



**FOR RECOMMENDATION**

**CONFIDENTIAL**

***IN CAMERA***

**TO:** Planning & Budget Committee

**SPONSOR:** Professor Scott Mabury, Vice President, University Operations

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**PRESENTER:** Christine Burke, Director, Campus and Facilities Planning

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**DATE:** February 17, 2016 for March 2, 2016

**AGENDA ITEM:** 11

**ITEM IDENTIFICATION:**

Capital Project: Report of the Project Planning Committee for the 167 College Street Communications House and Swing Space Conversion

**JURISDICTIONAL INFORMATION:**

Pursuant to section 4.2.3. of the Committee's terms of Reference, "...the Committee considers reports of project planning committees and recommends to the Academic Board approval in principle of projects (i.e. space plan, site, overall cost and sources of funds)."

Under the Policy on Capital Planning and Capital Projects, "...capital projects over \$3 million and up to \$10 million will be considered by the Planning and Budget Committee for projects at the St. George campus and by the respective Campus Affairs Committees and Campus Councils for projects at University of Toronto Mississauga and University of Toronto Scarborough and recommended to the Academic Board for consideration. It is expected that such projects will be placed on the Board's consent agenda and be confirmed by the Executive Committee of the Governing Council. Execution of such projects is approved by the Business Board."

**GOVERNANCE PATH:**

**Project Planning Report – Project Scope, Total Project Cost, and Sources of Funding**

1. **Planning and Budget [for recommendation] (March 2, 2016)**
2. Academic Board [for approval] (March 17, 2016)
3. Executive Committee [for confirmation] (March 29, 2016)

**Execution of the Project:**

1. Business Board [for approval] (February 29, 2016)

## **PREVIOUS ACTION TAKEN:**

In 2015, the University of Toronto was approached by the owner of 167 College Street with their intention of selling the property. The Salvation Army, the long term tenant at the time, had plans underway to move their operations to another location. The University purchased the building at 167 College Street, a 2-storey brick men's shelter, (south-west corner of College and McCaul Street) as a future development site in April 2015. The existing building, thought to be constructed in the 1950s, is approximately 5167 gross sq ft or 480 gross square metres per floor, for a total of approximately 1438 gross sq metres or 15478 gross sq ft including the full basement. The Salvation Army had occupied the building for 25 years and many of the building's systems, including electrical, windows, interior finishes, and asphalt paving, are in need of repair. The Real-Estate Transaction and Financing of 167 College Street was approved at Business Board on June 18, 2015. In order to expedite the renovation of the former Salvation Army building, at the December 11, 2015 CaPS meeting, an expenditure of up to \$826,763 in interior demolition costs, included in the Total Project Cost, was approved.

## **HIGHLIGHTS:**

Discussion of the site and space plan can be found in the open session document for this project "Capital Project: Report of the Project Planning Committee for the 167 College Street Communications House and Swing Space Conversion", item 2.1, for this meeting.

## **FINANCIAL IMPLICATIONS:**

### **a) Total Project Cost**

The total estimated project cost for the Project, 167 College Street Communications House and Swing Space Conversion, is \$5,041,321.

At the December 11, 2015 CaPS meeting, an expenditure of up to \$826,763 in interior demolition costs, included in the Total Project Cost, was approved to proceed with the interior demolition work.

### **b) Funding Sources**

The Total Project Cost of \$5,041,321 is to be funded by Central Reserve Funds.

### **c) Operating Costs**

The building operation costs with the new systems in place are projected to be approximately \$118 /gsm or \$180.54 / nasm.

*Capital Project: Report of the Project Planning Committee for the 167 College Street Communications House and Swing Space Conversion*

**RECOMMENDATIONS:**

Be It Recommended to the Academic Board:

THAT the project scope to accommodate the 167 College Street Communications House and Swing Space Conversion totalling 906 net assignable square metres (nasm) (1438 gross square metres (gsm)) at a total project cost of \$5.0 million, to be funded as follows, be approved in principle:

<u>Central Reserve Funds</u>	<u>\$ 5,041,321</u>
Total	\$ 5,041,321

**DOCUMENTATION PROVIDED:**

Capital Project: Report of the Project Planning Committee for the 167 College Street Communications House and Swing Space Conversion, dated January 15, 2016.