



University of Toronto

OFFICE OF THE VICE-PROVOST, SPACE AND FACILITIES PLANNING

TO: Members of the Planning and Budget Committee

SPONSOR: Ron Venter, Vice-Provost, Space and Facilities Planning

CONTACT INFO: 416-978-5515; ron.venter@utoronto.ca

DATE: June 6th, 2003 for June 17th, 2003

AGENDA ITEM: #2

ITEM IDENTIFICATION:

Change of Scope and site location to the Project Planning Report for the University College Residence.

JURISDICTIONAL INFORMATION:

Under the Policy on Capital Planning and Capital Projects, the Planning & Budget Committee reviews revisions to the Project Planning Report prepared for a capital project and recommends to the Academic Board approval in principle of the project.

PREVIOUS ACTION TAKEN:

The Project Planning Report for the University College residence expansion was initially approved in April, 2002 and again in September, 2002 with approval by Governing Council on October 31st, 2002. The key revisions to the Project Planning Report has been the need, supported by the City, to relocate the new residence entirely on *site 22* [post April, 2002 approval], immediately north of Sir Daniel Wilson Residence followed by improvements to the overall layout of the building and the interfaces with St. George Street as well as the Back Campus [post September, 2002 approval]. The proposed residence as designed will be approximately equal in height to Sidney Smith Hall on the west side of St. George Street with 277 residence beds within 9,329 gross square metres. The new facility will also include 800 gsm for the kitchen/servery. The average gross square metre area per bed is now 30.8 which represents an improved use of space from the user perspective while not being excessive.

BACKGROUND:

The demand for residence places at the University of Toronto, especially places for first year students, has grown steadily over the last few years. University College has the most critical need for student housing of all colleges on the St. George campus. It currently can house only 11% of its students. This compares unfavorably with similar colleges notably Victoria, St. Michael's and Trinity where the corresponding numbers are 24%, 24% and 36% respectively.

In January 2000 a Project Committee [Users' Committee] was established. The Principal of University College chaired this Project Committee composed of students, faculty and staff. Key alumni also formed an informal advisory group to the Principal. Over the past two years the College has examined a number of potential building sites. The initial site proposed was western edge of the back campus. By April, 2002 the location had shifted and it was proposed, following a study by the architectural firm of A.J. Diamond Donald Schmitt and Company to add a north/south wing to complete the eastern edge of the Sir Daniel Wilson residence quadrangle and to also use an approved building site, Site 22, a parking site immediately north of Sir Daniel Wilson. The Sir Daniel Wilson residence quadrangle is presently zoned UOS (University Open Space) within

the City of Toronto zoning by-laws and as such would require re-zoning before any structure could be built. Numerous town hall meetings took place to discuss this particular option. College Council unanimously approved both the need for the residence and the proposed location. The University College Alumni Association and University College Committee both unanimously recognized the need for a residence and supported this location.

The revised plan, referred to as the Sir Daniel Wilson quad site model was tabled and approved at Planning & Budget on April 16th, 2002. Thereafter, the planned UC residence was approved by the University Affairs Board and the Academic Board respectively. The new residence wings were to be constructed in a modified dormitory style, with washrooms and small common kitchens shared by “clusters” of single student bedrooms. Two bedrooms were designed to be fully accessible, and the layout of all spaces was to incorporate the principles of universal design. Additionally, common space was designed to have multi-purpose use.

The design and detailing of the new residence was to be of a good quality, with good exterior finishes to be compatible with the historic buildings that surround the site. Part of the addition to the Sir Daniel Wilson residence was to eliminate the surface parking from Site 22, and thereby allow the creation of an improved east-west pedestrian walkway and sight lines connecting the Back Campus to St. George Street, adjacent to the University College Union building. A total of 28 parking spaces were to be lost from this site, resulting in a net decrease of approximately \$28,800 annually to the parking ancillary of the University. The existing sunken rose garden south of the UC Union was to be re-located and incorporated into the over-all University College landscape plan. In addition, a pedestrian loggia was recommended along one side of the new n/s wing to provide additional covered amenity along one of the most heavily trafficked pedestrian routes through the site.

This particular siting of the UC residence was unfortunately not well received by the City of Toronto in large measure as a result of the University Open Space zoning. In a memorandum, dated May 27th, 2002, the Planning & Budget Committee were informed that the City of Toronto was opposed to the siting of the residence on University Open Space, and recommended that the proposed residence should preferably be entirely located on the St. George Street parking site, immediately north of Sir Daniel Wilson Residence.

This relocation required that a taller building envelope be accommodated on the parking lot site [site 22] to permit the required 300 beds. This change in scope from the original submission also necessitated other adjustments, most notably to the dining hall, utility infrastructure and the drama centre. All required changes were investigated within the guidelines recommended by the City of Toronto to address the density needs of the project. The Vice-President Business approved an allocation of \$50,000 to undertake this investigation to provide a clearer definition of the project scope and the total project cost.

In September 2002, the Planning and Budget Committee approved the revised Project Planning Report for the UC residence expansion. The approvals continued through the Academic Board, University Affairs Board, Business Board culminating with Governing Council approval on October 31st, 2002. The residence was to be totally located on site 22 with 288 beds, including 5 Dons and one residence life coordinator. Following governance approval the architectural firm, Zeidler and Grinnell, was appointed to develop the design. Discussions with the City of Toronto continued, the design concepts were shared and reviewed by the Design Review Committee [DRC], redesign occurred and ultimately a design has emerged to construct a tower on a very difficult and bounded site. As with all such sites, and compounded its immediate proximity to the more traditional buildings on the St George campus, various views and concerns have been raised. These concerns have been fully explored in the design of the building and while each critic has valid points of view, it does appear that the building has been carefully optimized within the difficult set of constraints imposed by the site, the City requirements as well as the massing on the site itself.

Under the 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; this membership is:

User: Principal Paul Perron
Planner: Jennifer Adams
Implementer: Julian Binks

This Working Executive will expand to include a Project Manager to be appointed by the Chief Capital Projects Officer. The design is essentially completed and it is projected that all detailed drawings will be finalized in preparation for the tendering process once approval has been secured.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The current plan for the residence proposes 277 residence beds including 5 Dons, 1 Junior Don and 1 Residence Life Coordinator, student amenities and dining/servery facilities in 9329gsm of space. The estimated cost of construction, including all furnishings and finance costs is now estimated at \$24,039,382 (\$86,785/bed). Of this cost, \$2,767,216 is required to construct and furnish the kitchen and servery. Therefore, the cost of the residence only is \$21,272,166 and the residence only cost per bed is approximately \$76,795.

Proposed funding for the project includes \$10M in donations of which \$8M is currently secured, \$1.485M in UC residence ancillary contributions, \$800,000 in UC food service ancillary contributions and \$50,000 allocation from the University Infrastructure Investment Fund to help support the maintenance of the drama space [\$360,000 in total is estimated to preserve the drama space]. To achieve the new total project cost, will in addition to the funding sources cited above, require a mortgage in the amount of \$11,705,000.

Clearly, as a result of the large sum contribution already received from fund-raising, interest on mortgage payments for this project has been reduced from the earlier projections in September 2002. The Principal of University College has committed all savings to be used by UC to upgrade and renovate existing University College facilities and the associated infrastructure. Assumptions carried within the business case include a mortgage rate of 8% over a 25 year amortization period. A separate assessment of the risk analysis for this project within the context of the UC ancillary as a whole is provided; this assessment was prepared by Sheila Brown and Lou Ranalli, Financial Services Department. Proposed monthly bed rates are set at \$620 for the new residence and \$572 for existing residences. The average annual increase to bed rates is calculated at ~7% per year on existing residences and ~5% per year on new residences increasing room rates to \$757 and \$756 respectively in 2008/09.

All cost overruns that could occur with this project as a result of unexpected difficulties with this relatively difficult site will be the responsibility of University College.

RECOMMENDATIONS:

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

1. THAT the Revised Project Planning Report for the new University College Residence be approved in principle.
2. THAT the project scope totaling some 9329 gross square meters, will allow for the construction of a residence building on the approved Site 22.

3. THAT conditions to all municipal approvals be negotiated in order to gain minor variance permissions to build on Site 22.
4. THAT the funding arrangements, including furnishings and finance costs, for the University College residence expansion be approved at an estimated cost of \$24,039,382 to \$25,539,382 with the funding as follows:
 - (i) \$8,000,000 externally secured contribution received for the UC residence expansion,
 - (ii) An additional \$2,000,000 to be secured from additional external fund-raising by University College.
 - (iii) \$1,485,000 contribution from the UC residence ancillary
 - (iv) \$800,000 contribution provided by the UC food service ancillary
 - (v) \$50,000 allocation from the University Investment Infrastructure Fund in support of space for the Drama Program.
 - (vi) A mortgage to be amortized over a period of 25 years in the range of \$11,705,000 to \$13,205,000, with payments forthcoming from residence revenues and the UC ancillary.

Date: June 12, 2003

Subject: Financial and risk analysis of the University College residence expansion proposal

Summary

The UC residence model has a robust financial plan that breaks even annually and cumulatively in year 1. Sensitivity analysis indicates that even with some deterioration in the assumptions, it should be possible to maintain the opening bed rate at a \$620 per month and the entire UC residence operation would continue to breakeven cumulatively in year 1.

Scope of review:

The revised University College residence expansion proposal requires the construction of a 277 bed, dormitory style residence with a newly constructed kitchen. The residence is scheduled to open in 2004/05 and will be operated by the UC residence ancillary.

The revised model for the whole residence ancillary operation, including the new residence, which has been submitted by University College includes the following financial parameters:

1. The projected cost of the new residence is estimated at \$24.04 million, of which \$2.77 million for the new kitchen. The total project cost includes \$1,375,000 for new furniture and equipment, of which \$525,000 for the kitchen operations.
2. Current internal funding for the project has been identified at \$12,335,000 consisting of:
 - \$10,000,000 in donations, of which, \$2.5M has already been raised or pledged. Another \$6M has been committed and will be contributed during the construction process.
 - \$2,285,000 in ancillary contributions, of which \$1,485,000 from the UC residence ancillary and \$800,000 from the UC food service ancillary.
 - \$50,000 from the Academic Priorities Fund, to support the drama facility.

The remaining \$11,705,000 funded by borrowing.

3. The proposed monthly bed rates for the new residence are set at \$620, with the existing residence at \$572. The combined blended rate would be \$590 per month.

Appendix 2 displays a comparison of the financial model approved at Business Board on September 30, 2002 with the revised financial plan. A summary of the changes are listed below:

- Due to rezoning issues, the location of the proposed residence was moved and therefore redesigned at a cost of \$24.04 million, an increase of \$2 million over the September 2002 plan.
- Revised model increases starting bed rate from \$597/month to 620/month and blended from \$581/month to \$590/month.
- Revised model significantly reduces the project borrowing requirement by \$5.44 million.
- The revised model has significantly increased donations, from \$2.5 million to \$10 million.
- The new financial model has significant improvements in internal rate of return (IRR), net present value (NPV), and breakeven figures.

Financial Analysis:

The proposed UC residence is very similar in size and style to the New College residence and the expectation is that operationally, they would be similar. The revenue and expense projections contained within the UC financial model were compared to those submitted by the New College residence operation as part of SARG 2003.

The UC model was found to contain operating expenditures that were on average \$537,000 lower than those contained within the New College submission. The difference mainly is attributed to lower staffing costs. The monthly bed rates were also compared and found to be slightly higher in the UC model than the NC model. The starting monthly bed rate at UC is \$620 as opposed to \$542 for New College. The rate difference of \$78 per month reflects a 14.4% premium over New College. The average capital renewal expenditure in the UC model exceeds the New College model by approximately \$1,120,000 per year over the next 5 years. The large variance is attributed to the forecasted upgrades to UC residences, which are much older than the NC residences.

Ancillary contributions of \$2,285,000 are comprised of \$1,485,000 from the UC residence ancillary and \$800,000 from the UC food ancillary. In both cases, these contributions will consume most of the unappropriated surplus anticipated in their current long-range plans. The residence ancillary expects to have at the beginning of 2004-05, a capital renewal reserve of \$351,000 with an offsetting unappropriated deficit of (\$157,000). The low reserves represent a risk factor in this proposal when combined with the deferral of capital renewal contributions on the new residence until year 6.

The current financial model yields a per bed cost of \$86,787 based on the total project cost. The cost per bed is \$75,498 for project costs specifically related to the residence. The annual cost of external financing is \$1,084,093 based on the ancillary meeting its internal funding projections of \$12,335,000.

With bed rates at \$620/month in year 1 for the new residence, the overall ancillary operation breaks even both annually and cumulatively in year 1. With an IRR of 16.72% and a NPV of \$16.1 million, this is a healthy financial plan.

Identified Risk Factors:

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1. Ancillary contributions totalling \$2,285,000 will be available for project funding.
2. Donations of \$10,000,000 will be raised and cash received by September 2004.
3. Construction costs exceeding current project projections.

Sensitivity analysis:

Since the capital project contains multiple risk factors, a sensitivity analysis was prepared to account for the various possibilities. Low-risk, medium-risk and worst-case scenarios were modelled. The results of the financial analysis are summarized in Appendix 1. The financial plan submitted by University College will support the current level of construction costs, with annual and cumulative breakevens in year 1, contingent on the following:

1. Ancillary contributions materialize – The assumption is that the residence and food & beverage ancillaries will make contributions from their surpluses. This assumption puts each ancillary at risk, since it depletes all of the forecasted reserves by April 30, 2004, and therefore should be considered as high risk.
2. Donations of \$10,000,000 – It is assumed that UC will be able to raise \$10,000,000 in donations before the opening of the residence in 2004/05. Given the history of the residence and it's ability to fundraise along with it's current donations received or pledged, which amounts to \$2,500,000, and \$6,000,000 committed for 2003/04, the risk should be considered as low.
3. Construction Cost overrun – It is assumed that construction costs will not exceed current capital cost projections. The current project cost has a built in contingency of \$1,713,000 and should be considered as low risk.

The sensitivity analysis in appendix 1 shows that the risk of cost overruns or funding shortfalls causing a significant deterioration in the financial outcome is low. Even with the worst-case scenario the bed rates remain at \$620/month, with IRR of 12.43% and NPV of \$10.5 million. Borrowing would increase to \$16.99 million in the worst-case scenario.

Conclusion:

Given that the ancillary has been relatively conservative within its financial model and has a considerable down payment, we would consider the project to be low risk.

Appendix 1

UC Residence Proposal - June 2003 Submission

Sensitivity Analysis if Project Costs Increase and Funding Shortfall Occurs

	<u>UC Submission</u>	<u>Low-Risk Case</u>	<u>Medium-Risk Case</u>	<u>Worst Case</u>
Total Project Cost	24,040,000	24,040,000	24,040,000	24,040,000
Project Cost Overrun of 6.2%	0	0	0	1,500,000
Donation Shortfall	0	0	1,500,000	1,500,000
Ancillary Contribution Shortfall	0	2,285,000	2,285,000	2,285,000
Borrowing Required	11,705,000	13,990,000	15,490,000	16,990,000
Breakeven Year				
Annual	1	1	1	5
Cumulative	1	1	1	1 *
<u>Monthly Residence rate</u>				
New Residence Opening Rate	620	620	620	620
Existing Residence Opening Rate	572	572	572	572
Blended Residence Opening Rate	590	590	590	590
 IRR - Combined Operations	 16.72%	 14.62%	 13.45%	 12.43%
 NPV - Combined Operations (Cashflows before financing costs and net of capital cost)	 16,119,223	 13,834,223	 12,180,835	 10,527,446

* Although the ancillary incurs annual deficits in the first four years, the unappropriated surplus never goes into a deficit position.

Appendix 2

UC Residence Proposal

Comaparison of models

	Sept. 2002 Model	June 2003 Model	Change
# of Beds	292	277	(15)
Project Cost	22,000,000	24,040,000	2,040,000
Residence building	20,125,000	19,535,000	(590,000)
Drama Facility	360,000	360,000	0
Kitchen Renovation	500,000	2,770,000	2,270,000
Furniture & Equipment	1,015,000	1,375,000	360,000
of which Kitchen operations	525,000	525,000	0
Funding			
Donations	2,500,000	10,000,000	7,500,000
Raised	1,500,000	2,500,000	1,000,000
Committed	0	6,000,000	6,000,000
Outstanding	1,000,000	1,500,000	500,000
Residence Contribution	1,485,000	1,485,000	0
Food Service Contribution	800,000	800,000	0
APF	70,000	50,000	(20,000)
Mortgage Financing	17,145,000	11,705,000	(5,440,000)
Bed Rates:			
New	597	620	23
Existing	570	572	2
Blended	581	590	9
Breakeven Year (Combined operations)			
Annual	5	1	(4)
Cumulative	8	1	(7)
IRR - Combined Operations	9.04%	16.72%	7.68%
NPV - Combined Operations	2,755,458	16,119,223	13,363,765
(Cashflows before financing costs and net of capital cost)			

University College

June 2003 - Submission

Standard criteria:

New Residence scheduled to open September 2004 (2004-05)

Number of beds

existing	452
new-original	277
new-additional beds	0
Total	<u>729</u>

Occupancy rates 98.00%

Mortgage terms:

rate	8%
amortization-years	25
compounding (monthly)	12

Capital renewal to start in year:

existing	1
new	6

and to be calculated at a rate of 1.50%

Breakeven target for total ancillary operation:

annual (year)	2004-5	1
cumulative (year)	2004-5	1

Variables within various models:

Project costs:

	Building	Furn & Equip	Total	
Residence	20,063,000	850,000	20,913,000	} 1
Kitchen: Food Service	2,242,000	525,000	2,767,000	
Drama	360,000		360,000	
Construction costs for total project	22,665,000	1,375,000	24,040,000	

Cost per bed (based on projects attributable to residence only):

Residence = res bldg { 1 } / total new beds	\$75,498
Total project = total cost / total new beds	\$0

Sources of funding:

	Residence	Food Service	Drama	Total
Donations	7,723,000	1,967,000	310,000	10,000,000
APF Support			50,000	50,000
Departmental contributions	1,485,000	800,000		2,285,000
Net funding (excl. financing)	9,208,000	2,767,000	360,000	12,335,000
Mortgage financing	11,705,000			11,705,000
	20,913,000	2,767,000	360,000	24,040,000

Monthly bed rates in year 1 and year 5:

	2004-05	avg annual incr to Yr 5	2008-09
existing	\$572	7.25%	\$757
new	\$620	5.13%	\$757
Blended rate*	<u>\$590</u>	<u>6.19%</u>	<u>\$757</u>

*using weighted average calculation

UNIVERSITY COLLEGE, Total Residence Ancillary

Projected Income Statement:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Revenues																
Revenues-winter	3,319,018	3,559,603	3,803,373	4,040,910	4,258,640	4,386,399	4,517,991	4,653,531	4,793,137	4,936,931	5,085,039	5,237,590	5,394,718	5,556,560	5,723,256	5,894,954
Revenues-summer	580,735	971,752	1,110,990	1,180,150	1,243,702	1,281,013	1,319,443	1,359,027	1,399,798	1,441,792	1,485,045	1,529,597	1,575,485	1,622,749	1,671,432	1,721,574
Revenues-other	68,391	84,094	89,969	95,601	100,755	103,777	106,891	110,097	113,400	116,802	120,306	123,916	127,633	131,462	135,406	139,468
Dean's & dons	150,710	183,142	195,913	208,311	219,561	226,148	232,932	239,920	247,118	254,531	262,167	270,032	278,133	286,477	295,071	303,924
Amount of subsidy needed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net revenues	4,118,854	4,798,592	5,200,245	5,524,972	5,822,658	5,997,337	6,177,258	6,362,575	6,553,453	6,750,056	6,952,558	7,161,135	7,375,969	7,597,248	7,825,165	8,059,920
Expenses																
Operating (general)	1,862,281	2,151,527	2,194,558	2,238,449	2,283,218	2,328,882	2,375,460	2,422,969	2,471,428	2,520,857	2,571,274	2,622,699	2,675,153	2,728,656	2,783,230	2,838,894
Dons	353,361	355,717	362,831	370,088	377,489	385,039	392,740	400,595	408,607	416,779	425,114	433,617	442,289	451,135	460,158	469,361
Major Maintenance	1,178,632	1,649,923	1,550,000	1,704,000	1,708,080	1,810,000	1,004,700	1,024,794	1,045,290	1,066,196	1,087,520	1,109,270	1,131,455	1,154,084	1,177,166	1,200,710
	3,394,274	4,157,167	4,107,389	4,312,536	4,368,787	4,523,921	3,772,900	3,848,358	3,925,325	4,003,831	4,083,908	4,165,586	4,248,898	4,333,876	4,420,553	4,508,964
Mortgage principal & Interest	722,729	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093
Building depr'n (based on Provost Subsidy)	1,333	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Building depr'n (based on downpayment)	327,600	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400
Expenses before finance charges	4,445,936	5,734,660	5,684,882	5,890,029	5,946,280	6,101,414	5,350,393	5,425,851	5,502,818	5,581,324	5,661,401	5,743,079	5,826,391	5,911,369	5,998,046	6,086,457
Operating financing charges	5,823	11,007	16,029	6,280	(13,248)	(40,381)	(92,654)	(173,274)	(263,165)	(363,490)	(474,970)	(598,385)	(734,557)	(884,358)	(1,048,713)	(1,228,597)
Net expenses	4,451,759	5,745,667	5,700,911	5,896,309	5,933,032	6,061,033	5,257,738	5,252,576	5,239,653	5,217,835	5,186,431	5,144,694	5,091,834	5,027,011	4,949,334	4,857,860
Surplus (Deficit) before transfers & reserve	(332,906)	(947,075)	(500,666)	(371,337)	(110,374)	(63,696)	919,519	1,109,999	1,313,800	1,532,221	1,766,127	2,016,440	2,284,135	2,570,237	2,875,831	3,202,060
transfer to operating	125,000	135,625	146,475	156,728	165,348	170,309	175,418	180,681	186,101	191,684	197,435	203,358	209,458	215,742	222,214	228,881
(Incr)/decr in investment in cap assets	328,933	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400
(Incr)/decr in major mtnce reserve	53,632	289,923	0	0	0	(50,600)	(205,900)	(85,806)	(65,310)	(44,404)	(23,080)	(51,330)	(29,145)	(6,516)	16,566	40,110
Surplus (Deficit) after transfers & reserve	174,660	(28,127)	139,209	278,791	548,374	549,413	1,382,437	1,698,274	1,927,991	2,172,901	2,433,881	2,661,868	2,957,848	3,272,864	3,608,012	3,964,450

Projected Balance sheet:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Cash & Receivables	53,662	(264,388)	(125,179)	153,612	701,987	1,302,000	2,890,337	4,674,417	6,667,718	8,885,023	11,341,985	14,055,183	17,042,176	20,321,555	23,913,000	27,837,341
Residence	31,052,486	30,993,086	30,933,686	30,874,286	30,814,886	30,755,486	30,696,086	30,636,686	30,577,286	30,517,886	30,458,486	30,399,086	30,339,686	30,280,286	30,220,886	30,161,486
Accumulated Depreciation	(5,593,598)	(6,027,598)	(6,461,598)	(6,895,598)	(7,329,598)	(7,763,598)	(8,197,598)	(8,631,598)	(9,065,598)	(9,499,598)	(9,933,598)	(10,367,598)	(10,801,598)	(11,235,598)	(11,669,598)	(12,103,598)
	25,512,549	24,701,100	24,346,909	24,132,300	24,187,274	24,293,887	25,388,825	26,679,504	28,179,405	29,903,311	31,866,872	34,086,670	36,580,263	39,366,242	42,464,288	45,895,228
Mortgage payable & Equity in Res	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000
Funds committed for major maintenance	297,544	7,621	7,621	7,621	7,621	58,221	264,121	349,927	415,237	499,641	482,722	534,052	563,196	569,712	553,146	513,036
Surplus (contributed)	12,006,067	11,512,667	11,019,267	10,525,867	10,032,467	9,539,067	9,045,667	8,552,267	8,058,867	7,565,467	7,072,067	6,578,667	6,085,267	5,591,867	5,098,467	4,605,067
Surplus	18,939	(9,188)	130,021	408,812	957,187	1,506,600	2,889,037	4,587,311	6,515,301	8,688,203	11,122,084	13,783,952	16,741,800	20,014,664	23,622,675	27,587,125
Net fund balance	12,322,549	11,511,100	11,156,909	10,942,300	10,997,274	11,103,887	12,198,825	13,489,504	14,989,405	16,713,311	18,676,872	20,896,670	23,390,263	26,176,242	29,274,288	32,705,228
0	25,512,549	24,701,100	24,346,909	24,132,300	24,187,274	24,293,887	25,388,825	26,679,504	28,179,405	29,903,311	31,866,872	34,086,670	36,580,263	39,366,242	42,464,288	45,895,228

The depreciation expensed via the "principle proxy" is captured as part of the "Mortgage payable & equity in Res" line.

UNIVERSITY COLLEGE, Total Residence Ancill	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Calculate cash flows used in finance charge calculation:																
Surplus (Deficit) before reserve	(332,906)	(947,075)	(500,666)	(371,337)	(110,374)	(63,696)	919,519	1,109,999	1,313,800	1,532,221	1,766,127	2,016,440	2,284,135	2,570,237	2,875,831	3,202,060
deduct transfer to operating	125,000	135,625	146,475	156,728	165,348	170,309	175,418	180,681	186,101	191,684	197,435	203,358	209,458	215,742	222,214	228,881
add back depr'n	327,600	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400
add back increase in mtnce reserve																
Net Annual Cash Flows	119,694	(320,050)	137,209	276,791	546,374	598,013	1,586,337	1,782,080	1,991,301	2,215,305	2,454,962	2,711,198	2,984,993	3,277,379	3,589,446	3,922,340
Cumulative cash flows		(200,356)	(63,146)	213,645	760,019	1,358,032	2,944,370	4,726,449	6,717,750	8,933,056	11,388,017	14,099,215	17,084,208	20,361,587	23,951,033	27,873,373
calculation of finance charges: @	5.00%															
Opening cash balance	(174,342)	(48,824)	(363,725)	(221,316)	46,398	574,932	1,148,097	2,684,856	4,389,485	6,294,479	8,413,393	10,761,082	13,353,256	16,206,551	19,338,567	22,767,928
net cash flows (not incl fin chrg)	125,518	(309,043)	153,239	283,071	533,126	557,632	1,493,683	1,608,805	1,728,136	1,851,816	1,979,991	2,112,813	2,250,436	2,393,021	2,540,733	2,693,743
finance charges (prior period)	(5,858)	(10,829)	(10,829)	(15,357)	(4,592)	15,533	43,076	95,824	176,859	267,099	367,697	479,362	602,858	738,995	888,628	1,052,662
Closing cash balance	(48,824)	(363,725)	(221,316)	46,398	574,932	1,148,097	2,684,856	4,389,485	6,294,479	8,413,393	10,761,082	13,353,256	16,206,551	19,338,567	22,767,928	26,514,333
Finance charge on average bal	(5,858)	(10,829)	(15,357)	(4,592)	15,533	43,076	95,824	176,859	267,099	367,697	479,362	602,858	738,995	888,628	1,052,662	1,232,057

Calculate cash flows to be used in analysis: (Should include only operating revenues & expenses including capital renewal)																
Cash flw before mtge pmts & fin chrg	901,878	1,064,973	1,237,332	1,367,164	1,617,219	1,591,125	2,371,876	2,607,092	2,746,919	2,891,504	3,041,004	3,145,576	3,305,384	3,470,598	3,641,392	3,817,946
Cumulative cash before mtge pmts		1,966,851	3,204,183	4,571,347	6,188,566	7,779,691	10,151,567	12,758,659	15,505,578	18,397,082	21,438,086	24,583,662	27,889,047	31,359,645	35,001,037	38,818,983

	0	0 rate incr														
Payback period:	12															
Breakeven annual	1	1	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Breakeven cumulative	1	1	3	4	5	6	7	8	9	10	11	12	13	14	15	16

UNIVERSITY COLLEGE, Total Residence Ancilli

Projected Income Statement:		17	18	19	20	21	22	23	24	25	26	Net 26 year
Revenues												
Revenues-winter		6,071,803	6,253,957	6,441,575	6,634,823	6,833,867	7,038,883	7,250,050	7,467,551	7,691,578	7,922,325	144,768,065
Revenues-summer		1,773,222	1,826,418	1,881,211	1,937,647	1,995,777	2,055,650	2,117,319	2,180,839	2,246,264	2,313,652	41,822,282
Revenues-other		143,652	147,962	152,400	156,972	161,682	166,532	171,528	176,674	181,974	187,433	3,414,779
Dean's & dons		313,041	322,432	332,105	342,069	352,331	362,901	373,788	385,001	396,551	408,448	7,442,757
Amount of subsidy needed		0	0	0	0	0	0	0	0	0	0	0
Net revenues		8,301,718	8,550,769	8,807,292	9,071,511	9,343,656	9,623,966	9,912,685	10,210,066	10,516,368	10,831,859	197,447,883
Expenses												
Operating (general)		2,895,672	2,953,586	3,012,657	3,072,910	3,134,369	3,197,056	3,260,997	3,326,217	3,392,741	3,460,596	70,776,336
Dons		478,748	488,323	498,089	508,051	518,212	528,576	539,148	549,931	560,929	572,148	11,747,075
Major Maintenance		1,224,724	1,249,218	1,274,203	1,299,687	1,325,680	1,352,194	1,379,238	1,406,823	1,434,959	1,463,658	34,012,202
		4,599,144	4,691,127	4,784,949	4,880,648	4,978,261	5,077,826	5,179,383	5,282,970	5,388,630	5,496,402	116,535,613
Mortgage principal & Interest		1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	1,084,093	361,364	27,102,327
Building depr'n (based on Provost Subsidy)		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	667	50,000
Building depr'n (based on downpayment)		491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	163,800	12,285,000
Expenses before finance charges		6,176,637	6,268,620	6,362,442	6,458,141	6,555,754	6,655,319	6,756,876	6,860,463	6,966,123	7,073,613	144,768,065
Operating financing charges		(1,425,046)	(1,639,154)	(1,872,078)	(2,123,687)	(2,396,357)	(2,691,407)	(3,010,253)	(3,354,385)	(3,725,382)	(4,142,975)	(32,257,377)
Net expenses		4,751,591	4,629,466	4,490,364	4,334,454	4,159,397	3,963,912	3,746,623	3,506,078	3,240,741	2,930,640	112,510,688
Surplus (Deficit) before transfers & reserve		3,550,127	3,921,303	4,316,928	4,737,057	5,184,259	5,660,054	6,166,062	6,703,987	7,275,626	7,901,246	154,937,195
transfer to operating		235,747	242,820	250,104	257,607	265,335	273,296	281,494	289,939	298,637	307,597	5,613,033
(Incr)/decr in investment in cap assets		493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	493,400	164,467	12,335,000
(Incr)/decr in major mtncse reserve		64,124	38,618	63,603	89,087	115,080	91,594	118,638	146,223	174,359	203,058	942,522
Surplus (Deficit) after transfers & reserve		4,343,398	4,696,141	5,124,035	5,577,151	6,058,075	6,518,343	7,059,594	7,633,549	8,242,023	8,916,768	177,827,250

Projected Balance sheet:		17	18	19	20	21	22	23	24	25	26
Cash & Receivables		32,116,615	36,774,138	41,834,570	47,322,634	53,265,629	59,692,378	66,633,334	74,120,661	82,188,325	91,612,988
Residence		30,102,086	30,042,686	29,983,286	29,923,886	29,864,486	29,805,086	29,745,686	29,686,286	29,626,886	29,607,086
Accumulated Depreciation		(12,537,598)	(12,971,598)	(13,405,598)	(13,839,598)	(14,273,598)	(14,707,598)	(15,141,598)	(15,575,598)	(16,009,598)	(16,154,265)
		49,681,102	53,845,225	58,412,257	63,406,922	68,856,516	74,789,866	81,237,422	88,231,348	95,805,612	105,065,809
Mortgage payable & Equity in Res		13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000	13,190,000
Funds committed for major maintenance		448,913	410,294	346,692	257,605	142,525	50,931	(67,707)	(213,929)	(388,288)	(591,346)
Surplus (contributed)		4,111,667	3,618,267	3,124,867	2,631,467	2,138,067	1,644,667	1,151,267	657,867	164,467	(0)
Surplus		31,930,523	36,626,664	41,750,699	47,327,858	53,385,925	59,904,268	66,963,862	74,597,411	82,839,434	92,467,155
Net fund balance		36,491,102	40,655,225	45,222,257	50,216,922	55,666,516	61,599,866	68,047,422	75,041,348	82,615,612	91,875,809
	0	49,681,102	53,845,225	58,412,257	63,406,922	68,856,516	74,789,866	81,237,422	88,231,348	95,805,612	105,065,809

UNIVERSITY COLLEGE, Total Residence Ancilli		17	18	19	20	21	22	23	24	25	26
Calculate cash flows used in finance charge calculat											
Surplus (Deficit) before reserve		3,550,127	3,921,303	4,316,928	4,737,057	5,184,259	5,660,054	6,166,062	6,703,987	7,275,626	7,901,246
deduct transfer to operating		235,747	242,820	250,104	257,607	265,335	273,296	281,494	289,939	298,637	307,597
add back depr'n		491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	491,400	163,800
add back increase in mtncse reserve											
Net Annual Cash Flows		4,277,274	4,655,523	5,058,432	5,486,064	5,940,994	6,424,750	6,938,956	7,485,326	8,065,664	8,712,443
Cumulative cash flows		32,150,647	36,806,170	41,864,602	47,350,666	53,291,661	59,716,410	66,655,367	74,140,693	82,206,357	91,630,353
calculation of finance charges: @											
Opening cash balance		26,514,333	30,598,618	35,042,811	39,870,201	45,105,403	50,774,431	56,904,769	63,525,453	70,667,150	78,362,247
net cash flows (not incl fin chrg)		2,852,228	3,016,369	3,186,354	3,362,377	3,544,638	3,733,342	3,928,704	4,130,941	4,340,282	4,558,815
finance charges (prior period)		1,232,057	1,427,824	1,641,036	1,872,825	2,124,390	2,396,996	2,691,980	3,010,756	3,354,815	3,725,735
Closing cash balance		30,598,618	35,042,811	39,870,201	45,105,403	50,774,431	56,904,769	63,525,453	70,667,150	78,362,247	87,369,004
Finance charge on average bal		1,427,824	1,641,036	1,872,825	2,124,390	2,396,996	2,691,980	3,010,756	3,354,815	3,725,735	4,143,281

Calculate cash flows to be used in analysis: (\$		17	18	19	20	21	22	23	24	25	26
Cash flw before mtge pmts & fin chrg		4,000,445	4,139,080	4,334,050	4,535,557	4,743,811	4,909,029	5,131,434	5,361,257	5,598,734	5,845,444
Cumulative cash before mtge pmts		42,819,428	46,958,508	51,292,558	55,828,115	60,571,926	65,480,955	70,612,390	75,973,647	81,572,381	87,417,825

Payback period:	17	18	19	20	21	22	23	24	25	26
Breakeven annual	17	18	19	20	21	22	23	24	25	26
Breakeven cumulative	17	18	19	20	21	22	23	24	25	26

University College Residence
Revisions to the Project Committee Report

June 03, 2003

Prepared by Campus and Facilities Planning

Executive Summary

The planning of a new residence for University College began in January 2000 with the establishment of a Users' Committee. Although the committee quickly reached consensus around the programming of a residence, the siting has been a much more difficult task. The College has been unwavering in its view that all the new residence places must be located as close as possible to existing University College buildings. The Committee's view is supported by all of the students who have attended focus groups and other advisory meetings to discuss residence planning, and by the unanimous view of College Council and college alumni groups such as the University College Committee and the UC Alumni Association. This collective view is also reflected in the historical development of the Sir Daniel Wilson Residence and Whitney Hall, both in their day constructed as close as possible to the main University College building.

Originally the north-west edge of the back campus was viewed as a potential location for a new residence, but this site was rejected by the College because of the controversial nature of re-zoning University Open Space. With the help from consultants Diamond Schmidt Architects, the first report sent to governance in April 2002 identified two sites, Site 22 and the Sir Daniel Wilson quadrangle as appropriate for a two-site residence. However, the City Planning Department was reluctant to grant approval for construction on the Sir Daniel Wilson quadrangle – also zoned University Open Space. The City, instead, offered additional height permissions on the approved building site - Site 22 – with the expectation that increased height might enable the accommodation of the full University College residence on one site.

Consultants, Zeidler Grinnell Architects were hired to determine the viability of building on this singular site. In September 2002, an amended Users Committee Report was approved identifying all new University College Residence space built on Site 22.

In order to gain both University and City approvals, several design changes have been required. The residence massing and articulation, material palette and program have been revised in order to gain all required approvals. The current plan for the residence proposes 277 residence beds including 5 Dons, 1 Junior Don and 1 Residence Life Coordinator, student amenities and dining/servery facilities in 9329gsm of space.

The estimated cost of construction, including all furnishings and finance costs is now estimated at \$24,039,382 (\$86,785/bed). Of this cost, \$2,767,216 is required to construct and furnish the kitchen and servery. Therefore, the cost of the residence only is \$21,272,166 and the residence only cost per bed is approximately \$76,795.

Proposed funding for the project includes \$10M in donations of which \$6M is currently secured, \$1.485M in UC residence ancillary contributions, \$800,000 in UC food service ancillary contributions and \$50,000 UIIF funds to help support the maintenance of the drama space (\$360,000 total estimate to preserve the drama space). To achieve the new total project cost, ~\$11,705,000 of external funding is required.

Because of the large sum contributed to funding from fund-raising, interest on mortgage payments is reduced from earlier projections. The savings will be used to upgrade and renovate existing University College facilities.

Assumptions that are being carried in the business case include a mortgage rate of 8% over a 25 year amortization period. Annual break-even for the total ancillary operation is expected to be achieved in 2008/09 and cumulative break-even in 2011/12. Proposed monthly bed rates are set at \$620 for the new residence and \$572 for existing residences. The average annual increase to bed rates is calculated at ~7% per year on existing residences and ~5% per year on new residences increasing room rates to \$757 and \$756 respectively in 2008/09.

The schedule assumes all necessary approvals are gained, including Business Board approval June 19, 2003. Assuming approvals are gained, occupancy is expected for January 2005.

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I. Membership

(Original Project Committee Membership)

Professor Paul Perron, Principal University College, Chair of UC Users Committee
Ms. Katherine Anne Boyd, Chief Administrative Officer, University College
Ms. Lyndsay Anderson, President, University College Residence Council (2001-02)
Ms. Agata Durkalec, 3rd year biology, Peace and Conflict Studies, residence user member of SAC. (2001-02)
Ms. Jessie Thomson, 3rd year Peace and Conflict student, member of Lit. (2001-02)
Mr. Sean Mullin, 3rd year computer science student, Lit, SAC member. (2001-02)
Ms. Jana Luker, Dean of Students, University College
Professor Sylvia Bashvekin, University College (2001-02)
Ms. Tillie Shuster, Executive Director, Alumni & Development, University College
Mr. Juan Su, President, University College Literary and Athletic Society (2001-02)
Professor Ron Venter, Vice Provost, Space and Facilities Planning
Mr. Julian Binks, Manager, Project Planning, PMDC
Ms. Jennifer Adams, Campus and Facilities Planning
Ms. Eugenia Chalambalacis, Environmental Protection Advisory Committee
Mrs. Elizabeth Sisam, Director, Campus and Facilities Planning, Office of the Vice-Provost, Planning and Budget

Other participants over the term of the Committee include:

Mr. Ben Bathgate, President, University College Literary and Athletic Society (1999-2000); Professor John Browne, Director of Residence Development (1999-2001); Mr. Ashish Kabir, Student Representative, (1999-2000); Professor David Rayside, University College; Mr. Marty Williams, Student Activities.

II. Terms of Reference

(Original Project Committee Terms of Reference)

1. Identify the preferred type of accommodation and form of the residence.
2. Make recommendations about a detailed space plan or program indicating how space and facilities should be organized.
3. Identify secondary effects to existing intramural athletic facility.
4. Identify equipment and movable furnishings necessary to the project.
5. Identify requirements for networking and other electronic and data communications.
6. Identify a site for the proposed residence.
7. Identify any staging requirements and transitional costs which may be necessary during the period of construction.
8. Identify all resource implications, including a preliminary estimate of capital costs, and projected increases to the annual operating costs of the College.
9. Identify a funding plan for capital and operating costs.
10. Report by April 15, 2000.

III. Background Information

In January 2000, a Project Committee was established to develop a project plan for a new University College Residence. The Principal of University College chaired the Committee comprised of students, faculty and staff. Key alumni also formed an informal advisory group to the Principal. The Committee discussed all aspects of residence program and examined a number of potential building sites. These have included the western edge of the back campus which was rejected by the College because of the sensitive nature of this campus open space and a site identified through an investigation undertaken by A.J. Diamond Donald Schmitt and Company that included a north/south wing on the Sir Daniel Wilson Hall Residence, to complete the eastern edge of the existing quadrangle, as well as Site 22, an approved building site.

In April 2002, the Committee reported to governance with a plan that proposed to build on the two sites outlined by Diamond Schmitt. The report clearly identified the requirement, with this proposal, to seek re-zoning of the Sir Daniel Wilson land. The space program identified included ~10,700 gross square meters of space to accommodate 312 residence beds and residence amenities and also included new kitchen/servery facilities (1140gsm) and space to accommodate the Drama Studies program (650gsm). The resulting gross residential area per residence bed was ~29gsm/bed. The estimated cost of construction, including all furnishings and finance costs was then estimated at \$31.1M. The plan was approved by the Planning & Budget Committee, the Academic Board and the University Affairs Board.

Discussions were subsequently initiated with the City of Toronto about the proposed location. It was immediately clear that the City was reluctant to consider any re-zoning of the Sir Daniel Wilson Quadrangle, but was receptive to the concept of increased massing on Site 22 to accommodate, on one site, the proposed space program. To proceed required the appointment of consultants to explore massing options that would provide a sufficiently high number of beds.

Based on preliminary approval in April 2002, the Sorbara Group was engaged to facilitate the design and construction of the University College residence. In order to best achieve an economical project, this firm – known for their experience with the particularly economical and recently completed St. Michael's College residence - were hired to expedite the process.

Five architectural firms, with proven University residential experience, were asked to respond to a request for proposals to construct the residence. The Zeidler Grinnell Partnership (architects of Innis College Residence) were chosen to design the UC residence and have been working with Sorbara and the Project/Implementation Committee since their hire in June 2002. Based on the collaborative work between Sorbara and the Zeidler Grinnell Partnership, the building program, building area and total project cost was revised and were included in a revised Project Planning Report sent to governance in September 2002.

The revised Project Committee Report, proposed 288 beds, including 5 Dons beds and 1 Residence Life Coordinator bed to be located totally on Site 22. The program continued

to include new dining servery/kitchen facilities but no longer included new drama space. Residence amenities were reduced in order to maximize the number of beds possible on the site, with the understanding that residents would have access to facilities available across the UC campus. As such, the resulting gross area per bed was calculated at 24gsm. The space program proposed 7400gross square meters of space including 400gsm of dining/kitchen facilities. The estimated cost of construction, including all furnishings and finance costs was then estimated at \$21.5M. The Revised Project Committee Report was passed by Planning and Budget, and the University Affairs Board.

Cost estimates for the residence evolved while this matter was moving through governance. The addition of several beds and more accurate costing resulted in a cost that was \$500,000 more than what was presented to the Planning and Budget Committee for recommendation to the Academic Board and what appeared in the motion for concurrence approved by the University Affairs Board. This difference in total cost was also reflected in a change to long-term financing by \$500,000. Therefore, on September 30, 2002, the Business Board approved the Revised Project Committee Report for a new University College Residence at \$22M.

During the past seven months since approval was gained, the Implementation Committee has been meeting regularly with the architects and the Sorbara Group to further the design and implementation of this project. Gaining consent both from within the University (Design Review Board) and from the City of Toronto for design and building permissions has proved more difficult than originally anticipated. Several design modifications have been made based on both University and City input. Original massing studies on this site produced a tall bar shaped building. This has subsequently been reduced to a podium base and a more slender tower element. Set backs, cladding and detailing have been thoroughly re-worked to provide the best possible solution for this site.

Building modifications have impacted the building program. The current plan for the University College Residence proposes 277 residence beds, including 5 Dons, 1 Junior Don and 1 Residence Life Coordinator, and again includes facilities for dining servery/kitchen. The space program proposes 9329gross square meters of space including 800gsm for kitchen/servery. The resulting gross area per bed is now calculated at 30.8gsm/bed. The estimated cost of construction, including all furnishings and finance costs is now estimated at \$24,039,382. Of this cost, \$2,767,216 is required to construct and furnish the kitchen and the servery. Therefore the cost of the residence only is \$21,272,166 and the residence only cost per bed is approximately \$76,795.

In March 2003, the University was granted Conditional Minor Variance Approval for Site 22. The primary condition requires the University to enter into a Heritage Easement Agreement under Section 37 of the Ontario Heritage Act with the City satisfactory to City Council to provide for the permanent protection of the Sir Daniel Wilson Residence adjacent to Site 22. The University is currently in discussions with the City to agree upon an appropriate Easement Agreement. Assuming agreement is reached, the University

College Residence could begin construction in September 2003 and will be available for student occupancy January 2005.

IV. Space Program

The program, as designed, includes expanded residence bedroom sizes – from 12nasm in the original program to an average of 13.2nasm. Five Dons and one Junior Don will each supervise approximately 45-50 students per house. Each house includes a common room/kitchen as well as w/c and shower facilities. In addition, three TV rooms, 5 mezzanine spaces and one “social space” room are included for student use. Numbers and areas of washrooms and common kitchens, lounges and study areas have been reduced in order to maximize bed count.

The program also includes increased space (from the previous two reports) for dining hall kitchen and food access spaces. Based on consultation with kitchen consultants and the need for pass through space from the residence to the dining area, the space allocated for these services has grown by approximately 200gsm of space.

A 125nasm café /annex servery accessible from St. George Street has been included in the plan. This space was discussed in early Project Committee Meetings but was not included in the program in either previous report in an effort to maximize space for bedrooms. The space is now included in as an added amenity for the residence.

The current space program, compared to the previous two approved programs for the University College Residence, is as follows:

IV. Space Program

UC Residence - NET SPACE PROGRAM RECONCILIATION												Revised May 07, 2003		
(all areas in square metres)		Original Program - April 2002				Revised Program - September 2002					Program Provided - May 2003			
			NASM	NASM			NASM	NASM			NASM	NASM		
								Provided				Provided		
Component	Number	Per	Project	PER ROOM	Number	Per	Project	PER ROOM	Number	Per	Project	PER ROOM		
RESIDENTIAL PROGRAM														
Dormitory Bedrooms														
Single Bedroom	304	12.00	3648		280	10.6	2968		268	13.15	3524			
Guest Bedroom	2	11.00	22											
HC Bedroom					2	13.9	27.8		2	16.00	32			
Closet					282	1.4	394.8							
Total Dormitory	306		3670	11.99	282		3390.60	12.02	270		3556	13.17		
Shared Facilities														
Bath / Washroom	20	24.00	480		11	17.8	195.8		14	18.94	265			
Single Stall WC	60				26	1.4	36.4		26					
Single Stall Shower Room	60				26	1.4	36.4		28					
Pedestal Sinks	80								54					
Handicap WC					11	8.6	94.6		14	5.78	81			
Kitchen / Common Room	10	24.00	240		5	52.6	263		5	34.58	173			
Common room	5	40.00	200											
Mezzanine									5	17.88	89			
TV Room	2	34.00	68		2	44.4	88.8		3	31.33	94			
Social Space									1	23.70	23.7			
Meeting / Multi-Purpose Room	1	24.00	24		1	50.1	50.1		1	24.00	24			
Music Room	1	18.00	18		1	14.9	14.9				0			
Laundry	0		(use other UC facilities)		1	26.2	26.2		1	15.00	15			
Total Shared Facilities	237		1030				806.2		151		765			
Dons Suites	5	27.50	137.5		5	36.5	182.5		5	29.44	147			
Junior Dons' Suites									1	16.60	17			
Residence Life Co-ordinator Suite	1	51.90	51.9		1	38.5	38.5		1	52.70	53			

Administrative & Support Facilities												
Linen Closets	4	2.00	8		5	2.5	12.5					
Central Linen Storage	1	10.00	10		1	12.5	12.5		1	25.50	26	
Central Garbage Room	1	25.00	25		1	39	39		1	43.50	44	
Janitor's Room / Closet	1	5.00	5		6	2.5	15		13	2.60	34	
Garbage Room					11	2.5	27.5		12	2.58	31	
Miscellaneous storage room	1	50.00	50		1	13.8	13.8					
Total Administrative & Support			98				120.3		27		133.8	
Main Lobby/Link											50.0	
TOTAL RESIDENTIAL NASM			4987				4538.10				4705	
subtract out circulation within units			17									
TOTAL RESIDENTIAL GSM			8946				6943.29				8529.0	
residential net to gross ratio			1.8				1.53				1.81	
gross area per bed			28.7				24.1				30.8	
NON-RESIDENTIAL PROGRAM												
Dining Room and Support												
dining hall	1		400									
food access area	1		100		1	89.1	89.1		1	256.80	257	
kitchen/food preparation	1		100		1	98.9	98.9		1	299.00	299	
food service office	1		10		1	20.1	20.1		2			
Kitchen staff room	1		20									
kitchen storage	1		40		1	62.1	62.1					
public w/c linked to dining	2	10	20									
staff w/c					2	4.1	8.2					
staff lockers					1	8.5	8.5					
Senior common room	1		90									
Public washroom	1		5									
Drama rehearsal space	1		240									
Public w/c linked to Drama	2	18	36									
Drama Storage	1		40									
Foyer/Link to Dining Area									1		100	
Annex Servery									1		124.9	
TOTAL NON-RESIDENTIAL NASM			1101.00				286.90				780.70	
TOTAL NON-RESIDENTIAL GSM			1762	*net to gross @ 1.6			462				800.0	
TOTAL BUILDING NASM			6088.4				4825.00				5475	
TOTAL BUILDING GSM			10708				7406				9329	

V. Functional Plan

The residence is currently designed with a three storey podium running east west between St. George Street and the back campus. Above the west end of the podium, adjacent St. George Street, rises a 10 storey tower topped by a two storey mechanical penthouse. Both the podium, including the lower level and tower are lined with single residence bedrooms.

The principal entrance is located on St. George Street and leads to the café/annex server, the residence lobby and a foyer/link leading to the main University College dining facilities. To access the residence, students enter a second, locked vestibule where elevators to all floors and mailboxes are located.

The lower level includes 26 beds, 1 fully handicapped accessible bedroom, a small laundry room, washrooms and a multi-purpose room. Rooms have access to natural light through generously proportioned light wells. The ground level includes the lobby/link between the entrance of the residence, the Annex Server/Cafe and the dining hall. 21 residence beds, 1 HC bed and 1 Dons bed are included on this floor. Amenities include a kitchen/common room and washrooms. The lower level and ground level will comprise one “house” unit for 49 students.

The second level is comprised of 30 residence beds and 1 Don’s bedroom. Amenities include a kitchen/common room and mezzanine space open to the ground level common room. Mezzanines allow for some interconnection between houses and are expected to enhance community building within the residence. The 3rd floor is comprised of 39 residence beds and 1 Junior Dons suite. Amenities include a mezzanine connected to the 2nd floor common room a TV room and washrooms. These two floors comprise one large house totaling 69 students to be monitored by two Dons (one a Junior Don).

The fourth through the thirteenth floor include student bedrooms and amenities and will be divided into vertical houses of three to four floors each.

The fourth, fifth and sixth levels include 44 beds, a television room a kitchen/common room, a mezzanine and washrooms. The Residence Life Coordinator suite and one Dons suite are located on floors 5 and 6 respectively.

Floors 7-9 include 52 student beds, one kitchen/common room, one TV room, one mezzanine, washrooms, and a Dons suite.

Floors 10-13 include 56 student beds, one kitchen/common room, one mezzanine space, one “social space” room, washrooms and one Dons suite.

All levels are accessible by elevator and stair. Although only two fully handicapped accessible rooms are identified in the plan, several other rooms have been identified as available for retrofit on an individual basis as needed. All rooms include a built-in closet and are fully wired for internet, telephone and cable use.

An enlarged kitchen, to serve the University College dining hall is located below grade between the residence to the north and existing drama rehearsal space to the south. The kitchen is connected to the new expanded servery at ground level by an elevator and stair. A second elevator connects the kitchen with the loading dock accessed off of St. George Street at the south end of the residence.

VI. Environmental Issues

As with the two previous reports submitted for the UC Residence, energy and water use in the new residence will be governed by the terms of the University of Toronto Environmental Protection Policy (see Appendix B). Every effort has been made in the design of the building to achieve efficiencies in utilities use in order to reduce operating costs.

Landscaping

Ferris and Quinn Landscape consultants have been commissioned to design the landscaped areas surrounding the building. Particular attention has been paid to the landscaped and paved walkway to the north of the new UC residence and south of the UC Union, a ground level terrace facing the walkway running along the east façade of the building connecting the front and back campuses, and the St. George Street frontage.

Seven existing mature trees, including two that were being maintained in previous reports, will be removed to construct the residence. The two additional trees are currently located within the rose garden to the north of the new residence site. Exhaustive discussions and meetings have been convened between the consultant arborist, Bruce Tree Expert Company Ltd., UC Implementation members, community groups and the City. All interested parties understand that, in order to construct the new residence, these trees must be removed.

VII. Special Considerations

Standards of Construction

The UC community of students, alumni, staff and faculty all maintain a special attachment and bond to the UC campus. There is an overwhelming recognition of the importance of the new residence in ensuring UC continues to maintain a leadership role at the University. The new UC residence has been designed and will be built recognizing the historic importance and significance of surrounding UC and UofT buildings. Special attention has been paid to exterior finishes and to ensuring that UC “honours its past, while embracing its future.” Interior furnishings and fittings will be consistent in quality to those residence projects currently underway on the University of Toronto campus.

Accessibility and Personal Safety

The design of the residence, the dining facility and all other college facilities associated with this project has taken into account accessibility by persons with disabilities. Special larger student bedrooms have been designated for handicapped students, handicapped bathrooms and showers have been provided throughout, and all doors and corridors have been specified at sizes

appropriate to allow for the passage of persons in wheelchairs. Several additional students rooms have been identified as available for retrofit based on the needs of incoming students.

Computing and Communications

Each bedroom is designed to be equipped with internet, cable and telephone connections. Similarly, internet connections and cable outlets are provided in TV and Common Rooms.

Waste Disposal and Site Servicing

Servicing for garbage and recycling pick up as well as dining facilities deliveries is included off St. George Street at the southern end of the new building and adjacent to the existing Sir Daniel Wilson residence. The design includes a wrought iron fence to screen the loading area and minimize visual impact on St. George Street.

VIII. Resource Implications

The revised total project cost estimate, including furnishings and financing costs, for the new University College Residence Project is \$24,039,382 (see Appendix A for the complete Project Cost Estimate). Of this cost, the costs incurred by the kitchen and servery are as follows:

- construction \$1,461,886
- soft costs \$ 780,330
- equipment \$ 525,000
- total \$2,767,216

Therefore, the residence-only cost is \$21,272,166. This cost represents the total project cost less costs for kitchen/servery.

The total residence cost, including kitchen/servery, represents a total difference from the September 2002 cost estimate, approved by Business Board at \$22M, of approximately \$2,040,000 and a decrease in revenue generating beds by 12.

Secondary Effects

\$360,000 is being carried in the project cost estimate to preserve the existing drama space located directly adjacent to new kitchen construction. \$50,000 of this cost will be covered by the University Investment Infrastructure Fund (UIIF).

IX. Funding Sources

The projected costs of the new residence is \$23,039,382. This project cost includes \$2,767,216 for the construction of the kitchen and servery and \$360,000 to maintain the current structural configuration of the drama facility.

The Residence Project will be funded from the following sources:

- \$10 M in donations including \$6M received to date
- \$1.485M ancillary contributions from the UC residence ancillary
- \$800,000 ancillary contributions from the UC food service ancillary
- \$50,000 UIIF for drama space

To achieve the new total project cost ~\$11,705,000 of external funding is required.

Because of the large sum contributed to funding from fund-raising, interest on mortgage payments is reduced from earlier projections. The savings in interest payments will be used to upgrade and renovate existing University College facilities.

Assumptions that are being carried in the business case include 98% occupancy during the school year, and a mortgage rate of 8% over a 25 year amortization period. Annual break-even for the total ancillary operation is expected to be achieved in 2008/09 and cumulative in 2011/12.

The proposed monthly bed rates for the new residence area set at \$620, with the existing residence at \$572. The combined blended rate would be \$588 per month. The average annual increase to bed rates is calculated at ~7% per year on existing residences and ~5% per year on new residences increasing room rates to \$757 and \$756 respectively in 2008/09.

X. Schedule

The Schedule assumes all necessary approvals are gained, included Planning and Budget approval May 13, 2003 and Business Board approval June 19, 2003. Assuming approvals are gained, the schedule to reach occupancy for January 2005 is as follow:

- | | |
|--------------------|-----------------------|
| ▪ Working drawings | through July 2003 |
| ▪ Demolition | June 2003 |
| ▪ Excavation | July / Aug. 2003 |
| ▪ Construction | Sept. 2003 - Dec.2004 |
| ▪ Commissioning | Jan. 2005 |
| ▪ Occupancy | Jan. 2005 |

XI. Recommendations

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

1. THAT the Revised Project Planning Report for the new University College Residence be approved in principle.
2. THAT the project scope totaling some 9329gross square meters, will allow for the construction of a residence building on the approved Site 22.

3. THAT conditions to Municipal approvals be negotiated in order to gain minor variance permissions to build on Site 22.
4. THAT the funding arrangements, including furnishings and finance costs, for the University College residence expansion be approved at an estimated cost of \$24,039,382 to \$25,039,382 with the funding as follows:
 - i) \$6,000,000 externally secured contribution received for the UC residence expansion,
 - ii) An additional \$4,000,000 to be secured from additional external fund-raising,
 - iii) \$1,485,000 contribution from the UC residence ancillary,
 - iv) \$800,000 contribution by the UC food service ancillary,
 - v) \$50,000 allocation from the University Investment Infrastructure Fund in support of drama space,
 - vi) A mortgage to be amortized over a period of 25 years in the range of \$11,705,000 to \$13,205,000 with payments forthcoming from residence revenues and the UC ancillary.

5. Appendices

A. Project Cost Estimate.....	17
B. Environmental Impact.....	18
C. Site 22: Approved Development Map	20

A. Project Cost Estimate

Project Title: University College Residence

TABLE 1: Total Project Cost Estimates

Column 1 will be completed with the Project Planning Report.
Column 1-5 will be included in the Project Implementation Report.

Items	Project Planning Report	Concept Design	Design Devel't	Drawings @ 90%	Tender	100% Complete
Construction Cost	Note A		16,754,000			
Construction Contingency			1,050,000			
Applicable GST			411,272			
Total Construction Costs, including taxes			\$18,215,272			
Infrastructure Upgrades in Sector			0			
Secondary Effects			0			
Demolition			185,000			
Landscaping	Note B		250,000			
Permits & Insurance			259,200			
Professional Fees			1,875,528			
Computing Infrastructure			50,000			
Telephone Terminations			0			
Audio/Visual			0			
Moving			1,000			
Staging			0			
Furnishings: Department			850,000			
Furnishings: Classrooms			0			
Equipment			525,000			
Security & access systems			110,000			
Signage: Interior & Exterior			20,000			
Signage: Donor Recognition			10,000			
Groundbreaking & Building opening			10,000			
Miscellaneous			15,000			
Project Contingency			663,000			
Finance Costs	Note C		1,000,000			
Total Project Cost Estimate GST included	\$0	\$0	\$24,039,000	\$0	\$0	\$0

prepared : April 17/03

Notes:

- A if tendered in MMM YYYY includes services to site
- B includes all hard and soft sitework related to the project
- C per cashflow schedule attached

Revised RP April 17/03

B. Environmental Impact

University of Toronto Environmental Protection Policy

PREAMBLE

The University of Toronto is committed to being a positive and creative force in the protection and enhancement of the local and global environment, through its teaching, research and administrative operations. Recognizing that some of its activities, because of their scale and scope, have significant effects on the environment, the University as an institution, and all members of the university community, have the responsibility to society to act in ways consistent with the following principles and objectives:

FUNDAMENTAL PRINCIPLES

- Minimization of negative impacts on the environment
- Conservation and wise use of natural resources
- Respect for biodiversity

SPECIFIC OBJECTIVES

In adopting these fundamental principles, the University will be guided by ethical attitudes towards natural spaces, and will take all reasonable steps to meet the following objectives:

- Minimize energy use, through efficient management and practice
- Minimize water use, through efficient management and practice
- Minimize waste generation through reduction, reuse and recycling
- Minimize polluting effluent and emissions into air, land and water
- Minimize noise and odour pollution
- Minimize and where possible eliminate use of chemicals, including outdoor salt, pesticides herbicides and cleaning agents
- Include biodiversity and environmental concerns in planning and landscape decisions
- Meet and where possible exceed environmental standards, regulations and guidelines

IMPLEMENTATION

To implement this Environmental Protection Policy:

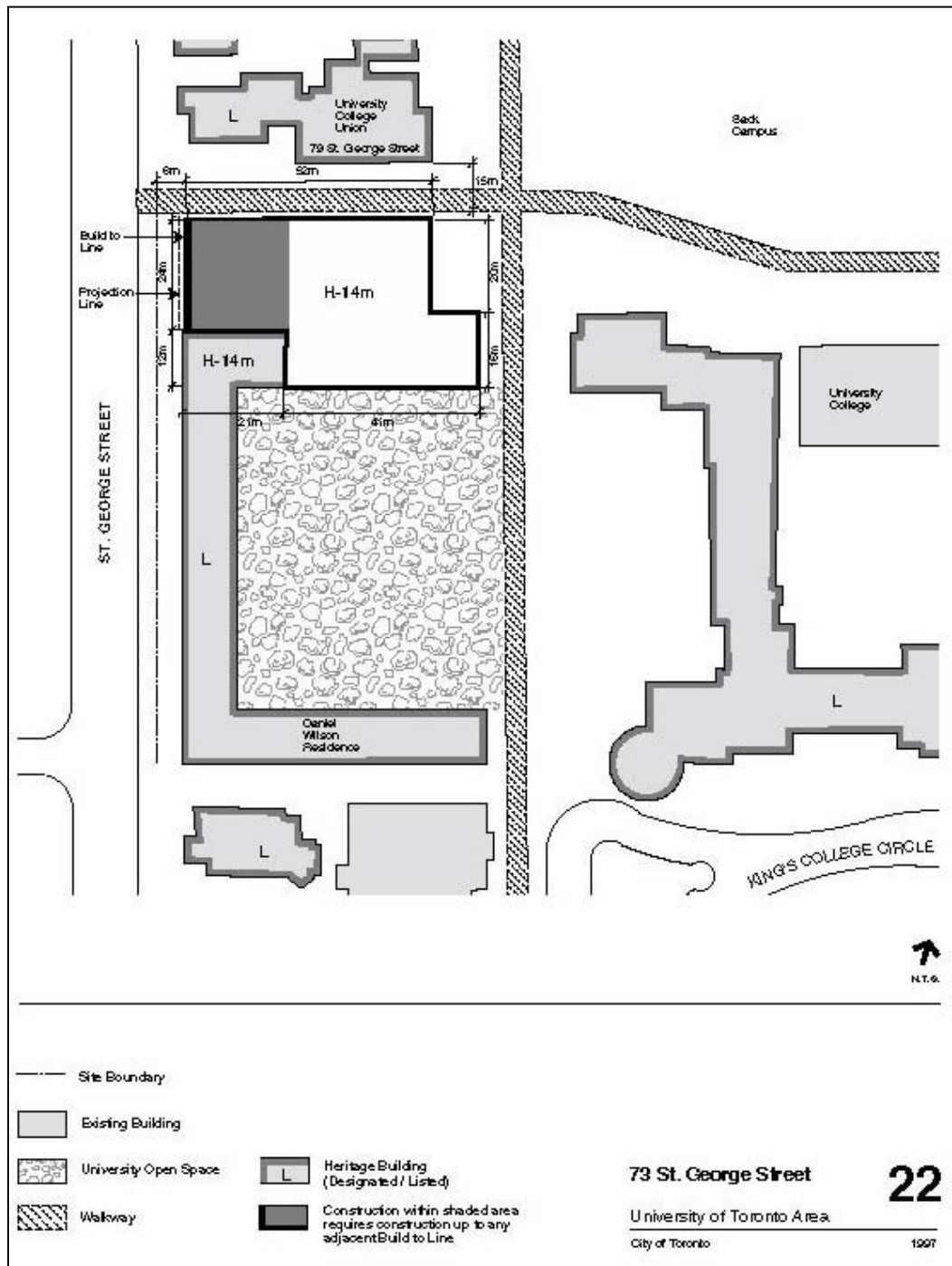
- An Environmental Protection Advisory Committee (EPAC) will be established consisting of administrative staff, academic staff and student groups, to be chaired by a member of the University's academic staff. The Committee will provide advice to the Assistant Vice-President, Operations and Services, on programs to meet the environmental protection objectives. Membership of the committee will be made known to the community to ensure that new and existing initiatives are brought forward for consideration. The meetings of EPAC will be open.
- Facilities and Services, through the Waste Management Department will facilitate the development, implementation and evaluation of environmental protection programs, and will liaise with the EPAC and all three campuses on the programs.
- In this role Facilities and Services will:
 - Regularly review university policies to ensure consistency with this policy;
 - Carry out appropriate environmental audits and pilot projects;
 - Undertake education and training programs to inform the University Community about this and how its members, both personally and collectively, can best meet the objectives set forth in it;
 - Inform all contractors, service operations and users of University facilities that they must comply with the requirements of the policy;
 - Annually issue a report concerning the University's impact on the environment, summarising initiatives undertaken and identifying matters which require particular attention.

Approved by Business Board of the Governing Council on March 7, 1994.

Environmental Checklist for Users Committees (5/99)

1. General planning principles: Consideration of alternatives, Life cycle approach
2. Minimize Energy Use
 - a) Thermal Energy: Heating, Cooling
 - b) Lighting/Use of Natural Light
 - c) Ventilation/Windows
 - d) Machinery/Equipment
 - e) Orientation of Building - effect on building energy needs
 - f) Roof Design
3. Minimize Water Use (Maximize Reuse)
 - a) Flushing
 - b) Washing - hands and body
 - c) Building Cleaning
 - d) Drinking
 - e) Experimental/Labs
 - f) Equipment Cooling
 - g) Outdoor Vegetation - choice and watering (see #4)
4. Utilization and Diversion of Rainwater
 - a) Use of Roof Water
 - b) Porous Pavements
5. Waste Management (offices, classrooms, food outlets, outdoors, construction/demolition)
 - a) Reduction
 - b) Reuse
 - c) Recycling
 - d) Treatment and Disposal - possible on campus
6. Effluent and Emissions (reduce, reuse, recycle, dispose)
 - a) Indoor (Air Toxicity, Noise, Odours, Ventilation)
 - b) Outdoor Air - laboratory emissions
 - c) Water - Hazardous Wastes
 - d) Land
7. Reduce Harmful Chemicals
 - a) Outdoor Salts
 - b) Pesticides/Herbicides
 - c) Cleaning Agents
8. Outdoor Environment
 - a) Encourage Biodiversity (encourage and protection of species)
 - b) Landscaping/Shading - effect on building energy needs in summer and winter
 - c) Use of outdoor space (e.g. rest areas, roof gardens)
9. Monitoring and Metering of Use of Resources and Wastes
 - a) Water
 - b) Electricity
 - c) Heat
 - d) Wastes
10. Visibility of Environmental Concerns
 - a) Pilot Projects
 - b) Posters/Displays
11. Material Choice (Use of endangered/exotic materials, off-gassing)
 - a) Building Fabric
 - b) Fixtures and Furnishings

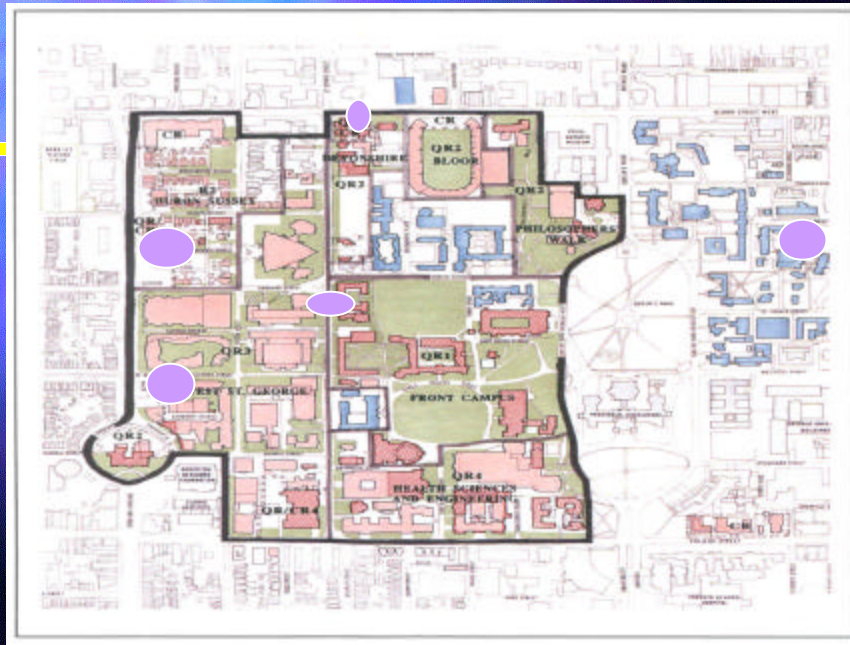
C. Site 22: Approved Development Map



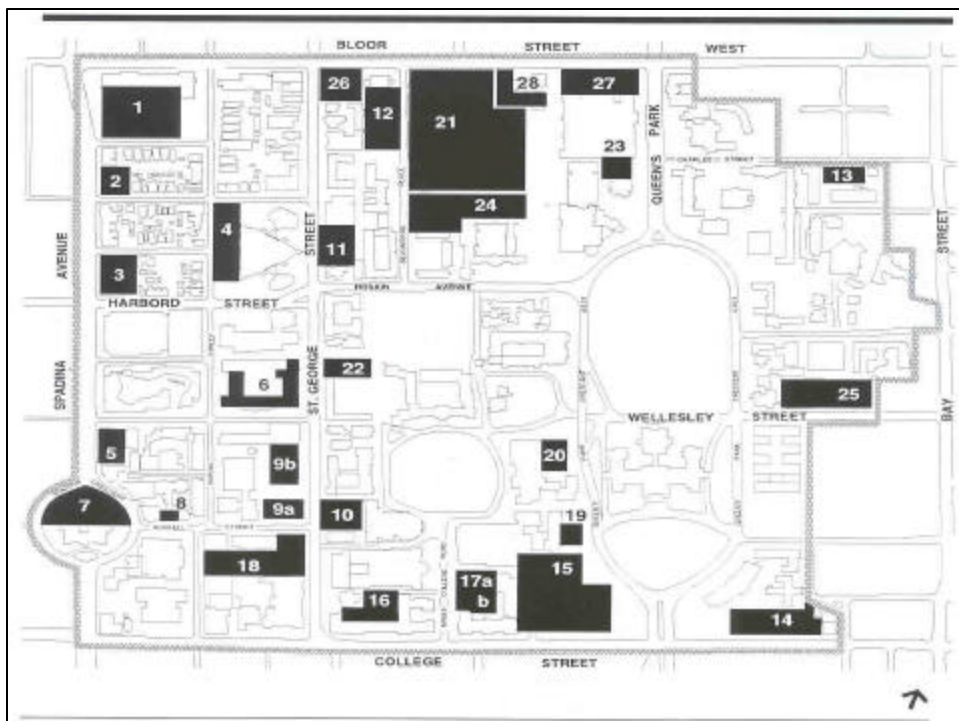
PLANNING & BUDGET COMMITTEE:

June 17th, 2003

UNIVERSITY COLLEGE EXPANSION







		2002/03	Projected 2003/04				
		Total Student Beds	Total Student Beds	# 1st. Yrs with Guarantee Nov.	Other U. of T. Students Nov.	% Beds Occupied By 1st. Yr Grnt	% Beds Occupied by Other Uof T Students
Undergraduate Residences							
	Innis College	327	327	196	131	60%	40%
	Loretto College	163	163	83	80	51%	49%
	New College	650	856	514	342	60%	40%
	St. Joseph's College	158	158	73	85	46%	54%
	St. Michael's College	448	448	220	228	49%	51%
	Trinity & St. Hilda's	435	435	213	222	49%	51%
	University College	446	446	263	183	59%	41%
	Victoria College	758	758	394	364	52%	48%
	89 Chestnut Street		1,172	808	364	69%	31%
	Woodsworth						
	UC						
		3,385	4,763	2,763	2,000	58%	42%

UNIVERSITY COLLEGE RESIDENCE

On St. GEORGE Street



UC Residence
View south-east along St. George Street
28 February 2002
Architect: St. George's Architecture
March 2002

UNIVERSITY COLLEGE RESIDENCE from the BACK CAMPUS



U.C. Residence:
Perspective looking west
28 February 2003
by design group at Ryerson University

University & College residence data by type							
	Campus	Architect	Tender Date	Beds #	Gross Area sq M (total per bed)	TPC [TPC per bed]	Scheduled opening
	4 Bed suite style						
1	University of Toronto Innis College	Zeidler Roberts	dec 93	328	11,817 36.0	\$11,751,327 \$35,827	
2	University of Toronto Graduate House	Morphosis/Teepie	feb 98	434	16,930 39.0	\$24,360,318 \$56,130	
3	University of Toronto Erindale Phase 6	Baird Sampson Fliess Gates	may 98	192	6,450 33.6	\$9,300,000 \$48,438	
4	University of Toronto Erindale Phase 7	Baird Sampson	jan 02	197	7,183 36.5	\$15,315,000 \$77,741	Sep-03
5	University of Toronto Scarborough Phase 4	Baird Sampson Montgomery Sisam	jan 02	231	8,183 35.4	\$16,250,001 \$70,346	Sep-03
6	University of Toronto Woodsworth College	Architects Alliance	jun 02	373	13,765 37.1	\$28,391,498 \$76,117	Apr-04
	Dorm Style						
1	University of Toronto St. Michaels College	Carlos Ott	may 00	179	5,531 30.9	\$12,822,512 \$71,634	
2	University of Toronto New College, residence	Saucier Perrotte	dec 01	285 base rez	9,872 34.6	\$23,829,580 \$82,137	Sep-03
3	University of Toronto University College	Zeidler Grinnell	jun 03	277 base rez	8,213 29.6	\$21,340,000 \$77,040	