



# University of Toronto

OFFICE OF THE VICE-PROVOST, SPACE AND FACILITIES PLANNING

## **Appendix "A" to Report 126 of AB**

TO: Planning and Budget Committee

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

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DATE: January 20<sup>th</sup>, 2004 for February 3<sup>rd</sup>, 2004

AGENDA ITEM: #4

### **ITEM IDENTIFICATION:**

Approval of the Project Planning Report for the Library Storage Facility at Downsview.

### **JURISDICTIONAL INFORMATION:**

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

### **PREVIOUS ACTION TAKEN:**

In 1999/2000, an *Advisory Committee on Library Space* reviewed the inventory of space in University of Toronto libraries, defined short-term and long-term library space issues, and projected collection requirements to the year 2020. The *Committee* identified an urgent need to develop the appropriate storage facilities for library material; several interim and long-term strategies to deal with the collection storage needs of the University's libraries were presented. These strategies formed the bases for the *Terms of References* for this current Project Planning Committee.

The magnitude of the annual increase in library storage requirements is currently estimated at approximately 226,000 volumes per year. This level of storage capacity, contained within acceptable temperature and humidity environments, is simply not available to prevent the accelerated deterioration of the University's library investments.

### **BACKGROUND:**

The University of Toronto has intentionally directed over the years valued resources to build and protect a library collection that is today consistently ranked with the very best libraries in the North America. The investment has been considerable; to protect this investment requires that serious attention now be given to the establishment of a library storage facility to house the backlog of approximately 1,000,000 volumes and to also allow for the increased storage of volumes through to 2020. It is estimated that the complete facility should accommodate some 5,000,000 volumes.

The planned facility will be constructed on the Downsview campus off Dufferin Street, north of the 401. The concept is to build the first module to accommodate an initial 2,000,000 volumes and thereafter to construct additional modules expanding the facility, with each additional module, by a further 1,000,000 volumes capacity to achieve the 5,000,000 capacity level. The subsequent three modules could be added in years 2009, 2013 and 2017 respectively. The proposed construction for the first module will provide some 2700 gross square metres with an interior height of some 9-10 metres to maximize the storage

within a minimal footprint. Temperature and humidity conditions also need to be suitably controlled within defined limits to prevent deterioration of the housed investment. High density racking systems will be used, interconnected by elevated walkways. Filing and retrieval of materials will be done manually and provided daily. In addition to the storage facility, administrative offices, a reading room, shipping and receiving areas as well as a processing area are planned to service the facility.

The precise location of the facility at the Downsview site will be developed in collaboration with the Institute of Aerospace Studies, an academic unit located at Downsview. The siting of the facility should benefit from the use of existing or extended access roads and allow for some fencing, as needed, to enhance the security of the site for all University of Toronto activities.

Under the Policy on Capital Planning and Capital Projects, the Project Planning 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:** Carole Moore [Chair]

**Planner:** William Yasui

**Implementer:** Julian Binks

This Working Executive will be expanded to include a Project Manager to be appointed by the Chief Capital Projects Officer. Consideration will also be given for the design of this project to be undertaken by staff internal to the University.

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

### **Borrowing capacity for the Capital Plan:**

Reference is made to the June 19<sup>th</sup>, 2003 Business Board Meeting, Item 6 documentation: "The University's current borrowing capacity has been conservatively estimated by management to be \$620 million."

The current level of borrowing for the Capital Plan and Other Requirements, including all approvals by Business Board through to December 31<sup>st</sup>, 2003 amount to 621.84 million. Additional approvals anticipated at Business Board on January 19<sup>th</sup>, 2004, for projects already approved by the Planning & Budget, plus an additional approval by the V-P Business Affairs has increased the level of borrowing to the end of January 2004 to \$627.8M.

A further clarification is required with reference to the funds available, specifically funds derived from any increased borrowing to support the Library Storage Facility at a project capital cost of \$6 million. To proceed with the Library Storage Facility will require that the full \$6 million be borrowed. This \$6 million increase will be offset by a reduction of some \$8 million in the current borrowing level. This reduction is a direct result of a request from the Dean of Arts and Science and supported by the Provost to postpone the Phase 2 component of the Economics Building until such time as all the funding required for Phase 2 has been raised from external sources. This decision will reduce the cost of the Economics Building project by some \$8 million with a corresponding reduction in the projected level of borrowing identified above. Given the absolute need for the Library Storage Facility, a high priority for the entire University, the required \$6 million dollars of borrowing for this project has been made available as a consequence of not proceeding with Phase 2 of the Economics Building. The reduced scope of the Economics Building will be reported to Planning & Budget, for information, in March 2004.

### **Library Storage Facility at Downsview**

The total cost of components to construct, establish and operate the storage facility comprises the following items:

- The capital cost of the facility, i.e. the Total Project Cost, [TPC]. This is estimated at \$6,000,000.
- A one-time-only cost, estimated at \$689,300, to catalogue and transport the approximately 1,000,000 volumes presently awaiting suitable storage to the new facility.
- The annual operating cost, estimated at \$376,800, which includes the library staff and transport services to operate the facility and to retrieve and file materials daily.
- The annual utilities and building service costs are estimated at \$108,000 per annum.

The one-time only cost of \$639,000 in year one as well as the annual operating and annual utilities cost will be addressed within the operating budget of the University of Toronto Library and is outside the scope of the capital project cost. The full capital cost of \$6 million will be a central cost to the University of Toronto since this facility will indirectly be used to support all academic units on all three campuses. These funds will be provided through a mortgage in the amount of \$6,000,000 to be amortized over a period of 20-40 years<sup>1</sup> and to be repaid from the University of Toronto operating budget. The precise term for the repayment will be established upon completion of the project.

The Library Storage Facility is one of a select group of very high priority projects that is required to support the research and teaching goals of the University. Other projects that have been identified with a very high priority for the University include the modest renovation of the recently acquired Board of Education property at 155 College Street [for the Faculty of Nursing and departments within the Faculty of Medicine], the UTM Phase 8 Residence as well as science and infrastructure facilities at the University of Toronto at Scarborough. The cumulative projected cost of these additional projects, including the Library Storage at \$6 million, is currently estimated to be in the range of \$70-80 million. In addition to the above, further funding will need to be raised to address the deferred maintenance issues.

### **RECOMMENDATIONS:**

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

1. THAT the Project Planning Report for the Library Storage Facility at Downsview be approved in principle.
2. THAT the proposed Library Storage Facility be located on the Downsview campus.
3. THAT the project scope identified in the Project Planning Report, to establish a 2700 gross square meter storage facility to house 2 million volumes with the appropriate shipping, receiving and processing areas to service the facility be approved at a cost of \$6,000,000 with the funding source as follows:
  - (i) A mortgage in the amount of \$6,000,000 to be amortized over a period of 20 - 40 years and to be repaid from the University of Toronto operating budget.

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<sup>1</sup> In the planning stage all mortgages are conservatively costed at 8% for a 20 year term. The precise rate being defined upon completion of the project or at the time these funds are required for the project. For the present project some flexibility, possibly beyond the 20 year term, might be anticipated.