cost and the sources of funding. Approval to proceed with the project was the responsibility of the Business Board, but approval from Planning and Budget Committee was required first.

A member spoke strongly in favour of proceeding, noting a similar concern but also a realization that plans must proceed expeditiously to meet enrolment growth targets. If the University were unable to meet its commitments to enrolment expansion, there would be enormous consequences to the entire University.

Before proceeding to the consideration of the capital project items, the Chair informed the Committee that five of the projects would be considered by the Academic Board in two days. This fast turnaround was unusual but measures had been taken to provide greater than normal support to the Board's decision-making in these circumstances. Documentation for the Committee had gone concurrently to the Board and an excerpt of the Committee's report would be available to members of the Academic Board a day before their meeting.

### 4. Capital Project: 500 University Avenue, Phase I – Revised Project Planning Report - University Infrastructure Investment Fund, Allocation

Professor Venter introduced the item, referring to his memorandum of November 1, 2001 and the attached Project Planning Report for the 500 University Avenue Building (Executive Summary is attached hereto as Appendix "A"). His memorandum reviewed the acquisition of the building, its intended purpose, the preliminary Users' Committee Report of May 2001, and allocations to date. Professor Venter noted the \$700,000 that had already been allocated accounted for the difference between the full cost and the proposed allocation now. He reported that an architect had been selected and that work on the project had begun.

A member noted the acquisition of this building included a garage and he asked where it was and if it was available for use by University employees. Professor Venter said that the three-storey garage, on Simcoe Street, was rented commercially. It was a distance from the building but the University occupants of 500 University Avenue would be able to park there.

A member thought that the estimates for renovation costs of this building seemed considerably higher than when the Governing Council had approved the purchase. Professor Sedra suggested that when the acquisition proposal went to the Business Board it would not have included a cost estimate of the renovations. It would have been presented as a great opportunity and the University would not have known at that time how much the renovations would cost. Professor Venter reported that the initial estimates for renovation had been in excess of \$19 million but the users had refined the project scope and reduced this to \$11 million.

**4. Capital Project: 500 University Avenue, Phase I – Revised Project Planning Report -University Infrastructure Investment Fund, Allocation (cont'd)**

A member questioned what seemed to be an unusual model wherein the total funding of the project relied on an interest free loan from the University Infrastructure Investment Fund (UIIF). Professor Venter said that following a great deal of discussion this approach was thought to be a creative and responsible way to fund the renovations. The member asked what would happen to the schedule of repayment by the Faculty of Medicine if a donor were found to support the project. Professor Venter said that the donation would reduce the capital amount the Faculty would repay; the length of the repayment period would stay the same.

A member remarked that the cost of renovations was approximately the same as the purchase price and asked whether this was considered a good deal. Professor Venter responded that it was less costly than building a new facility. The Centre for Cellular and Biomolecular Research (CCBR) would cost between \$7,000-8,000 per nasm (wet laboratory mixed construction) without factoring in the cost of the land. This renovation would be less than \$5,000 per nasm including the land -- \$5,000 per nasm was representative of office-type accommodation.

Referring to the building's current tenants, a member asked for what the rental revenue was used. Professor Venter explained that the building was operated by an external company and rents had approximately doubled since the University had acquired the building. Rental revenue accrued to the University and was used to cover the operating costs.

On motion duly moved and seconded,

**YOUR COMMITTEE RECOMMENDS**

THAT the Project Planning Report for the proposed space program and the necessary renovations identified to accommodate the Rehabilitation Sector in the Faculty of Medicine at 500 University Avenue be approved in principle;

THAT Phase I of the Project which represents a renovation of 4502 nasm be completed immediately at a cost of \$11,123,400, and that Phase II of the project which is an additional 2265 nasm be undertaken at a future date;

THAT an allocation of \$10,423,400 from the University Infrastructure Investment Fund to fund Phase I of the 500 University Avenue project be made, which is scheduled to be repaid by the Faculty of Medicine;

THAT the total capital allocation made, namely the sum of the allocation in c) above and the earlier \$700,000 approval in June, 2001 [total of \$11,123,400] will be repaid by the Faculty of Medicine to the University Infrastructure Investment Fund over a fifteen-year period, with no interest costs for a period of five years following the date of completion of Phase I [anticipated to be September, 2002]. The Faculty of Medicine will also assume responsibility for the interest charges on the outstanding balance after five years, starting on September, 2007; and,

THAT the interest costs on the total allocation of \$11,123,400 for Phase I will be carried by the Operating Budget of the University for the period through to September, 2007. Thereafter, all interest costs will be the responsibility of the Faculty of Medicine.

## 5. Capital Project: Leslie L. Dan Pharmacy Building – Revised Project Planning Report

Professor Venter recalled that the Users' Committee Report for this project had been approved by this Committee in June 2001. Subsequently, discussion with members of the Faculty of Pharmacy made it clear that changes to the academic space were necessary and that these would result in an increase of 230 net assignable square metres (nasm). Accordingly, the recommendation to the Academic Board to approve the Users' Committee Report had not gone forward and consultation and planning had continued.

Professor Venter's memorandum of November 1, 2001 and the attached Project Planning Report (Executive Summary is attached hereto as Appendix "B") outlined the changes proposed, namely the increase in nasm, the plans for the relocation of the entire Faculty within the new building and the Centre for Cellular and Biomolecular Research, and the total space program requirement. Cost of the project had not changed from \$70 million, details of which had been outlined in his November 1 memorandum.

Invited to comment, Dean Hindmarsh reported that there had been a further donation of \$5 million and the shortfall had now been reduced to \$12 million.

A member asked if any proposals to the Ontario Innovation Trust (OIT) had been submitted. Dean Hindmarsh responded that the Faculty had submitted one proposal already and that a second, larger proposal was being prepared.

A member had a series of questions concerning the location of the Institute for Drug Research, the terms of the Apotex donation and the configuration of the building. Dean Hindmarsh said some of the faculty members of the Institute would be housed in the new Dan building while others would be located in the Faculty of Medicine (within the CCBR). A good relationship with the Faculty of Medicine had developed. The Apotex donation carried no research implications but rather involved two namings within the building -- the Apotex Resource Centre and the Apotex Multi-Media Classroom. Professor Venter referred to the preliminary drawing of the building which was essentially one building with two integrated components, one 25 metres high, the other 19 metres high. The University was seeking adjustment from the City to increase the height of the taller.

A member remarked that this was a tremendous opportunity for the Faculty of Pharmacy to expand its enrolment and research facilities. He was pleased to hear of the new \$5 million donation. However, he was interested in the correlation between increased revenue and cost to operate the building. Professor Sedra explained the calculations, noting that, in the worst-case situation of no further donations, less than one-third of the increased BIU revenue would be needed to support the building. Another member asked about the prospects of meeting enrolment targets. Dean Hindmarsh stated that the Faculty received far more applications than there were spaces in the program. This University still had the only program in the Province at a time when demand for pharmacists continued to be very high. He believed the Faculty would have no problems in meeting its enrolment targets.

In response to a member's question about links between the buildings in that sector of the campus, Professor Venter said that there would be an underground link between the

CCBR and the Fitzgerald building, which in turn would link to the Dan Pharmacy building through a stairwell. With respect to servicing the buildings, Professor Venter said that the Dan Pharmacy building would be serviced off College Street. The member suggested that an underground dock be considered.

**5. Capital Project: Leslie L. Dan Pharmacy Building – Revised Project Planning Report (cont'd)**

On motion duly moved and seconded,

YOUR COMMITTEE RECOMMENDS

THAT the revised Project Planning Report for the Leslie L. Dan Pharmacy Building be approved in principle,

THAT the revised project for the Leslie L. Dan Pharmacy Building with a project scope of 8,680 net assignable square meters, sited on College Street [near University Avenue], at a project cost of \$70,000,000 with funding as follows, be approved:

SuperBuild	\$28.800 million
SuperBuild interest	1.640 million
Herb Binder contribution	2.000 million
UIIF contribution	7.200 million
Apotex contribution	5.000 million
Future donations to be sought through the Campaign, including naming opportunities	
Research funding possibilities through CFI and OIT sources. Funding from increased student enrolments	17.360 million, and

THAT an allocation of \$7,200,000 from the University Infrastructure Investment Fund [UIIF] for the Pharmacy Building be approved.

The Chair reported that the motion had been carried unanimously.

**6. Capital Project: Faculty of Arts and Science – Economics Building – Project Planning Report**

The Chair noted that this item would not be going forward to the Academic Board as part of the group being considered on Thursday.

Professor Venter reviewed the highlights of his memorandum of October 31, 2001 and the attached Project Planning Report for the Department of Economics Building Expansion and Renovation at 150 St. George Street (Executive Summary is attached as Appendix "C"). He indicated that the project was not a high priority but approval of the Users' Committee Report was required so that the Department could proceed with fund-raising. He informed the Committee that the Dean of Arts and Science was supportive of this project but that it would not proceed unless all funding was in place.

There was discussion about why this should be approved when there was no funding in place, when economic conditions were difficult and when it seemed that this commitment from the University Infrastructure Investment Fund (UIIF) might put other projects in jeopardy. Also, the concerned member thought that sources for fund-raising were not limitless and, in this respect, the project could jeopardize others of higher priority.

Other members spoke in favour. The Department of Economics was tremendously supportive of this project and should be given approval to commence fund raising. A member had the view that fund-raising was not a zero-sum game, and developing that mindset could be counter-productive.

**6. Capital Project: Faculty of Arts and Science – Economics Building – Project Planning Report (cont'd)**

Responding to a question, Professor Venter confirmed that discussions with Innis College had already taken place with respect to cooperation in maximizing the space currently occupied by Innis College and the Department of Economics.

Professor Sedra assured members that an allocation from the UIIF was conditional on successful fund raising. In response to a question about setting priorities for capital projects, he said that the Capital Plan, which would come to the Committee in January would reflect the priorities.

On a motion duly moved and seconded,

YOUR COMMITTEE RECOMMENDS

THAT the Project Planning Report for the Department of Economics be approved in principle; and,

THAT the project scope of 1880 net assignable square metres (nasm) of new space and 450 nasm renovated space be approved at an estimated total project cost of \$14,300,000 (May 2004), with funding as follows:

- (i) external funding raised by the Department of Economics; and,
- (ii) a contribution from the University Investment Infrastructure Fund [UIIF] for the classroom, estimated at \$980,000, to be assigned once the full funding has been realized.

**7. Capital Project: University of Toronto at Scarborough – Student Centre – Project Planning Report**

The Committee had received the Project Planning Report for the University of Toronto at Scarborough, Student Centre, together with a memorandum from Professor Venter dated October 31, 2001 (Executive Summary is attached as Appendix "D"). Professor Venter noted that the funding model subsequently had been revised. A new page three to his memorandum, giving details of the new model and a revised proposed resolution, had been distributed at the beginning of the meeting.

Professor Venter noted that UTSC might be one of only two universities in Canada that had no student centre. Students had been requesting a facility of this kind since the UTSC had opened and a referendum last spring supported the construction of this project by a significantly increased student levy. The project was supported by the Provost through a 50% match to the student levy and there had been a \$1 million contribution from UTSC. A further \$975,000 would be provided by the University Infrastructure Investment Fund (UIIF). To make the project feasible, the matching funding would be paid as soon as required to meet the cost of the project, rather than year-by-year to match the proceeds of the levy.

Professor Venter described the project as the result of an outstanding initiative by the students of UTSc and acknowledged the remarkable leadership of the current and past Presidents of the Scarborough Campus Student Council.



## 7. Capital Project: University of Toronto at Scarborough – Student Centre – Project Planning Report (cont'd)

In response to a question, Professor Venter noted the funding model for the project had been under frequent refinement, and he invited Ms. Brown to provide the specific funding sources contained in the final model:

UTSC fundraising	\$1.000-million	
Student levy (available for construction)	1.183-million	
Provost's matching funds	3.749-million	
University Infrastructure Investment Fund	0.975-million	
Interest income	0.473-million	
Loan (repayable from student levy and Student Centre rentals)	<u>6.271-million</u>	
Total		<u>\$13,696</u>

A number of members expressed their strong support for the project. In response to questions, Professor Sedra and Professor Venter said that the plans for the project had taken into account the planned increase in enrolment at UTSC. The loan, to be repaid from the student levy and retail rentals, was to carry an interest rate of 8%. The University was not providing the loan at a lower rate because the University support for the project took the form of the matching funds and the UIIF grant rather than an interest rate subsidy and because the University was unable to provide a lower rate for the 25-year amortization.

On a motion duly moved and seconded,

### YOUR COMMITTEE RECOMMENDS

THAT the Project Planning Report for the Student Centre at the UTSC be approved in principle.

THAT the project scope of 2418 nasm in total, on a site facing Military Trail and adjacent to the Recreation Centre as identified in the UTSC Master Plan 2001, be approved at an estimated cost of \$13.92 million (2003 dollars) excluding campus improvements, with funding as follows:

- (i) A mortgage, value \$6,270,885 million, to be amortized over 25 years at a 8% rate for an annual cost of \$580,796. Repayments to be made from the student levy as well as income derived from retail rentals within the Student Centre;
- (ii) A contribution of \$3,748,695 from the Provost. [50% contribution for each student dollar raised. The \$3,748,695 represents the present value of the student contributions which span a 25-year period];
- (iii) A one-time only contribution from the [UIIF] of \$975,000 towards the cost of the project to ensure that the financial integrity of the model which requires a 25-year payback at an 8% rate; and,
- (iv) A commitment from the University of Toronto at Scarborough [UTSC] to contribute \$1million dollars toward the Student Centre from fundraising activities.

## 8. Capital Project: University of Toronto at Scarborough – Classroom/Arts Building – Project Planning Report

Referring to his memorandum of October 31, 2001 and the Project Planning Report for a Classroom/Arts Building at the University of Toronto at Scarborough (Executive Summary attached as Appendix “E”), Professor Venter noted that this building was one of many at the University of Toronto at Scarborough planned to accommodate enrolment growth by 2003-04. The building was proposed on a site that had been identified for expansion in the UTSC Campus Master Plan 2001. The first of those buildings which had been reviewed by the Committee was the Academic Resource Centre. The next two buildings, proposed for adjacent sites that had been identified for expansion in the UTSC Campus Master Plan, were on the current agenda: the proposed Classroom/Arts Building and the Management Building. Both would be of similar size and cost. The Classroom/Arts Building would provide urgently needed instructional space as well as offices. Approval in principle of the project was essential at this time in order to move forward rapidly upon the anticipated award of Provincial capital funding to have the building ready for occupancy to accommodate expanded enrolment in 2004.

A member recalled the proposal that there be an expansion of graduate study at the Mississauga and Scarborough Campuses and asked if the proposed buildings took this into account. Professor Venter replied that there had been active discussion both about projected overall enrolment and the desirability of expanded graduate enrolment on those campuses. That consideration was an especially important factor in the thinking about the proposed science building that was also currently being considered. A member added that expansion would enhance the attractiveness of the UTM and UTSC campuses by enabling them to offer a richer variety of academic programs.

A member asked for assurance that there would be no proposal to pay a part of the cost of the buildings by a student levy. Professor Venter replied that he could not give any assurances at this time. If Government capital support were less than needed, it would be necessary to consider whether the project could proceed and, if so, to consider various alternative sources of funding.

Several members expressed their serious concern about the possibility of the Scarborough or Mississauga campuses having to repay a mortgage loan on new academic buildings. The concept of mortgage loans had not appeared in other proposals, and the imposition of such loans would be a greater burden on UTM and UTSC than on other campuses. Professor Sedra and Professor Venter expressed their understanding of the members' concerns and agreed to amend the recommendation to replace the word “mortgage” with “loan.” Any loan that was required would be repaid by the University from the operating budget, and any implications for the operating budget of UTSC would be negotiated and approved in the usual manner.

A member was concerned about proceeding with approval when funding for the project was uncertain and proposed, instead, that the Committee should proceed to approve the design only. Professor Sedra, Dr. Levy, Professor McCammond and Professor Venter responded noting the following important points. The role of the Planning and Budget Committee was to consider whether the proposed building should be approved in principle, considering the appropriateness of the site, space plan, overall cost and funding sources. In the absence of approval in principle, it was normally not permissible to spend any money on a project, including money for design. Approval in principle did not trigger any spending. The project would have to receive the approval of the Business Board, which made a decision about whether it was appropriate to proceed with design work at a given time and with given funding and later whether it was appropriate to begin

**8. Capital Project: University of Toronto at Scarborough – Classroom/Arts Building – Project Planning Report (cont'd)**

construction. What was important was that the process of approval in principle be complete in order to be able to proceed quickly when and if Government funding was announced. Finally, it was highly unlikely that the Government would fund the full cost of a project and it was not realistic to think that any of these projects could proceed without borrowed money.

Another member appreciated that there were steps elsewhere in governance to be taken before the project proceeded, but he requested that the Provost report back to the Committee for information. Professor Sedra replied that there were numerous reports on capital projects made to the Business Board, and members of the Committee could request copies. In addition, the Planning and Budget Committee would receive the update to the capital plan in January.

A number of members spoke strongly in support of the proposal. The University had made a strategic decision to accommodate most long-term growth at the UTSC and at UTM, and it must now proceed toward implementing that strategic decision. If Government capital funding proved to be inadequate, it would then be necessary to rethink the strategic decision and to scale back enrolment expansion. While there were risks of proceeding with new buildings at the UTSC and UTM campuses, there would be a huge cost for not proceeding - a lost opportunity for the development of the campuses that would not arise again in the foreseeable future. The academic plans of both campuses depended on the development of the new buildings, and failure to develop them would be the source of regret for decades to come.

On a motion duly moved and seconded,

**YOUR COMMITTEE RECOMMENDS**

THAT the Project Planning Report for the Classroom/Arts Building be approved in principle; and,

THAT the project scope of 2372 net assignable square metres (nasm) in total on a site extending from the existing Humanities Wing be approved at an estimated cost of \$15.5 million (2003 dollars) excluding campus improvements. A mortgage will be required to advance this project with funding sources as follows:

- (iii) Ontario Government support to be negotiated;
- (iv) external contributions through donors; and,
- (v) increase student enrolments on the UTSC campus.

**9. Capital Project: University of Toronto at Scarborough – Management Building – Project Report**

Professor Venter's memorandum of November 1, 2001 and the attached Project Planning Report (Executive Summary attached hereto as Appendix "F") outlined the need for and anticipated usage of the proposed Management Building at the University of Toronto at Scarborough. The proposed building would address an urgent need for expansion of classrooms and office space for the Division of Management, but the classroom capacity would be used by all parts of the Campus. Total cost of the project in 2003 dollars was estimated to be \$15.4 million. The issues with respect to this building were the same as

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**9. Capital Project: University of Toronto at Scarborough – Management Building – Project Report (cont'd)**

those for the Classroom/Arts Building. The motion would be changed to replace the word “mortgage” with the word “loan.”

On a motion duly moved and seconded,

**YOUR COMMITTEE RECOMMENDS**

THAT the Project Planning Report for the Management Building be approved in principle; and

THAT the project scope of 2436 net assignable square metres (nasm) in total on a site adjacent to the existing Humanities Wing be approved at an estimated cost of \$15.4 million (2003 dollars) excluding campus improvements. A loan will be required to advance this project with funding sources as follows:

- (i) Ontario Government support to be negotiated;
- (ii) external contributions through donors; and,
- (iii) increased student enrolments on the UTSC campus.

**10. Faculty of Medicine: Proposed Medical Radiation Sciences Program**

Professor McCammond reviewed his memorandum of October 22, 2001 and its attachment, proposing a revision and renaming of the B.Sc. (Radiation Science) program as the B.Sc. (Medical Radiation Sciences) Program (attached as Appendix “G”). The former had been self-funded and revenue was insufficient to continue a quality program. The revised, renamed program would be submitted to the Ministry of Training, Colleges and Universities for approval as a program eligible for operating grant funding and when that funding has been obtained, he would bring a proposal to the Committee for an allocation from the Enrolment Growth Fund.

In response to a question, Professor McCammond confirmed that revenue from the program would exceed the additional cost to run the program. Dr. Whiteside added that if BIU funding were not received the program changes would not go ahead. She anticipated an enrolment of 390 over two years and cited the desperate need for individuals trained in radiation therapy, which would be one of the specializations in the program.

On a motion duly moved and seconded,

Recognizing the need for the Committee to recommend appropriate further allocations from the Enrolment Growth Fund to fund the program,

**YOUR COMMITTEE CONCURS**

with the recommendation of the Committee on Academic Policy and Programs

THAT the proposal for a revision and renaming of the B.Sc. (Radiation Science) program, as the B.Sc. (Medical Radiation Sciences) program, as described in the submission from the Faculty of Medicine dated October 2, 2001, a copy of which is attached to Report Number 90 of the Committee on Academic Policy and Programs as Appendix “A”, be approved effective September 2002.

### **11. University of Toronto at Mississauga: Communication, Culture and Technology Program**

Professor McCammond recalled that the University of Toronto at Mississauga (UTM) had planned to introduce a major honours program in Communication, Culture and Information Technology (CCIT) to be offered jointly by UTM and Sheridan College. His memorandum of October 22, 2001 (attached as Appendix "H") reviewed highlights and resource implications of this program that had been identified as a niche program in the *Framework for Enrolment Expansion* document.

There was lengthy discussion focusing on a member's concern that approval for this program was requested at a time when it seemed to him that not all of the required resources had been secured. Professor McCammond responded, as did Dr. Levy, noting that approval of the program was needed before grant funding could come forward from the Government. However, once the program was approved, full average funding was assured. Additionally, though this item related only to program approval, the member was assured that the University was committed to the capital project associated with the program by having accepted SuperBuild funding for it and that, in fact, much of the capital funding was in place.

On a motion duly moved and seconded,

Recognizing the need for the Committee to recommend appropriate further allocations from the Enrolment Growth Fund to fund the program,

**YOUR COMMITTEE CONCURS**

with the recommendation of the Committee on Academic Policy and Programs

THAT the proposal for a Major Honours program in Communication, Culture and Information Technology, to be offered jointly by the University of Toronto at Mississauga and Sheridan College, as described in the Faculty of Arts and Science (University of Toronto at Mississauga) submission dated April 13, 2000, a copy of which is attached to Report Number 79 of the Committee on Academic Policy and Programs as Appendix "A", be approved effective on the date to be determined upon the securing of the required resources.

The Chair reported that the motion had been carried unanimously.

### **12. Ontario Institute for Studies in Education of the University of Toronto (OISE/UT): Proposed Diploma in Holocaust and Genocide Education**

Professor McCammond reviewed his memorandum of October 22, 2001 advising on the proposed Diploma in Holocaust and Genocide Education. The program would be totally self-funded, delivered on the basis of tuition revenue and there were no implications for the University budget. The item was for the information of the Committee only.

### **13. Report on Matching Programs**

Professor Sedra indicated that he had intended to provide a powerpoint presentation to accompany his report on matching programs. However, due to the lateness of the hour he referred members to the report which had been circulated with the Agenda. This was for the information of the Committee only and he would be happy to respond to questions now or at a later time.

**14. Capital Project: Project Committees – Membership and Terms of Reference**

Referring to the next five sub-items, the Chair said that, as Project Committees were established, the Planning and Budget Committee was informed and provided with the Terms of Reference and membership of the Committees. Five new Project Committees had been established and the relevant information on each had been distributed to the Committee for information. Four of the five were scheduled to report to the Planning and Budget Committee in March 2002; the fifth, Faculty of Law, would report in January 2002. Professor Venter was invited to add comments. There were no questions.

- 14.1 University of Toronto at Mississauga - Athletics Facility Wellness Centre**
- 14.2 University of Toronto at Mississauga - Child Care Facilities**
- 14.3 School of Continuing Studies - A Community Learning Space**
- 14.4 Faculty of Law**
- 14.5 University of Toronto at Mississauga - Library Building, Art Gallery**

**15. Date of Next Meeting**

The Chair reminded members that the next meeting of the Planning and Budget Committee was scheduled for December 12, 2001 commencing at 5:00 p.m. in the Council Chambers.

**16. Other Business**

There was no other business.

The meeting adjourned at 7:55 p.m.

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Secretary

Chair

December 11, 2001  
(17110)

October 31, 2001.

**MEMORANDUM**

**To:** Planning and Budget Committee

**From:** Ron Venter, Vice-Provost, Space and Facilities Planning

**Re:** Project Planning Report for the Department of Economics Building Expansion and Renovation

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**Item Identification**

Project Planning Report for the Department of Economics Building Expansion and Renovation

**Sponsor**

Ron Venter, Vice-Provost, Space and Facilities Planning

**Jurisdictional Information**

The Committee considers reports of the Users Committee and recommends to the Academic Board approval in principle of projects.

**Highlights**

The Department of Economics is presently located at 150 St. George Street with faculty also located at the Institute for Policy Analysis, in the Bissell Building, 140 St. George Street. External reviews of the Department through the years have identified a lack of space for graduate students. The addition of the Master of Financial Economics program and the expansion of the Undergraduate Commerce program have resulted in additional demands which cannot be met within the present facilities.

The Department of Economics, including the Institute of Policy Analysis, presently occupies a total of 1747 nasm. The Project Planning Report recommends an increase of 584 nasm, for a total allocation of 2331 nasm, which corresponds with the Council of Ontario Universities space standards. The space program that is proposed also includes the construction of a 75-seat, tiered lecture hall (143 nasm), which would be centrally controlled by the Office of Space Management.

The proposed project will involve the demolition of two previous additions to 150 St. George Street and an addition and renovation of the original Victorian house. Space currently occupied by the Institute of Policy Analysis will be released for other University use.

The proposed area of construction falls within the 150 St. George Street property, which will require municipal zoning approvals to proceed. The new structure must be mindful of residential scale and detail. Several envelope options have been considered during the planning stage to increase the useable area for the Department of Economics on this site, including the recommended option to maintain the original house and to be sensitive to heritage considerations. The proposed building program can be built within the current zoning height limits with the same program also in the basement.

It would be desirable to incorporate the Innis courtyard within overall landscape improvements for the area, while still recognising the need for Innis to maintain its designated exterior space. Under the new Policy on Capital Planning and Capital Projects, the Project Committee will continue through the implementation phase. The Working Executive of the Project Committee will comprise the lead User, a Planner and Implementer all of whom have been intimately associated with the project definition since its inception; the Working Project Executive for the Economics Building Expansion and Renovation comprises:

**User:** M. Berkowitz:  
**Planner:** G. Milgrom, and  
**Implementer:** J. Binks

This Working Executive will expand to include the Project Manager, once appointed. The role of the Working Executive is to ensure the successful completion of the project and to ensure that the user needs and concepts introduced into the Project Planning Report are addressed throughout the process of consultant selection, design and implementation which are carried out under the direction of the Assistant Vice-President, Operations & Services.

The Principal of Innis College will also be invited to participate in the Project Committee to ensure the compatibility of Innis College facilities and planned landscape improvements with the proposed plans for the Department of Economics.

#### **Resource Implications**

The total project cost, including new construction of 1880 nasm (3380 gsm), and renovation of 450 nasm (815 gsm), are expected to cost \$14,300,000 when tendered in May 2004.

Of this total, \$980,000 has been identified as the cost of a new 75-seat, tiered electronic lecture room. The estimate also allows \$1,000,000 for the department to be moved into nearby rented space for a period of two years while construction is underway. This will require 2,000 square metres of rentable space.

The maintenance, operating and utilities cost of the new facilities is expected to be \$251,000 annually or \$107/nasm whereas the current costs are \$147,211 (00/01), an average of \$83.22/nasm. The increase in operating costs is comparable with new, modern air-conditioned buildings on campus. There will be a loss of 13 reserved parking spaces and a loss of \$20,800 per annum to the parking ancillary as a result of the expansion.

#### **Funding Sources**

The Department of Economics has established a Fund Raising Committee and with approval of this project in principle, will launch a fund raising drive in the late fall of 2001 aimed at past graduates of the department and other private participants.

The inclusion of the tiered lecture hall, valued at \$980,000, is contingent on University funding. This funding will only be allocated at such time as the external support has been identified.

#### **Recommendations**

That the Planning and Budget Committee recommend to the Academic Board:

1. THAT the project planning report for the Department of Economics be approved in principle.



2. THAT the project scope of 1880 nasm of new space and 450 nasm renovated space be approved at an estimated total project cost of \$14,300,000 (May 2004), with funding as follows:

- (i) External funding raised by the Department of Economics and,
- (ii) A contribution from the University Investment Infrastructure Fund [UIIF] for the classroom, estimated at \$980,000, to be assigned once the full funding has been realised.

(17034)

**PROJECT PLANNING REPORT**  
**FOR THE DEPARTMENT OF ECONOMICS**  
**BUILDING EXPANSION AND RENOVATION**  
**AT 150 ST. GEORGE ST.**

**September 25, 2001**

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**PROJECT PLANNING REPORT  
FOR THE DEPARTMENT OF ECONOMICS  
BUILDING EXPANSION AND RENOVATION  
AT 150 ST. GEORGE ST.**

**I. EXECUTIVE SUMMARY**

The Department of Economics is presently located at 150 St. George Street with seven faculty within the department's complement housed at the Institute for Policy Analysis. Over the years a common theme stressed in the external reviews of the Department has been the lack of office space for graduate students. Time after time, the space problem has been brought up in reviews of the Department, yet it remains a proverbial thorn which will continue to impede the Department's progress in reaching its goal of comparability with the best publicly funded economics departments in North America.

With the addition of the Master of Financial Economics program and the expansion of the undergraduate Commerce program, the increased faculty and administrative demands can no longer be met within the present facilities. At the same time, space for undergraduate student activities is essential for the integration of these students within the Department, yet given the present scarcity of space within the current departmental facilities, this is not possible. The proposed structure will provide space for both undergraduate and graduate students to interact with each other and faculty on both an academic and social basis.

A 75-seat tiered accessible lecture room within the proposed facility addresses the crucial need for additional classroom space in the northwest quadrant of the St. George campus. The classroom will also provide a hub for student activity within the building. The room will be centrally booked by the Office of Space Management and the Faculty of Arts and Science.

From a research perspective, the Department seeks to gain the greatest synergies possible by coordinating the research activities undertaken by all members of the Department within its new facilities. This involves the relocation of the Institute for Policy Analysis to the new facility at 150 St. George Street and the provision of research space for all economics faculty at the University of Toronto at Mississauga within the new structure. This is necessary for the Department to achieve its goal as a premier economics teaching and research.

The Department of Economics presently occupies 1293 net assignable square metres and the Institute for Policy Analysis occupies 454 nasm for a total of 1747 nasm. The Users Committee recommends a nominal allocation of 2241 nasm. This allocation corresponds to COU space standards.

The proposed project will be privately funded and has an estimated cost of \$14,300,000 in May 2004 dollars, the date the project is expected to commence. A secondary effect of this project is to release to the University for relocation all the space currently occupied by the Institute for Policy Analysis in the Bissell Building at 140 St. George Street. Additionally, 13 reserved parking spaces and a loss of revenue to the parking ancillary in the amount of \$20,800 p.a. will result.

## **II. MEMBERSHIP**

M.K. Berkowitz (Chair), Professor, Department of Economics  
M. Abouhaidar, Business Officer, Department of Economics  
C. Deri, Graduate Student, Department of Economics  
R. deSouza, Director of Administrative Services and Planning, Faculty of Arts and Science  
D. Dewees, Professor, Department of Economics  
M. Fuss, Professor and Acting Chair, Department of Economics  
N. Gallini, Professor, Department of Economics  
J. Binks, Project Planning and Construction, Facilities and Services  
E. Sisam (Secretary), Director of Campus and Facilities Planning, Office of the Vice Provost, Planning and Budget  
G. Milgrom, Office of the Vice Provost, Planning and Budget  
N. Soboleva, Asst. Professor, Department of Economics  
L. Cheung, Undergraduate Student, Department of Economics

## **III. TERMS OF REFERENCE**

1. Determine a space program for the Department of Economics which will accommodate the activities currently at 150 St. George Street and other locations where members of the Department are currently located.
2. Demonstrate that the proposed space program will take into account the Council of Ontario Universities and the University's own space standards.
3. Plan to realize maximum flexibility of space to permit future allocations as program needs change.
4. Identify the capital cost of construction, any renovations, data and communications requirements and the cost of equipment and furnishings.
5. Identify any costs associated with transition during construction and secondary effects resulting from construction of this project.
6. Identify all proposed sources of funding.
7. Report by April 30, 2001.

#### IV. BACKGROUND INFORMATION

Over the years, the Department of Economics has made great strides in achieving its present status as the premier economics department in Canada. Due to the continued support of the university administration and the extraordinary efforts of our dedicated faculty, in the past few years we have been able to compete with the top universities in North America for the very best graduates. This is clearly evident by our recent success in winning the Polanyi Prize in each of the last three years.

As was spelled out in our “Raising Our Sights” plan, the Department is not content to remain the best economics department in Canada.<sup>1</sup> While the most recent ranking placed us within the top 10 publicly funded economics departments in the world, we have set higher goals - to rank within the top 5 publicly funded economics departments (equivalent to the University of California at Berkeley, University of Michigan, University of Wisconsin and UCLA). To reach this goal, it is necessary to address a chronic problem within the department - lack of space. Since the inception of the department in the early 1980's, every Chair's report and every external review has commented on the dire need for additional space. It is clear that the present space constraints and poor quality of much of the available space at 150 St. George have contributed to our being unable to attract better graduate students and has caused a number of key faculty to move to other parts of the university that offer improved space.

This need for space was cited 15 years ago by Dean Robin Armstrong in his report on the Review of the Economics Department (June 29, 1985):

“The graduate program appears unable to recruit the best students and too few master's students continue on to the doctoral program. Reasons that were suggested include lack of even minimal space to house graduate students, resulting in little sense of belonging to the department;”

In the 1988 OCGS Appraisal of the Graduate Program in Economics, the Chair wrote:

“Office space for graduate students is very limited. Ph.D. students working on their thesis have some space at 150 St. George St. and in the Institute for Policy Analysis. The Department is trying to expand the space for graduate students. This is not very easy on the St. George campus.”

The problem was also brought to light in 1990, when Professors J. Cragg and P. Mieszkowski stated in their External Review of the Department of Economics:

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<sup>1</sup> “Raising Our Sights in the Department of Economics: Planning to the Year 2004”, June 1999.

“The amount of space available for graduate students, especially Ph.D. Students, appears to be distinctly substandard. Students do not have an adequate reading room in which to study and which provides ready or immediate access to journals and to reference materials. They also do not have adequate lounge facilities to provide readily for the casual discussion of material, exchange of ideas and help on problems that can be an invaluable aid to effective mastering of material. In this respect, casual observation suggests that the Department is in a worse position than its major competitors.”

The external reviews concluded:

“We therefore strongly recommend that priority be given to finding or constructing more space for the Economics Department so that study and lounge facilities for graduate students in immediate proximity to faculty office space can be provided.”

Over the years, the space problems at 150 St. George have been tuned and tweaked, but the basic problem remains - lack of additional quality space within the departmental complex. In the latest external review of the Department, Professors Eichenbaum, Howitt, and Olewiler stated in November, 1999:

“As Nancy Gallini notes in her Chair’s report, the department has severe space constraints. This affects the graduate program in several ways. First, many graduate students have no office space in which to work. Secondly, they have no common room in which to gather and discuss their course work, eat lunch, etc. This tends to lead to a feeling of alienation among students without offices and inhibits the development of a collegial atmosphere. While space is scarce, perhaps some arrangement of existing space could be contemplated to allow students a place to gather. Ideally, the space problems of the department could be solved by construction of an addition to their building and a physical reunification with the Institute of Policy Analysis.”

Time after time, the space problem has been brought up in reviews of the Department, yet it remains the proverbial thorn in our side which will continue to impede our progress in reaching our goal of comparability with the best publicly funded departments within the North American market.

## V. STATEMENT OF ACADEMIC PLAN

Although its roots stretch back to 1888, the Department of Economics as we know it today evolved in 1982 when the Department of Political Economy was reorganized into two separate departments -- economics and political science. Over the years, department members have continued to excel in both research and teaching, and our graduates have made significant contributions to commerce, public service and education.

### A. Research

The department is proud of its many outstanding researchers. Professor Emeritus Sam Hollander has served as University Professor, the highest distinction the university can bestow. Hollander is the author of six books on classical economics and a recognized world leader in the area of 19th-century British economic thought. Martin Osborne has gained a substantial international reputation for his work in game theory. Ralph Winter, one of two Hoover Institute Fellows in the department, has made important contributions, along with Frank Mathewson in explaining the economics of vertical contracts and competition policy. Two young economists, Michael Baker and Dwayne Benjamin, have tackled a number of public policy questions in Canada in areas as diverse as immigration, pensions and retirement, minimum wages, and discrimination against women and minorities. Dan Trefler's research in international trade has received wide recognition and has given the department a strong presence in an ever-important area.

Departmental members have also held editorial positions on the most prestigious journals in the profession, including the *Canadian Journal of Economics*, *American Economic Review*, *International Journal of Industrial Organization*, *Explorations in Economic History*, *Energy Economics*, *International Journal of Game Theory*, and *Mathematical Social Sciences*, among others.

Members of the department have won many high honours which reflect their standing in the discipline. These include memberships in the Royal Society of Canada, the Order of Canada, and the Canadian Institute of Advanced Research. The department also boasts 5 past presidents of the Canadian Economics Association, 2 Research Fellows of the National Bureau of Economic Research, 1 past president of the History of Economics Society, 1 past president of the Industrial Relations Association, and 2 Harry Johnson Prize winners for the best article in the *Canadian Journal of Economics*.

Members of the economics department also hold large and prestigious grants from the World Bank, the Canadian International Development Agency, the Ford Foundation, the Tinker Foundation, the Mellon Foundation, the Bradley Foundation, the United Nations, the William Davidson Institute at the University of Michigan, and the Social Science and Humanities Research Counsel.



While a department's reputation depends on the visibility of its faculty's research within the profession, the broader impact of that research outside of the profession, especially in the policy arena, also deserves recognition. The strong academic credentials of our faculty have earned them influential and high-profile positions on the MacDonal Royal Commission, the Royal Commission on the Pharmaceutical Industry, the Market Design Committee on Restructuring the Electricity Industry in Ontario, a Federal task force on Business Taxation in Canada, the C.D. Howe Institute (current President) and the International Development Research and Policy Task Force to give a few examples. In the areas of economic demography, macroeconomic forecasting, taxation, competition policy, economic development, international trade agreements, financial markets, labour and immigration policy, members of the department have been key players in shaping economic policy.

## **B. Teaching**

The department's undergraduate areas of specialization include commerce and finance, international economics, labour economics, public finance, monetary economics and industrial organization.

Table V.B1 shows undergraduate enrolments in economics over the last four years. The department has one of the highest undergraduate teaching loads of any department within the Faculty of Arts & Science and the University as a whole. Over the last couple of years, there has been significant growth which is expected to be sustained.

**Table V.B1 Undergraduate Offerings by the Department of Economics**

<b>Period</b>	<b>Number of FCE's Sept.-April</b>
1996-97	5,908.0
1997-98	5,874.5
1998-99	6,059.0
1999-00	6,296.0
2000-01	6,705.0

**Note:** FCE's include courses such as SSC199Y and MGT310Y which are taught by members of the Department.

Our nearly 6,700 FCE enrolment (2000-01) ranks with the largest in the Faculty of Arts and Science. Approximately one-third of all first-year Arts and Science students enrol in one of our principles courses either in the Fall/Winter or Summer terms. The department has 315 students in 11 specialist programs, 1080 students in 2 major programs, 230 students in 3 minor

programs and 847 Commerce students (including 181 majors). This gives a total of 2290 program students in Economics. Our large program enrolment reflects not only our flagship Commerce and specialist/joint-specialist programs with geography, statistics, mathematics, philosophy, political science and sociology, but also our partnership in Environmental Studies, International Relations, East Asian Studies, Urban Studies, European Studies, Medieval Studies, and Employment Relations. Many of our faculty also teach multi-discipline courses in areas that include Industrial Relations, Law, Management, Mathematics and Political Science.

The department has 107 graduate students (2000-01), roughly half of whom are in the Ph.D. program. Many of our graduate students are teaching assistants and form a vital link in the department's objective of teaching undergraduate students the basic principles of economics and how to deal with contemporary economic problems. Table V.B2 shows the hours per week worked by teaching assistants within the department over the September 1999-August 2000 period.

**Table V.B2 Teaching Assistant Hours Per Week  
(Sept. 2000 - August 2001)**

<b>Period</b>	<b>Total TA Hours</b>	<b>Number of Weeks</b>	<b>TA Hours Per Week</b>	<b>Dollars</b>
September - April	19,110	34.67	551.20	\$639,828
May - August	4,970	17.33	286.79	\$170,014
<b>Total 2000-2001</b>	<b>24,080</b>	<b>52.00</b>		<b>\$809,842</b>

Note: Amounts include 9.5% benefits and 4.0% vacation pay.

Table V.B3 provides a list of graduate students within the department at both the MA and Ph. D levels over the last 6 years. In 1995, there were 47 MA students while in 2000, the number grew to 59. At the Ph. D level, the number has decreased slightly from 54 in 1995 to 48 in 2000. This reflects the significant change in the age distribution of the department over the last few years with a large number of retirements being replaced by younger faculty who are unable to supervise as many Ph.D. students at this time in their careers. It also represents a concerted effort within the department to improve the quality of the Ph.D. program.

**Table V.B3 Graduate Students Within the Department**

<b>Period</b>	<b>Number of MA Students</b>	<b>Number of Ph. D Students</b>
1995-96	47	54
1996-97	57	53
1997-98	57	44
1998-99	61	48
1999-00	62	46
2000-01	59	48

The nature of economics lends itself to interdisciplinary work. Departmental members are at the forefront of the discipline, pushing the research and teaching boundaries through their interactions with the faculties of management and law, the division of the environment and the employment relations program. The department also has teaching links with history, geography, statistics, mathematics, philosophy, political science and sociology through joint specialist undergraduate programs. The department offers a number of collaborative programs at the graduate level in areas such as environmental studies, international relations and Asia-Pacific Studies.

The department's dedication to teaching is demonstrated in a number of ways. David Foot, for example, was awarded the 3M Teaching Award. Foot and Adonis Yatchew both received awards from the Association of Part-time Undergraduate Students and Students' Administrative Council, and David Nowlan received the Faculty of Arts and Science Outstanding Teaching Award. Some department members use state-of-the-art technology in the classroom such as sophisticated electronic displays that provide an interactive teaching environment. John Floyd and Ken Rea have introduced Internet-based courses. Various professors have also written texts which are used in classrooms throughout North America.

### **C. The Future**

#### ***Faculty Growth***

It is expected that the department will have a net (of retirement) gain of 8 faculty members, including two transferred positions from Scarborough, over the present 5-year planning horizon. At the same time, the department has been awarded a Canada Research Chair and a Noranda Chair. The department will also be actively pursuing additional external donors for commitments to endowed chairs that will further expand our complement.

### ***Growth in Non-Academic Staff***

The department plans to add four administrative positions over the next five years. One of these positions will be a clerk 2 aimed at mitigating the understaffing which presently exists. The other three positions are related to the new Masters in Financial Economics Program. The director of the Program will require office space as will the administrative assistant who will be directly involved with counseling students and arranging summer internships. A secretary will also be hired to supply administrative support to the Program.

### ***Graduate Student Growth***

It is expected that the new Masters in Financial Economics Program will add 20-25 students per year to the graduate program. Together with the proposed program in Economic Policy, the size of the MA program is expected to increase by over 50% within 5 years. The Ph.D. program is expected to continue at approximately the same size over the next 5 years.

### ***Undergraduate Student Growth***

The Bachelor of Commerce Program (B.Com.), a highly successful joint economics and management program, is expanding from 300 students per year to 450 per year. The additional 150 students will each take approximately 2 economics courses per year so that the departmental FCE number will increase by 900. Although it is expected that due to a higher direct admission policy into the B.Com. program, there will be fewer unsuccessful students choosing to take economics in the future, the addition of new programs within the department at the undergraduate level (e.g., Economics & Finance Major, Management Economics Major, etc.) will more than compensate for this reduction in enrolments. At the same time, it is expected that the quality of students will dramatically improve as rejected B.Com. students are replaced with students taking these new major programs, who are attracted to the University because of the successful programs offered by the department.

## **V. SPACE PROGRAM**

### ***A. Overview of Existing Space***

The Department of Economics occupies approximately 1,325 net assignable square meters (nasm) at 150 St. George Street and the Institute for Policy Analysis, located at 140 St. George St., occupies approximately 450 nasm for a total of approximately 1,800 nasm. The space is inventoried in the following categories:

<u>Space Category</u>	<u>Nasm</u>
<b>Economics – 150 St. George Street</b>	
Faculty Offices	755
Graduate Student Work/Study Spaces	156
Non-Academic Staff Offices	120
Departmental Support Space	295
Subtotal	1,326
<b>IPA - 140 St. George Street:</b>	
Faculty Offices	175
Graduate Student Offices	48
Non-Academic Offices/Research Offices	80
Office Support Space	111
Lounge	29
Subtotal	443
<b>Total Nasm</b>	<b>1,769</b>

A detailed space inventory of the existing facilities can be found in Appendix 1.

Although not included in the information above, several faculty members also occupy space at Industrial Relations, Rotman School of Management, and the University of Toronto at Mississauga Campus.

***B. Nominal Space Allocation Required***

To determine the nominal space allocation required, a space utilization analysis, using the Council of Ontario Universities space standards and the internal university guidelines, was conducted.

The analysis was based on the following profile of the department which includes existing, approved and planned academic and non-academic complements, programs and student numbers:

## Departmental Profile

### **Current**

FTE Full time faculty members, 00/01	32 FTE
FTE Cross appointments/Fractional appointments, 00/0	13.5 FTE
FTE Mississauga faculty 00/01	12.8 FTE
Active professors emeriti, 00/01	6 headcount
FTE non-academic staff, 00/01	10 FTE
FTE Ph.D. students, five year average	47.6 FTE
FTE Masters students, five year average	52.4 FTE
Total FTE Graduate Students, five year average	100 FTE
T.A. hours, Sept. – april 00/01	19,110
IPA FTE academic, budget 00/01	.25 FTE
IPA FTE non-academic, budget 00/01	1 FTE

### **Planned Increase**

TBA replacements	2 FTE
ROS Plan positions	10 FTE
Chairs, Canada Research and Noranda	2 FTE
Mississauga Campus	4 FTE
Total FTE increase to Academic Complement	18 FTE
Non-Academic complement	6.1 FTE
Net increase in total graduate student FTE with MFE	15 FTE

Details can be found in Appendix 2.

Based on this analysis a space programme for the Department and IPA was developed. The proposed space program provides for an increase of 472 nasm or 27%. Of this allocation 143 nasm is to accommodate a general use classroom in which the Department will have priority booking. A comparison of the existing space to the proposed space programme is shown in the table on the next page:

<u>Category of Space</u>	<u>Existing Nasm</u>	<u>Nominal Nasm</u>
<u>Departmental Space</u>		
Faculty Offices	930	863
Graduate Student Spaces	204	484
Non-Academic Staff Offices	120	242
Research Facilities	80	190
Departmental Support Space/Lounge	435	256
	1,769	2,035
<u>Other Facilities</u>		
Atrium/Lounge		50
Tiered Lecture Theatre		143
Economics Course Union Room		13
		206
Total	1,769	2,241

The following discussion of the different categories of space identify the input measures (#s of FTE academic, students, etc.) and the standards used to generate the space requirements for the Department of Economics and associated IPA activities. As this project must accommodate an expanded department, both current and growth requirements have been carefully identified.

#### Faculty Offices

The Department of Economics, in 2000/01 had an academic complement of 35.5 FTE on the St. George Campus and an FTE of 12.8 at the Mississauga Campus. There are increases at St. George of 11 FTE and at Mississauga of 2 FTE already approved and a further increase of 3 FTE and 2 FTE at the two campuses planned.

The COU space standard, in generating academic office space, uses a space factor of 13 nasm per FTE faculty member with an additional 13 nasm for 15 % of the total FTE. Although 12 sq. m. is the accepted planning standard for a typical office, 13 sq. m. is the most commonly used guideline. It recognizes existing office configurations where the offices may be larger than standard, as well as the fact that Deans and Chairs are usually allocated larger offices for use as meeting space. The supplement of 15% is based on the assumption that the number of faculty requiring accommodation is greater than the recorded FTE and, therefore, the standard provides space to accommodate cross-appointments, part-time appointments, status-only appointments, visiting scholars, post doctoral fellows and offices for faculty with administrative appointments.

The table below shows the space required to accommodate the existing FTE (35.5) and the approved and proposed FTE (14) using the COU Space Formula:

<u>Academic</u>	<u>#FTE</u>	<u>#Offices</u>	<u>Nasm</u>
<b>St. George</b>			
2000/01 Complement	35.5	35.5	426
Approved TBAs	2.0	2.0	26
ROS Plan Positions	10.0	10.0	130
Research Chairs	2.0	2.0	26
Steady State FTE	49.5	49.5	644
15% Supplement		7.4	96
COU Generated		56.9	740

Although the COU space standard would generate 57 offices in 740 nasm the proposed space programme recommends an allocation of 67 academic offices in 863 nasm. The additional 123 sq.m., the equivalent of 10 offices, are required to accommodate the activities of academic staff, who though based at Mississauga, spend two to three days of the week on the St. George Campus to carry on their research activities, attend workshops, supervise graduate students, and participate in recruiting. The Department also has a large number of active professors emeriti who require workspaces.

<u>Mississauga Academics</u>	<u>#FTE</u>
2000/01 Complement	12.8
Approved TBAs	2.0
Net FTE increase for expansion	2.0
	16.8

While the majority of the offices are to be built at the 13 sq.m. standard, there are a few exceptions: 4 offices are to be slightly larger to accommodate meeting spaces for academics with administrative duties (for example, the Chair) and 9 are to be built at 10 sq.m. only. These smaller offices will be shared by Mississauga staff who have responsibilities on the downtown campus.

The current inventory of faculty offices is 755 nasm at 150 St. George Street (48 offices) and 175 nasm at 140 St. George Street (11 offices), for a total of 930 (59 offices). At 863 nasm and 67 offices this represents an overall increase in the total number of offices but a decrease in the average office size (15.8 nasm) to the university standard (13 nasm).

### Graduate Student Space

During the period 1995 – 2001, the average number of MA students was 52.4 FTE and the average number of PhD students was 47.6 FTE, for a total of 101 FTE. With the implementation of the Masters in Financial Economics Program it is expected that the total steady state graduate student FTE will increase to 115. (See Appendix 2)



The COU standard is 4 nasm of office type space per FTE graduate student. In practice significantly less has been allocated to graduate students both at the University of Toronto and in the Ontario system (averages of approximately 1.9 nasm and 2.5 nasm respectively). In most departments graduate student space has been provided for teaching assistants, research assistants and full time resident graduate students engaged in thesis preparation. In some disciplines dedicated graduate student study and workspace has also been provided for in laboratories or in libraries. However, few disciplines have been able to provide the facilities that would meet the COU guideline for office space. This lack of space has become a major recruitment issue when graduate students consider an offer from the University of Toronto.

This report recommends a space allocation for graduate students of 484 nasm which represents the spirit of the Council of Ontario Universities guideline and not the current practice.

Currently Economics graduate students occupy 156 nasm at 150 St. George Street and 48 sq.m. at 140 St. George Street, a total of 204 nasm. With an average of 100 FTE graduate students this is a ratio of 2 nasm per student, similar to the U. of T. average.

The proposed allocation of 484 nasm will bring that ratio to 4.2 nasm per FTE, for a steady state graduate FTE of 115. The proposed allocation will be used to provide not only office space for PhD. and MFE students, but also a series of T.A. interview rooms, an MA student computing room and a graduate student lounge. The interview rooms, when not in use for teaching assistant activities, will be used for other academic functions, such as, group related course work and part time faculty office hours.

#### Non-Academic Staff Offices

The Department of Economics, in 2000/01, had a non-academic complement of 10 FTE. There are increases of .4 FTE already approved and a further increase of 2.1 FTE for the MFE Program and 3 FTE for Commerce planned which would bring the department's total non-academic FTE to 15.5.

The COU guidelines provide 13 nasm per FTE non-academic staff. The COU standard generates 202 nasm. for the current, approved and planned FTE:

<u>Non-Academic FTE</u>	<u>FTE</u>
Current FTE	10
Additional:	
Director of MFE Program	.6
Assistant Director of MFE Program	1
Secretary of MFE Program	.5
Part-time to become full time Secretary Asst to Business Officer	.41
Commerce additions, counsellor, IT, secretarial	3
	15.5

The space programme recommends 242 nasm, or an additional 3 offices, one to serve as an Alumni Office, one to accommodate a Newsletter which is produced by a retired faculty member and one for development/fundraising coordination. The current allocation at 150 St. George Street is 120 nasm.

### Research Project Workspaces

The COU space formula for research facilities provides research laboratories or equivalent research space for the majority of the Humanities and Social Sciences by generating 1 nasm per FTE faculty and .5 nasm per full time equivalent graduate student. This formula is intended to create a pool of research project or office workspace, to be used as dedicated computer, interview, analysis, confidential file storage and research assistant workspace and to be allocated based on the needs and priorities of the department.

There are a few Social Science disciplines which have larger space factors: Psychology, Anthropology, Archaeology and Man/Environmental Studies (Physical). In these disciplines additional space is required to accommodate animals, materials and equipment more associated with “laboratory” space than with “office” space.

The COU guideline generates 124 nasm for the Department of Economics. The FTE for the Mississauga campus is included in this calculation as the research activity of these faculty members and their graduate students is located on the St. George Campus:

<u>Input Measure</u>	<u>FTE</u>	<u>Nasm</u>
FTE Academics, St. George, Current	35.5	35.5
Additional FTE Academics, St. George, Planned	14.0	14.0
FTE Academics, Mississauga, Current	12.8	12.9
Net Increase, FTE Academics, Mississauga, Planned	4.0	4.0
Steady State FTE Graduate Students	115	<u>57.5</u>
Research Nasm required		123.9

The allocation is to be provided in two different research project workspace styles, shared offices at 13 sq.m. each and private offices at 10 sq.m. each.

In addition to the above allocation the Institute for Policy Analysis has 5 FTE appointed administrative and research staff requiring office space of 13 nasm each for a total of 65 nasm.

The space programme recommends an allocation of 190 nasm for research project offices, representing a physical relocation of the Institute for Policy Analysis to the Department of Economics as well as an increase in research facilities to accommodate the existing activities and those of the planned additional complement. It is a stated aim of the Department to bring as much research activity back to the department as possible. The allocation of the 190 nasm is linked to

the commitment of the faculty members to make the Department of Economics the administrating department for their research projects.

The current allocation is 80 nasm.

### Support Space

Support space includes meeting rooms, faculty conference rooms, lounges, office storage and supplies.

The COU guidelines generate support space at a ratio of 30% of the space generated for offices. This number is a university wide guideline where in central administrative offices, Dean and Faculty offices, etc. the ratio is larger and at departmental level the ratio is usually around 20%. The space programme proposes 256 nasm of office and support space, is line with the 20%.

In addition to office storage, support and meeting rooms the facilities will include a Resource Centre, bookable caserooms and faculty and staff lounges.

The current combined allocation, at the two sites is 406 nasm. The reduction in space represents the increase in efficiency offered by newly and appropriately designed space. For example, the current allocations includes over 50 sq.m. of 'coat closets'.

### Other Facilities

A working group has been established to review classroom use in the northwest sector of the campus and preliminary recommendations suggest the need for the creation of additional classroom space. Thus a large tiered lecture room, with a capacity of 75, is to be located in this facility. It will be centrally booked and the Department of Economics would have first priority booking.

There is to be one 13 sq.m. room allocated to the Economics Course Union.

An allocation of 50 sq.m. has been identified for the Atrium. The Atrium which is seen as a welcoming space/lounge/casual study space is to be located close to the main entrance and will take advantage of the non-assignable space in the design of the building. The additional 50 sq.m is to ensure an adequate sized facility.

The detailed space program for the Department of Economics and the Institute for Policy Analysis is shown on the following page.

**Department of Economics/Institute for Policy Analysis  
Space Program**

ROOM TYPE	# Rooms	Nasm Per	Nominal Nasm
<b>ACADEMIC OFFICES</b>			
Departmental Chair's Office	1	26	26
Associate Chairs	2	15	30
IPA Director	1	15	15
Faculty Office/Private	50	13	650
Faculty Office/Emeriti	4	13	52
Faculty Office/Shared	9	10	90
	67		863
<b>GRADUATE STUDENT SPACE</b>			
Ph.D. Student Offices, 3 stations per office	16	13	208
MFE Student Offices, 33 stations @ 4.5 nasm	2	74.5	149
MA Student Carrel/Computing Room, 11 stations @ 4 nasm	1	44	44
TA Interview Rooms	6	8	48
TA Interview Room Waiting Space	non assignable space		
Graduate Student Lounge	1	35	35
			484
<b>NON ACADEMIC OFFICES</b>			
Receptionist	1	13	13
Business Officer	1	13	13
Chair's Secretary	1	13	13
Graduate and Undergraduate Administrators	2	13	26
Secretaries, 2	1	20	20
Secretary	1	13	13
Assistant to Business Officer	1	13	13
Photocopy Clerk	1	10	10
IT	2	10	20
Journal Office	1	13	13
Undergraduate Administrator for COMM	1	13	13
Director of MFE Program	1	13	13
Assistant Director of MFE Program	1	13	13
MFE Secretary	1	13	13
Newsletter	1	13	13
Economics 100 Co-ordinator's Office	1	13	13
Alumni Office	1	10	10
	19		242

<b>ROOM TYPE</b>	<b># Rooms</b>	<b>Nasm Per</b>	<b>Nominal Nasm</b>
<b>RESEARCH FACILITIES</b>			
<i>IPA/PEAP:</i>			
IPA Financial Officer	1	13	13
IPA Secretary	1	13	13
PEAP Secretary	1	13	13
IPA Research Economist	1	13	13
IPA Senior Economist	1	13	13
<i>Other:</i>			
Research Office – Level 1, 2 occupants per	5	13	65
Research Office – Level 2, 1 occupant per	6	10	60
			190
<b>SUPPORT SPACE</b>			
Resource Centre	1	26	26
Large Conference Room	1	60	60
Small Meeting Room	1	24	24
Office Supplies Room	1	10	10
Office Machine Room	1	10	10
Office Storage Room	1	10	10
Bookable Caserooms	4	10	40
Computer Workshop/Storage	1	12	12
Staff Lounge	1	15	15
Kitchenette	1	7	7
Faculty Lounge	1	35	35
Mailroom – Faculty and Staff	1	7	7
			256
<b>OTHER FACILITIES</b>			
Atrium	1	50	50
Tiered Lecture Room, capacity 75	1	143	143
Economics Course Union Room	1	13	13
			206
Programme Nasm			2,241
Nasm adjustment for retention of the North Building ( see discussion under ‘The Site’)			90
Total Nasm			2,331
<b>Other:</b>			
Data Closets			
Server/technology support			
Caretaking Spaces			

The Room Specification Sheets in Appendix 7 provide more information on the requirements of the individual spaces.

### The Site

The 150 St. George Street site, which will be discussed in more detail in Section IX B and IX F, consists of three structures: the North Building and Coach House were built in 1898 and the South Building was built in 1960. The Committee considered three options:

- demolition of all three structures and construction of a new facility
- demolition of the South building only, construction of a new facility and renovation of the North building and the Coach House
- demolition of the South and Coach buildings and a portion of the North, construction of a new facility and renovation of remainder of the North building.

A preliminary construction cost estimate by an outside consultant demonstrated that the costs associated with each of the options were similar. The Committee decided that the preferred option would be to retain the North Building and build a new facility adjacent to it.

The proposed space programme is 2,241 nasm and with a gross up factor of 1.8 would be 4,034 gross sq.m. The section of the North Building which is to be renovated has 453 nasm and an estimated 815 gross sq.ft. As the intention is not to totally reconfigure the interior of the North Building but to retain as many of the rooms as possible, and its' inherent charm, it is anticipated that there will not be a one to one match of space program to room sizes. If an 80% efficiency of the existing space can be achieved, then 1,878 nasm will need to be constructed in the new building:

<u>Location</u>	<u>Nasm</u>	<u>Gross</u>
North Building Renovation	453	815
New Building Construction	1878	3380
Total Project	2331	4195

## **VII. FUNCTIONAL PLAN**

The challenge of designing appropriate facilities for the Department of Economics is to satisfy the conflicting requirements of privacy and community. A high priority has been placed on the need for comfortable, quiet and personal office space for both faculty and graduate students to fulfill their academic responsibilities. The committee considered alternative spatial relationships for faculty and Ph.D. students and agreed that area groups within the Department should be kept together. For each area group, faculty offices, Ph.D. student offices for those students within the area and dedicated area research offices would form an area cluster within the

overall structure. Each cluster would be associated with one of the 10 specific area groups within the department (e.g., International Economics, Financial Economics, Econometrics, etc.). At the same time, there is a desire to improve the undergraduate experience within the department by making the department and its faculty and teaching assistants accessible to students. A primary goal of the design of the new facility is to increase social interaction and collegiality.

This goal can be achieved by using the shared space within the facilities to build a sense of community while at the same time locating and furnishing the academic offices to create a strong sense of personal space.

The main floor of the new facility will contain an atrium with a reception area at the entrance to the building. The atrium will serve as both a meeting place for undergraduate students and for departmental functions such as fund raising, alumnae events and departmental social and professional activities. Located around the atrium will be a graduate student lounge, an undergraduate student office (Economics Course Union), a resource center, student caserooms and an alumni office. Faculty and staff lounges will be located on the second floor of the new building.

New faculty offices, shared offices for Ph.D. students, emeriti professor offices, research offices and visitors offices will be built to a standard size and located on the second and third floors of the new building. Within the existing structure, faculty offices will also be located on the second and third floors with administrative offices occupying the first floor. It is important that the furnishings be flexible to allow for individual tastes. The critical feature that will distinguish an academic office from a non-academic office is the bookcase. Provision must be made for multiple shelving units in each academic office. To that end, the dimensions of the office, length and width, should allow for the maximum number of shelving units.

TA interview rooms, the MA Student carrel room, IT offices, Master of Financial Economics (MFE) administration offices and MFE student offices will be located in the structure replacing the present Coach House.

The third floor of the new structure replacing the present South Building will house the Institute for Policy Analysis and research centers within the department.

The 75 seat lecture theatre is to be a central university facility and should be capable of being separated from the remainder of the building to allow for evening and weekend usage by the general university population.

The committee identified a number of basic design considerations. Flexibility in lighting was desired with both fluorescent and incandescent lighting in office areas. Sound proofing between offices was considered critical. New furniture will also be required to replace existing furniture in bad repair. Within each of the new offices, the power requirements would include two duplex outlets per office and the communication requirements include 5(E) data cabling and

voice cabling with rough-in for a second data line in each office.

Renovation of the existing North building at 150 St. George will also require a newly installed HVAC system, refurbishing of the building interior and exterior, new windows, interior painting, electrical and lighting upgrades to provide for the installation of both fluorescent and incandescent lighting in office areas, and upgrading of data connections.

## VIII. ENVIRONMENTAL IMPACT

No significant environmental impact is expected. The construction will be done in accordance with the University's environmental design standards.

## IX. SPECIAL CONSIDERATIONS

### A. Accessibility and Personal Safety

The existing complex of buildings is not presently accessible. With the changes planned, the new areas and the majority of the existing house will be made fully accessible. The new structure will share a new elevator with the existing house, and a re-grading of at least a portion of the existing drive will be required to improve accessibility into the new building.

### B. Campus Planning Issues

The department of Economics is currently located in adjoining buildings at 150 St. George Street. The original structure, a red-brick house in the Italianate/Toronto Gothic style, was built in 1898 and includes an original coach house facing the rear lane-way and accessible from the second floor of the main building. Both the house and coach house have modified interior spaces for institutional use. In 1959-60 a brick clad Neo-Georgian structure was added to the site south of the original house.

The Economics buildings are built to the south side and rear lot-lines and are set back from the street line with front and north-side driveways. The site includes passageways to neighbouring buildings on both sides. Light wrought iron fencing fronts the office wing and street trees exist in the front-yard setback.

From an urban/campus perspective, this combination of old and new structures maintains and punctuates the street frontage and establishes a newer context echoed by Innis College to the south. Although the building is not presently listed in the *Inventory of Heritage Properties*, the 1993 Heritage Conservation Study commissioned for the University of Toronto Area flagged the buildings at 150 St. George as properties of architectural and historical value.



150 St. George Street was not designated as one of the campus development sites outlined in the Part II Plan. Any building on this site, therefore, must comply with current City of Toronto zoning by-laws and will undergo scrutiny from a Heritage preservation perspective. This property is zoned T1.0 (one times coverage) and H 12.0 (12 meter maximum height limit). These are parameters set out to maintain the low-rise residential nature of the northern block of St. George just south of Bloor Street. Any new structure will likely be required to provide an envelope, which is mindful of such residential scale and detail.

Several envelope options have been considered during the planning stage to increase useable area for the Department of Economics on this site. These include options that maintain some or all of the older structures on the site in an effort to be as sensitive to heritage considerations as possible. The option proposed within this report maintains the original house structure and builds a new addition in place of the 1960 addition and the coach house.

Because of the increased programme area required by the Department of Economics the new building area will, together with the existing building, amount to approximately two times coverage exceeding the current zoning. At minimum, therefore, a minor variance approved by the Committee of Adjustment must be sought for this site.

The proposed programme can be achieved in a new building of three to four storeys – maintaining the approved zoning height limit – and anticipates programme located in the basement. This addition is anticipated to wrap the site to the south and west property lines. The southern wing of the addition has the added benefit of adjacency to the Innis College quadrangle directly to the south. The proposed construction will allow a greater infrastructure link between the two buildings. Particular attention should be taken to allow for the incorporation of this wing to complete the quadrangle configuration partially formed by Innis College.

### **C. Computing and Telecommunications**

150 St. George Street is on the university backbone and this project will maintain a high level of connectivity.

### **D. Standards of Construction and Quality**

The cost assumptions included brick with some stone accents for the exterior. Interior would have 6” stud walls to handle shelving, floors would be carpeted with stone or wood in atrium, ceilings generally lay-in tile with some drywall.

### **E. Landscape Requirements**

There are two areas which must be addressed by the landscape plan: the quadrangle, to be completed with the new construction and the St. George streetscape. The protected open space courtyard created when Innis College was constructed has been used by the students and visitors

of Innis College. The completion of the Economics building will bring more users to this area. The treatment of the courtyard must address increased use by area residents as well as providing an attractive quiet area for meeting or respite. An Oxford like quadrangle is envisaged providing opportunities for individuals or larger groups to meet formally and informally.

There are several trees falling within the City of Toronto guidelines for protection on and adjacent to the site. These should be protected and incorporated in the landscape plan if possible.

#### **F. The Site and the North Building**

Work around the existing house will have to be done with caution in order to avoid damage. A full basement immediately adjacent to the new building is not currently included as there is no allowance for underpinning. However, the new construction may step back from the existing house to avoid this problem and its associated costs. Certain trees will have to be protected. The existing house is generally in sound condition, but requires upgrades to bring it up to more current standards. The existing windows will be replaced with double glazed replicas with an openable section. The wiring and lighting systems will be replaced where necessary. Air conditioning and sprinklers will be added as unobtrusively as possible. The washrooms and heating system will remain. There will be some rearrangement of internal partitions, with make good repairs and repainting. There will be minor floor and ceiling repairs. Externally, there will be minor roof and soffit repairs, and the facades will be cleaned and trim repainted.

### **XI. RESOURCE IMPLICATIONS**

#### **A. Total Project Costs**

The costs of proposed new construction of 3,380 GSM and renovations to the existing house of 815 GSM (total 4,195 GSM), together with professional fees, furnishings, moving and staging, etc are expected to total \$14,300,000 if tendered in May 2004.

The estimate includes \$980,000 calculated as the total cost of the 75 seat tiered, electronic lecture room.

The estimate allows for the department to be moved into nearby rented space for a period of two years while construction is underway.

Further details are shown in Tables 1 & 2 attached.

#### **B. Operating Costs**

The maintenance, operating and utilities cost of the new building is expected to be \$251,000 annually, or \$107 per nasm. The current combined cost for Economics and IPA is  
September 25, 2001

\$147,211 (00/01), an average of \$83.22 per nasm. The increase in cost per nasm is the result of constructing a modern air conditioned building, for example the Rotman Building was \$104 per nasm in 00/01:

<u>Location</u>	<u>Nasm</u>	<u>\$ per Nasm</u>	<u>Total</u>
150 St. George Street	1,326	83.32	110,482
IPA at 140 St. George Street	443	82.91	36,729
Total	1,769		147,211

### **C. Secondary Effects**

There will be a loss of 13 reserved parking spaces and a loss of revenue to the parking ancillary in the amount of \$20,800 p.a. as a result.

There will be a significant disruption to the normal workings of the department caused by the need to be relocated for a period of two years into rented space. The cost of this relocation is estimated at \$1,000,000. This is based on a \$25 charge per rentable sq.ft. annually as given by the Real Estate Department. The Department of Economics will need to rent approximately 20,000 sq.ft. of rentable space (1,326 nasm x 1.4). The process for identifying suitable temporary quarters should begin as soon as the project is approved.

Another secondary effect of the project will be the release of all the space currently occupied by the Institute for Policy Analysis in the Bissell Building at 140 St. George Street. This space will revert to the University to be reallocated. There may be renovations required for the new occupants.

## **XI. FUNDING SOURCES AND CASH FLOW ANALYSIS**

The Department of Economics has established a Fund Raising Committee and is planning to launch a special fund raising drive in Fall 2001 aimed at past graduates of the department and other private sector companies and individuals whose interests in economics and business would make them potential donors for this project. Preliminary development work has begun in conjunction with the writing of a funding proposal.

Inclusion of a tiered lecture room, approximately \$980,000, in this new facility is contingent upon University Funding.

## **XII. SCHEDULE**

Expected project schedule would be as follows :

1. Approval by P& B	October 2001
2. Negotiate and obtain zoning	16 months
3. Approval by Business Board	March 2003
4. Selection of Architect	2 months
5. Design	10 months
6. Relocate Department	May 2004
7. Tender	1 month
8. Construction	20 months
9. Completion	Jan 2006
Occupancy	April 2006

Total expected project duration is therefore 33 months after Business Board approval with an occupancy date of April 2006. Additionally, to minimize disruption, the construction would be timed to start in June when the academic year is complete, and work could be done before the onset of winter conditions. This would indicate that approval would be required in the previous March/April timeframe.

As construction is not expected to begin until May 2004 there is adequate time available for discussions with the city regarding approvals for building envelopes.

## **XIII. RECOMMENDATIONS**

That the Planning and Budget Committee recommend to the Academic Board:

1. THAT the Project Planning Report for the Department of Economics Building Expansion and Renovation at 150 St. George Street be approved in principle.
2. THAT the project scope of 1,880 net assignable square meters (nasm) of new space and 450 nasm of renovated space at a cost of \$14,300,000, in May 2004 dollars, with the funding sources indicated above, be approved.
3. THAT the University immediately begin discussions with the City of Toronto to determine the viability of the site to accommodate the proposed building program.