



Office of the Assistant Vice-President, Campus and Facilities Planning

TO: Planning and Budget Committee

SPONSOR: Elizabeth Sisam, Assistant Vice-President, Campus and Facilities Planning

CONTACT INFORMATION: 416-978-5515; avp.space@utoronto.ca

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AGENDA ITEM: 4

ITEM IDENTIFICATION:

The 2007 Project Planning Report for the Mississauga Academy and UTM Academic Space in a Medical Academy Building at the University of Toronto Mississauga (UTM)

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 March 2006, the Governing Council approved a new Academy of the Faculty of Medicine, based at the University of Toronto Mississauga, in partnership with the Mississauga community-affiliated hospitals. In July 2006, the Planning and Budget Committee approved the Interim Project Planning Report for the Medical Academy in principle. In October 2006, the Planning and Budget Committee approved the Project Planning Report for the Medical Academy at the University of Toronto Mississauga.

BACKGROUND

The Faculty of Medicine and the University of Toronto Mississauga (UTM) have had on-going discussions with regard to the potential expansion of the MD program to UTM. With the provincial government's announcement of the enrolment expansion in MD programs in February 2006, a Project Planning Committee was established to develop a space plan for the accommodation of the increased number of medical students at the University.

Under the University of Toronto Faculty of Medicine's proposal, approved by Governing Council in early 2006, the Mississauga expansion of the Undergraduate Medical Education (UME) will be operated under the "Academy" model that has long been successfully employed for all students at the downtown fully-affiliated teaching

hospitals.¹ The new Mississauga Academy will focus on enhancing students' exposure to generalist practice (family and community medicine, general surgery, general internal medicine, general psychiatry, general pædiatrics, and general obstetrics/gynæcology) throughout the MD program.

The higher enrolment and associated creation of a new "Mississauga Academy" has implications for space, facilities, and infrastructure at the Medical Sciences Building on the St. George Campus, the University of Toronto Mississauga Campus, and the proposed partner hospital sites – Credit Valley Hospital and Trillium Health Centre.

In the fall of 2006, the Project Planning Committee completed and submitted a report requesting that vacant space in the old library area of the South Building at UTM be renovated and a small addition to that building be constructed in order to provide both interim and permanent facilities for the new Mississauga Academy. As well, renovations within the Medical Sciences Building on the St. George Campus were needed to accommodate the approved MD student enrolment increase and to better serve the entire Undergraduate Medical Education/MD program. The \$20.107 million capital project for both campuses was approved by the Planning and Budget Committee of Governing Council on October 17, 2006

The renovations in the Medical Sciences Building (MSB) that were needed to provide new anatomy instructional facilities, to update and refurbish the two large lecture theatres, and to develop the new Discovery Commons (that will provide videoconferencing support for the MD program, as well as other services for the Faculty of Medicine) were completed for the start of the 2007/08 academic year. The UTM portion of the project was deferred when it became apparent that key external issues had yet to be resolved. Also, certain technological enhancements to the two large lecture theatres in the MSB were also deferred with a view to ensuring longevity of highly specialized equipment.

The deferral has allowed not only the Faculty of Medicine (and the recently appointed Mississauga Academy Director) to re-examine the previously approved space program in conjunction with the concurrent curriculum review of the UME/MD program, but also the University of Toronto Mississauga to better assess the opportunities presented by the new Medical Academy Building capital project in meeting its academic and enrolment needs. As well, the Project Planning Committee has been afforded the opportunity to reconsider possible building site options for the new Academy on the UTM Campus.

Vacated space in the South Building on the UTM campus, previously identified as the location of the UTM Medical Academy, will be renovated to accommodate a student services commons and additional space for Geography, Sociology and registrarial functions. UTM regards the possibility of a new Medical Academy Building as an essential building block in the on-going implementation of its campus master plan.

¹ The three existing Academies are the FitzGerald Academy, located at St. Michael's Hospital, the Peters-Boyd Academy, a joint partnership of Sunnybrook Health Sciences Centre and Women's College Hospital, and the Wightman-Berris Academy, at Mount Sinai Hospital, UHN-Toronto General Hospital, and UHN-Toronto Western Hospital.

HIGHLIGHTS

The Mississauga Academy is projected to have an enrolment of 36 students per year for an eventual steady-state total of 144 students across all four years of the MD program. The Academy could expand further, depending on future decisions by the provincial government regarding medical school enrolment. Therefore, the flexibility to accommodate 54 students per year (a total of 216) has been designed into the space program. Prior to the occupancy of the facilities at the UTM Campus, the Faculty of Medicine will be sending students from the existing academies to the community hospitals for various curricular components in all four years of the program as appropriate. The Mississauga Academy will formally commence when its facilities at UTM are ready; the first Academy class is expected to begin at the start of the 2010/11 academic year.

The Faculty of Medicine remains committed to the principle that the MD curriculum delivered at the UTM Campus (as opposed to in a hospital setting) will be fundamentally the same as that which is found at the St. George Campus, and will consist predominantly of lectures and other large group sessions, seminars, and selected clinical skills training. The only curriculum exceptions will be that problem-based learning is expected to take place to a greater extent on the UTM campus than is the case on the St. George Campus and that all MD students, regardless of campus location, will receive primary gross anatomy, neuroanatomy, and related instruction in the specialized facilities in the Medical Sciences Building.

The Project Planning Report of October 2006 identified a budget of \$20.107 million comprising \$14.7 million of government funding, and the balance of \$5.407 million financed through borrowing. Of that budget, the Committee had allocated \$5.308 million to renovations in the Medical Sciences Building, \$312,000 towards the Mississauga Academy's share of the renovations to the Council Chamber at UTM to create a classroom with videoconferencing capabilities, and \$443,250 towards interim Academy space at UTM for a total of \$6.063 million paid or committed to date.

With completion of the first phase, \$8.637 million out of the total of \$14.7 million of government funding remains available for this portion of the project. After further review of the Academy's space program and siting options, the Committee recommended that the Academy's revised space program of 2,005 nasm at UTM be accommodated through the construction of a new building between the north end of the South Building and southeast corner of the Communication, Culture and Technology (CCT) Building.

The new cost estimate for the Mississauga Academy portion of the Medical Academy Building is \$25.476 million. This higher 2007 project cost estimate is attributable to: the program being accommodated in all new construction, instead of primarily the renovation of existing space, an increase in the space program, cost escalation due to the time that has elapsed, the full costing of the research facilities (previously these were covered by a cost allowance), required technological enhancements and a portion of the required storm water management pond project.

The new Medical Academy Building will be the first significant development to take place since the requirement to provide a storm water management facility as a condition of continued development on the UTM Campus. Enhanced water quality treatment together

with erosion control is required before storm water is discharged into the Credit River in order to protect the Credit River watershed. The proposal for this new building has triggered the need for the University to undertake the necessary studies for, and the design and implementation of, such a facility.

The new plans for the building will also accommodate 975 nasm of displaced facilities now on the site and new facilities for UTM at an estimated cost of \$10.679 million. The new Medical Academy Building will have a total assignable area of 2,980 nasm and a total gross area of 5,960 square metres.

FINANCIAL AND PLANNING IMPLICATIONS

The Capital Projects Department has prepared a Total Project Cost (TPC) estimate which incorporates information from various sources including the conceptual stacking and massing of a building that totals 5,960 gross square metres. The estimate includes site work to modify the current driveways to create a new suitably landscaped drop off at the building entry. The construction cost estimate assumes that some major building services will be provided centrally (chilled water, hot water, and a high voltage electrical service). It also assumes that other necessary services such as water, storm and sanitary sewers are located nearby and have significant capacity.

The construction cost is based on a competitive lump sum tender to be issued in October 2008. Other project delivery methods could impact the cost, as would any delay. An allowance of 6% per annum should be made for a later tender.

The TPC has been formatted to divide the base cost of construction of the building between the Mississauga Academy and UTM on a pro-rata basis based on their respective proportion of the total space program.

The Mississauga Academy portion of the TPC also includes a contribution towards the cost of the required new storm water management pond, and incorporates an audio-visual equipment budget supplied by the IT group within the Faculty of Medicine.

The total project cost for the Medical Academy Building is estimated to be \$36.155 million. Of this total, \$25.476 million is attributable to the Mississauga Academy project and \$10.679 million is attributable to the University of Toronto Mississauga.

The new Medical Academy Building is expected to add between \$400,000 and \$500,000 in annual operating costs. The division of these costs between the Faculty of Medicine and UTM will be apportioned as follows:

1. The Faculty of Medicine will be responsible for operating costs of space (calculated in gross square metres) that are part of the space program attributed directly to the delivery of the undergraduate medical education program. Research space will be excluded from the Faculty of Medicine's operating expenses.

2. UTM will be responsible for operating costs of space (calculated in gross square metres) that are part of the space program attributed directly to UTM. Operating costs for all research space within the building will also be assumed by UTM.

The AV/IT Infrastructure has an estimated annual operating cost of \$290,000 for the continued support of the AV/IT equipment and infrastructure at both campus locations. This amount provides warranty support, maintenance and parts and network connectivity in the building. Maintenance costs will be shared by the Mississauga Academy and UTM in proportion to each division's respective utilization of the AV/IT infrastructure.

The new Medical Academy Building project requires that the storm water facility project receive concurrent governance approval and be implemented at the same time.

FUNDING SOURCES

The total project cost of the Medical Academy Building is \$36.155 million. \$25.5 million is attributable to the UTM Mississauga Academy program and \$10.679 million is attributable to UTM programs displaced as a result of the construction on this site and related program elements.

Provincial funding for the Mississauga Academy program will arrive in a stream of payments annually over 20 years. The net present value of the annualized payments is \$8.637 million. The balance of the funding required for the Academy will be raised or supported by the Faculty of Medicine. \$16.839 million contingent funding will be raised through advancement or financed as short term debt and carried by the Faculty of Medicine.

Funding of the \$10.679 million for the UTM portion of the Medical Academy Building will be through borrowing, amortized over 20 years.

SCHEDULE

This project has a challenging schedule as it assumes that delays will not occur with permits or unexpected site conditions, weather affecting construction timelines, and labour strikes in the construction industry. Occupancy of the facilities is planned for July 2010.

RECOMMENDATIONS

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

1. THAT the Project Planning Report for the Medical Academy Building at the University of Toronto Mississauga be approved in principle;
2. THAT the project scope of 2,980 nasm (5,960 gross square meters) for the Medical Academy Building having a total estimated project cost of \$36.155 million be approved; and

3. THAT \$36.155 million funding required for the UTM Medical Academy Building comprise:
 - i) For the Mississauga Academy funding of \$25.476 million
 - a) provincial funding in the form of annualized payments having a present value of \$8.637 million, and
 - b) \$16.839 million contingency financing carried by the Faculty of Medicine
 - ii) For the University of Toronto Mississauga portion, funding of \$10.679 million through borrowing paid from the University of Toronto Mississauga operating budget.