



TO: Planning and Budget Committee

SPONSOR: Cheryl Misak, Provost

CONTACT INFO: 416-978-2122 or email: Cheryl.misak @utoronto.ca

DATE: January 29, 2009 for February 4, 2009

AGENDA ITEM: 1

ITEM IDENTIFICATION:

Declaration of Property as Surplus to University Requirements: 245 College Street, Toronto.

JURISDICTIONAL INFORMATION:

Business Board approval of the disposal of University property states that the “concurrence of the Academic Board is required, on the recommendation of the Planning and Budget Committee, to indicate that the property is surplus to University requirements.”

PREVIOUS ACTION TAKEN:

Business Board has approved the transaction, subject to the declaration of the property as surplus.

HIGHLIGHTS:

The University acquired 245 College Street in 2007 as part of our strategic interest in influencing the development of sites immediately adjacent to the St. George campus area. A third party subsequently approached the University. It plans to build a residence on the 247 College Street site. Their proposal to the University is for the University to provide a long-term ground lease of 245 College Street. The third party would then build a 30 storey student residence on the footprint comprised of 245 College Street and 247 College Street. In return, the University would receive a to-be negotiated rent of approximately \$350,000 per annum, escalating over time. This on-going revenue stream would be used to enrich student programming and services. We would also have the opportunity to influence the design and operation of this third party residence.

Proceeding with this opportunity would provide University of Toronto students with a convenient, high-quality, much-needed residence opportunity which would compare very favorably with existing third-party residences.

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255 McCaul Street, 4th Floor, Toronto, ON M5T 1W7 Canada
Tel: +1 416 946-5276 • Fax: +1 416 946-5589 • www.greatspaces.utoronto.ca

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Further information is provided in the accompanying document.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The University will receive land lease rent from this transaction. In the event of default the University will have several remedies to ensure that the real estate asset is protected.

RECOMMENDATION:

Be it recommended to the Academic Board:

THAT the 245 College Street, property be declared surplus to University requirements.