



# University of Toronto

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CAPITAL PROJECTS DEPARTMENT

TO: Business Board

SPONSOR: John Bisanti, Chief Capital Projects Officer  
CONTACT INFO: 416-978-4322 or email: john.bisanti@utoronto.ca

DATE: June 9<sup>th</sup>, 2004 for June 17<sup>th</sup>, 2004

AGENDA ITEM: 7(e)

## **ITEM IDENTIFICATION:**

**Capital Project – Renovation of 155 College Street** [formerly the Board of Education Building]

## **JURISDICTIONAL INFORMATION:**

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

## **PREVIOUS ACTION TAKEN:**

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

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

## **HIGHLIGHTS:**

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

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

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

The proposed allocation of space is summarized below:

Faculty of Nursing	3,163 nasm on the 1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> floors,
HPME	1,257 nasm on the 4 <sup>th</sup> , 5 <sup>th</sup> floors, and
PHS	2,715 nasm on the 4 <sup>th</sup> , 5 <sup>th</sup> , 6 <sup>th</sup> , 7 <sup>th</sup> floors,
Common space	532 nasm located throughout the building,
OSM classrooms	864 nasm located throughout the building, and
Provost office	63 nasm located on the 3 <sup>rd</sup> floor.

Once approved by Governing Council in June 2004, the project will proceed with a call for architects in July of 2004, leading to an anticipated tender date in late 2004 or early 2005.

#### **FINANCIAL AND/OR PLANNING IMPLICATIONS:**

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

This renovation of 155 College Street is of high academic priority to the University of Toronto but will present a difficult challenge to both the Faculty of Nursing and the Faculty of Medicine to service the mortgage, hence the very real need to secure external funding, specifically from the Ontario Government for this undertaking.

To advance the project at this stage and to allow for the detailed design to proceed will require that approval be given to spend \$1,300,000 to hire the architect and consultants who will undertake the design and the preparation of all construction documentation to proceed to tender by December, 2004, with an anticipated completion date for the project of August 2005.

It is also important to record that every effort has been made to reduce the renovation costs of the project and to re-use the existing configuration whenever possible. Of the estimated \$24 million cost approximately \$8 million is directed to furnishings and equipment. The equipment required for the Faculty of Nursing is particularly expensive at some \$4,400,000 alone; this may have to be phased in as funds permit. Construction also requires that the building be made to comply with the current fire-code and that asbestos and PCB contamination from light fixtures etc. be removed.

At this stage, the preliminary cost of the project has been apportioned to each academic unit according to the space occupied within the building as follows:

- Nursing = \$12,947,232
- Health Policy Management and Evaluation = \$3,965,469
- Public Health Sciences = \$7,226,448

The intent at this stage is for the University to actively seek additional funding for this project from the provincial and or federal governments. If this initiative can be successfully concluded by the fall, a revised document identifying the various sources of funding will be tabled for re-consideration by the Business Board. The current approach, at an estimated cost of \$1,300,000, will enable the detailed design and contract drawings for the project to be completed.

**Operating Costs:**

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

**RECOMMENDATION:**

THAT the Interim Vice-President – Business Affairs be authorized:

- (i) to arrange for design work for the project to renovate 155 College Street at a cost not to exceed \$1,300,000 with financing to be repaid from the University of Toronto operating budget, and
- (i) to arrange such interim and long-term financing as required from either internal or external sources.