



TO: Planning and Budget Committee

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DATE: January 25, 2011 for January 27, 2011

AGENDA ITEM: Site Remediation for the North Campus at the University of Toronto Scarborough.

JURISDICTIONAL INFORMATION:

The Planning and Budget committee recommends to the Academic Board approval in principle of capital projects and infrastructure projects over \$2 million.

BACKGROUND:

At the January 12th meeting of the Planning and Budget Committee, the report describing Site Remediation for the North Campus at the University of Toronto Scarborough (UTSC) was considered.

For many years, academic, non academic and student space on the UTSC campus has been inadequate when compared with the Council of Ontario University space standards. Analysis has demonstrated that the campus will be at 71 per cent of the space recommended for a campus having a student population of 9,300 FTE students in 2011/12. The 2030 plan for expansion has identified enrollment growth to 12,100 FTE students within the next 20 years and with no further construction, UTSC will have only 50-60% of the space required for that student population.

The previous master plan, approved in 2000 identified campus development occurring on the south campus and immediately north of Ellesmere Road. However the opportunity for expansion on these lands was limited because of restrictions governing development due to previous use. Discussions of the master plan have confirmed that expansion in the area of the north campus is necessary if UTSC is to achieve the facilities required.

Portions of the north campus and adjacent City of Toronto lands were previously a municipal waste site, which has been discontinued from use since the late 1960's. The waste remains, and as a result, adjacent land not in the area of the municipal waste site per se also has restrictions governing its use because of traces of methane which migrate southward. The Instructional Centre, referenced earlier, is being constructed in a portion of the north campus permitting development. Other permitted uses allow for parking, which UTSC has located in these areas.

Recently, the opportunity to partner with the City of Toronto and Federal and Provincial Governments to build facilities for the 2015 Pan American Games has made possible the remediation of these lands. The facilities will be constructed on land currently owned by the University of Toronto Scarborough and on adjacent land owned by the City of Toronto. The

remediation of the land is necessary not only for the construction of the facility, but also will enable the master plan for academic growth to be realized on the north campus lands.

Because the proposed site contains municipal waste and required a lengthy approval process, work began about one year ago to assess the scope of remediation required for any redevelopment to commence. The City and the University retained consultants to do testing and prepared estimates for site remediation. It became apparent that the scope and cost of the work was greater than the City or University could afford without some external funding. It is important to note that it is not practical nor cost effective in the long run to consider remediation for the area only under the pool.

Committee members will recall that the cost of remediation for the site had been distributed across the area identified in the diagram attached (figure 1). The remediation project, having the estimated cost of \$52 Million was to be funded jointly by the City of Toronto (\$22 Million) and UTSC/U of T Central (\$10 Million) and was contingent upon the University receiving support from the Government for a high performance sport facility, thus allowing an equivalent amount to be redirected towards remediation making up the balance of funding necessary for the project.

Since the Planning and Budget Committee meeting of January 12, 2011, the project has received the first level of approvals at the Executive Committee of the City of Toronto, held on January 17, 2011.

The City of Toronto 2011 Capital Budget and 2012-2020 Capital Plan currently under consideration recommends the use of up to \$23 Million (including \$22 Million for the cost-sharing arrangement with University of Toronto and \$1 Million for supplementary contingency). The recommendations in the City of Toronto staff report seek City Council authority to enter into agreements related to the soil remediation of City owned and University of Toronto land located on top of a portion of the lands known as the Morningside landfill site that will be used for the Pan Am Aquatic Centre/ Canadian Sport Institute (PAAC/CSIO) facility in Scarborough.

It was recognised by the City Executive Committee that, the proposed cost-sharing arrangement requires the approval of Toronto City Council through the 2011 Capital Budget process and the Governing Council of the University of Toronto.

HIGHLIGHTS

The City of Toronto will take the lead in managing the project and will issue the tenders under the City of Toronto procurement policy which is similar to the University of Toronto procedures. Senior staff at the University is comfortable with City staff taking the lead both on the procurement phase and on the project management.

Test results indicate that much of the material which must be removed comprises household waste. This material will be dug out and trucked to licensed disposal sites across the Province.

Construction of a barrier wall across the north end of the site (on city lands) will prevent migration of any methane back onto the site and southwards to the north campus.

Cleaning the site now provides a number of significant benefits. It permits the University to leverage funding from the City of Toronto and the Province of Ontario to get the site ready for the Pan Am games. This is a critical step in achieving lands that can be developed for academic expansion. As well, the cost of remediation now, is much less costly than protecting every subsequent building planned for the north campus and development approvals will be more efficient.

SCHEDULE

The requirement is to have a remediated site ready for construction of the Pan Am facility to begin in the spring of 2012. Tenders are being issued this week, to close mid-February, and conditional on approvals and funding being in place. Once those are received, the remediation will begin in late March or early April.

The City will consider the funding request for its portion of the cost of remediation at the February meeting of Council. The recommendation will state that both institutions have determined a fair and reasonable approach to the allocation of costs of remediation.

FUNDING SOURCES

The remediation project, having the estimated cost of \$52 Million will be funded jointly by the City of Toronto and UTSC/U of T Central and is contingent upon the University receiving support from the Government for a high performance sport facility, thus allowing an equivalent amount to be redirected towards remediation thereby making up the balance of funding necessary for the project. Funding for the University of Toronto portion, will be provided by UTSC and/or UofT separate from the UTSC/student levy contribution to the PAAC/CSIO facility. The City of Toronto will contribute \$22 Million and \$1 Million for supplementary contingency.

RECOMMENDATIONS

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

Subject to all required government approvals and government funding, including government funding for high performance sport and subject to funding being in place prior to commencing construction:

1. THAT the recommendations identified in the “Report on Site Remediation for the North Campus of the University of Toronto Scarborough”, dated January 6, 2011, be approved in principle.
2. THAT subject to all other approvals and funding being in place prior to commencing the work, the University of Toronto contribution for the remediation, having a total project cost of \$52 Million (2010 dollars) comprise:
 - (i) \$5-Million of funding from the University of Toronto at Scarborough;
 - (ii) \$25-Million of borrowing, to be repaid by the University of Toronto at Scarborough, and/or the University of Toronto in part using \$20-Million of borrowing capacity created by anticipated Government funding for high-performance sport facilities.

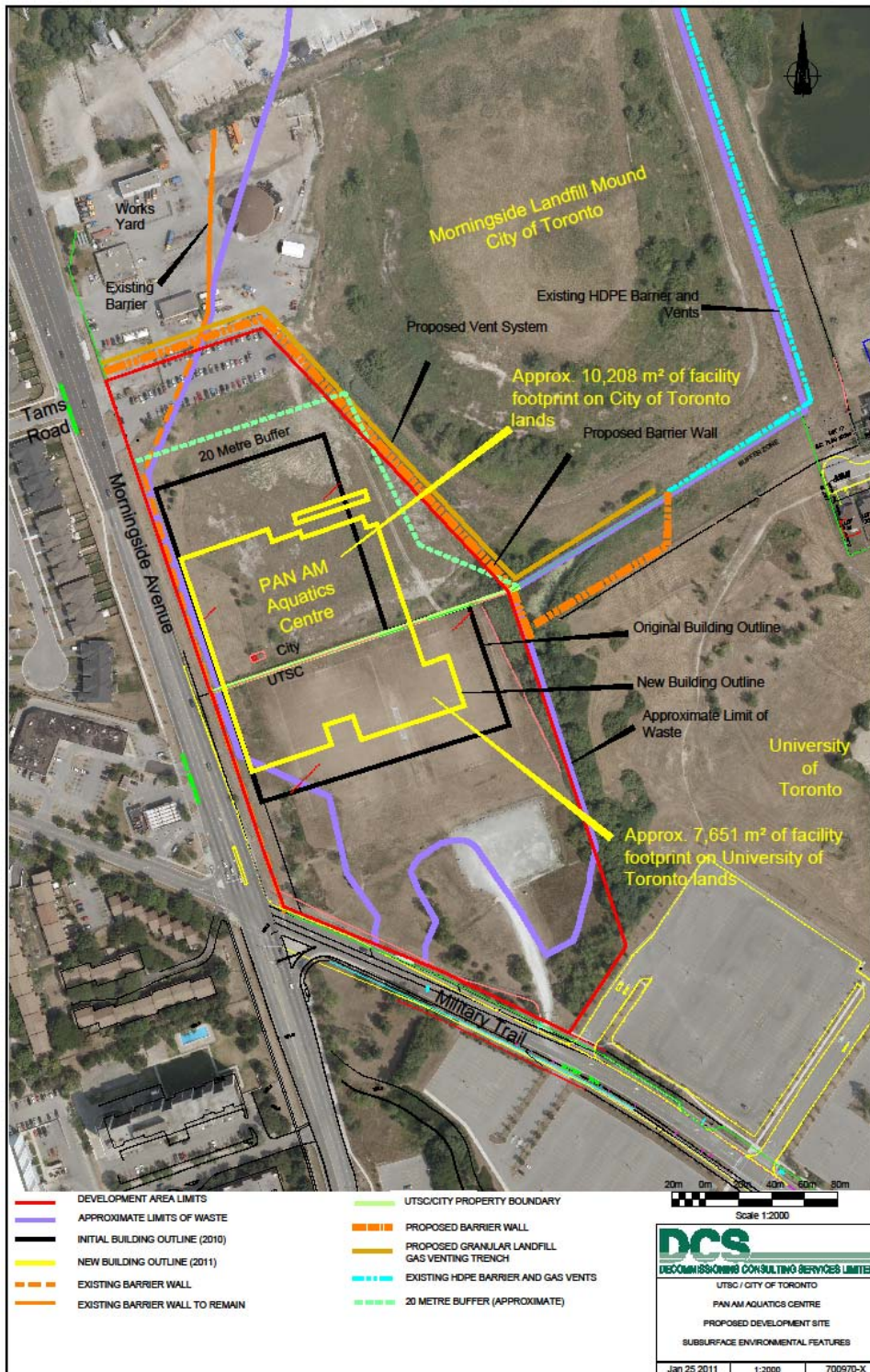


Figure 1: Area of Remediation