

**UNIVERSITY OF TORONTO**  
**THE GOVERNING COUNCIL**

**REPORT NUMBER 120 OF THE PLANNING AND BUDGET COMMITTEE**

**September 18, 2007**

To the Academic Board,  
University of Toronto

Your Committee reports that it held a meeting on Tuesday, September 18, 2007 at 4:10 pm in the Council Chamber, Simcoe Hall, at which the following were present:

Professor Miriam Diamond (In the Chair)  
Professor Vivek Goel, Vice-President and  
Provost  
Ms Catherine J. Riggall, Vice-President,  
Business Affairs  
Professor Safwat Zaky, Vice-Provost, Planning  
and Budget  
Mr. Ryan Matthew Campbell  
Professor John Coleman  
Professor David Cook  
Mr. Ken Davy  
Mr. Arya Ghadimi  
Professor Glen Jones  
Professor Gregory Jump  
Professor Brenda McCabe  
Professor David Mock

Ms Carole Moore  
Mr. Tim Reid  
Dr. Wendy Rotenberg  
Professor Andrea Sass-Kortsak  
Professor Pekka K. Sinervo  
Mr. Stephen Smith

**Non-voting Assessors:**

Dr. Tim McTiernan, Interim Vice-President,  
Research  
Mr. David Palmer, Vice-President,  
Advancement  
Ms Elizabeth Sisam, Assistant Vice-President,  
Campus and Facilities Planning  
Mr. Nadeem Shabbar, Chief Real Estate  
Officer

**Regrets:**

Ms Diana A. R. Alli  
Professor Avrum Gotlieb  
Professor Ellen Hodnett

**Secretariat:**

Mr. Matthew Lafond, Secretary  
Ms Mae-Yu Tan

**In Attendance:**

Mr. Brian Burchell, Past-Member of the Governing Council, Station Manager, CIUT-FM  
Professor Robert Baker, Chair and Graduate Chair, Department of Ecology and Evolutionary  
Biology  
Professor Amrita Daniere, Graduate Chair, Department of Geography  
Ms Sheree Drummond, Assistant Provost  
Professor Daphne Goring, Chair and Graduate Chair, Department of Cell and Systems Biology  
Ms Helen Lasthiotakis, Director, Policy and Planning, Office of the Vice-President and Provost  
Professor Peter Martin, Chair, Department of Astronomy and Astrophysics  
Mr. Henry Mulhall, Assistant Secretary of the Governing Council  
Professor Peter Pauly, Vice Dean, Research and Academic Resources, Joseph L. Rotman School  
of Management  
Ms Mary-Ellen Yeomans, Assistant Dean, Administration and Chief Administrative Officer,  
Joseph L. Rotman School of Management

ITEMS 5, 9 AND 10 ARE RECOMMENDED TO THE ACADEMIC BOARD FOR APPROVAL. ITEMS 6, 7 AND 8 CONTAIN A CONCURRENCE WITH A RECOMMENDATION OF THE COMMITTEE ON ACADEMIC POLICY AND PROGRAMS.

ALL OTHER ITEMS ARE REPORTED FOR INFORMATION.

## 1. Chair's Welcoming Remarks and Orientation

The Chair welcomed members of the Committee to the first regularly scheduled meeting of the year. After introducing herself, and giving the regrets of Professor Gotlieb (Chair of the Committee), the Chair introduced Professor Goel (Senior Assessor to the Committee) and invited members and assessors to introduce themselves.

The Chair reviewed the role and mandate of the Committee, focusing on the following points.

- The Planning and Budget Committee was a standing committee of the Academic Board and the entry level of governance for a number of major items.
- The Committee was responsible for a detailed review of matters brought before it, before making a recommendation for approval to the Academic Board.

### Budget

- The Committee had broad responsibility for the overall allocation of university funds.

### Capital Projects

#### (a) Projects Costing \$2-million or more

- The *Policy on Capital Planning and Capital Projects* required that all Capital Projects with a projected cost of more than \$2-million be approved by the Governing Council on the recommendation of the Planning and Budget Committee and the Academic Board.
- The Planning and Budget Committee was also responsible for recommending approval of the allocation of any University funds or borrowing capacity used for Capital Projects costing \$2-million or more.

#### (b) Projects Costing less than \$2-million

- The Accommodation and Facilities Directorate (AFD) had authority to approve Capital Projects with an expected cost of less than \$2-million. The Planning and Budget Committee received an annual report from the AFD on those projects.

### New Academic Programs

- For new academic programs, the Committee on Academic Policy and Programs made recommendations concerning the academic content and requirements. The Planning and Budget Committee considered the planning and resource implications of the proposal. Each Committee made a recommendation to the Academic Board concerning the approval of the proposed program.

The Chair encouraged members to become familiar with the Terms of Reference of the Committee<sup>1</sup> and with the information on the Committee's responsibilities and procedures that were outlined in the *Frequently Asked Questions* document.<sup>2</sup> Finally, the Chair asked members to notify the secretariat if they had questions regarding a particular item, so that the appropriate assessor would have an opportunity to reply.

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<sup>1</sup><http://www.governingcouncil.utoronto.ca/Assets/Boards+and+Committees/Planning+and+Budget+Committee/pbtor.pdf>  
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## 2. Report of the Previous Meeting (May 22, 2007)

Report Number 119 of the meeting of May 22, 2007 was approved.

## 3. Business Arising from the Report of the Previous Meeting

There was no business arising from the minutes of the previous meeting.

## 4. Senior Assessor's Report

Professor Goel welcomed everyone and thanked them for their service to the University through their work on the Committee.

The following issues were highlighted:

### (a) Enrolment Plan

Professor Goel noted that it was within the mandate of the Planning and Budget Committee to discuss enrolment plans. The revenue of the University was directly related to enrolment. He reported that there were about 15,000 new undergraduate students enrolled across all three campuses this Fall. This figure was 420 above the target set in the spring for 2007-08. Of those, approximately 1,900 were international students. Despite the expectation that enrolment would decrease after the departure of the "double-cohort," demand in the Greater Toronto Area had continued to increase. Final enrollment counts were available after the "November 1" counts and reported to the Committee before the next budget cycle starts.

Professor Goel also noted that the University had been planning for a significant expansion of graduate student enrolment. As of September 2007, the University expected that it had enrolled 5,500 new graduate students. There were approximately 1,000 more graduate students admitted this year than last year; many divisional targets set the previous year had been met. Professor Goel congratulated everyone in the academic divisions for their success in this area, however, he cautioned that these numbers were still quite volatile and could change at the time of the official counts. He also noted that much work remained to be done with respect to the graduate expansion.

### (b) Multi-Year Agreement

Professor Goel reported that the first annual update report on the Multi-Year Agreement<sup>3</sup> with the Government of Ontario had been filed with the Ministry of Training, Colleges and Universities. The University had reported that it had met its key targets in each significant area, and was now entering the second year of the process. If the Government requested any revisions the Committee would receive an updated report.

### (c) *Towards 2030*

Professor Goel noted that in the Spring, the President had released a discussion paper outlining the issues to be considered in the *Towards 2030* initiative. Extensive discussions were underway, and feedback had been solicited from the wider community. The next stage of the process involved the creation of task forces focused on specific areas, such as long-term enrolment

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<sup>2</sup>[http://www.governingcouncil.utoronto.ca/Assets/Boards+and+Committees/Planning+and+Budget+Committee/p\\$!26bfaq.pdf](http://www.governingcouncil.utoronto.ca/Assets/Boards+and+Committees/Planning+and+Budget+Committee/p$!26bfaq.pdf)

<sup>3</sup>[http://www.utoronto.ca/\\_\\_shared/assets/Multi-Year\\_Agreement\\_for\\_Universities\\_for\\_2006-07\\_to\\_2008-09989.pdf?method=1](http://www.utoronto.ca/__shared/assets/Multi-Year_Agreement_for_Universities_for_2006-07_to_2008-09989.pdf?method=1)  
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#### 4. Senior Assessor's Report (cont'd)

strategies. These task forces would engage governors and the community. They would explore strategic options, and submit reports to the President setting out a range of preferred long-term objectives and strategies for attaining those objectives. Ideally, this process would be complete by early 2008.

Professor Goel then took questions on all of the items. A member asked whether the University had maintained its admission standards in light of the increased enrolment figures. Professor Goel responded that admission standards had been maintained, and in fact, had improved over previous years.

Professor Sinervo noted that while enrolment in the Faculty of Arts and Science had decreased this year by approximately 500 students, its admission standards had been maintained.

A member asked if there was financial support for the expansion in graduate student enrolment. Professor Goel noted the Reaching Higher Plan of the Government provided funding for an additional 12,000 students to be enrolled in graduate programs by 2009-10.

#### 5. Declaration of Property as Surplus to University Requirements: David Dunlap Observatory Lands

The Chair welcomed Professor Peter Martin, Chair, Department of Astronomy and Astrophysics, to the meeting.

Professor Goel informed members that the David Dunlap Observatory occupied approximately 191 acres of land in the Town of Richmond Hill. Jessie Donalda Dunlap had donated most of the land, along with the cost of the observatory buildings and equipment, to the University in 1932.<sup>4</sup> At that time, the Observatory had been a world-class facility and had global significance with respect to astronomical research. However, changes in technology and significant urban encroachment into the surrounding area had decreased the usefulness of the Observatory for University purposes.

The operation of the facilities and lands cost the University approximately \$800,000 per year of direct and indirect costs. Professor Goel noted that the University's priority was to deliver its academic programs, and to use its resources in a way that best facilitated education and research.

Professor Goel explained that the University proposed to cease operations at the Dunlap Observatory and liquidate the site. With the agreement of the successors of Jessie Dunlap, the University's net proceeds of the sale would be invested in an endowment to fund the creation of the Dunlap Institute of Astronomy and Astrophysics. Thus, the original intent of the gift would be fulfilled through the promotion of astronomy and astrophysics research, teaching and training at the University.

Professor Martin noted that the Dunlap Observatory had been a great success in its time. However, most astronomical research was now conducted at a few large international facilities, and few faculty in the Department made use of the telescope. The creation of the Dunlap Institute would allow the University to use the available resources to establish an even larger presence in the field of astronomy.

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<sup>4</sup> Additional lands (the "Panhandle") were later gifted to the University and are currently leased to the Town of Richmond Hill.

**5. Declaration of Property as Surplus to University Requirements: David Dunlap Observatory Lands (cont'd)**

Professor Sinervo noted that the Dunlap Observatory had helped to propel the University and Canada to a leadership role in astronomical research, and that the proposal to create the Dunlap Institute would allow it to continue this important role.

A member noted that the Dunlap Observatory provided tours and public education that would be missed by the community. He suggested that the Committee recommend a restriction on development of the lands to control the light pollution problem in the Town of Richmond Hill. Professor Goel replied that while general public education was important, it was not the primary mandate of the University – although the new Institute would include a public outreach mandate. He noted that the motion before the Committee was to declare the lands as surplus. He suggested that it was not consistent with the Governing Council's fiduciary duty to limit the value of the University's assets by imposing restrictions that might affect the sale.

A member asked whether there was a proprietary reason for the proposal to invest the proceeds of the sale in an endowment to fund astronomy and astrophysics. Professor Goel explained that the original gift to the University had been for the purpose of furthering astronomical research at the University, and that the proposal for the creation of the Dunlap Institute would continue to fulfill this purpose. He also noted that the location of the site in Richmond Hill was unlikely to be useful for any possible future expansion of the University.

A member asked whether accommodations would be made for graduate students in the Department to gain first-hand experience in astronomical research after the Observatory was closed. Professor Martin noted that the University already used resources at major international facilities, and that the reality of conducting astronomical research had changed making use of facilities located in more remote regions necessary. Professor Goel commented that the creation of the Dunlap Institute would allow students to compete even more effectively for access to those resources.

A member asked whether there were plans for the disposal of the current equipment. Professor Goel replied that once the University reached that stage of the process, appropriate plans would be made for disposal of the assets.

A member asked whether the \$800,000 annual expense of the Observatory was funded directly by the Faculty of Arts and Science. Professor Goel noted that the Faculty and the Department of Astronomy and Astrophysics shared many of the expenses but that some of the indirect costs were borne centrally. Finally, Professor Sinervo commented that the telescope would have required significant refurbishment if it were to continue to operate.

On motion duly moved and seconded

**YOUR COMMITTEE RECOMMENDS**

**THAT the David Dunlap Observatory lands be declared surplus to University requirements.**

Documentation is attached hereto as Appendix "A" ([Cover](#))([Item](#)).

**6. School of Graduate Studies/Faculty of Arts and Science: Proposal for a Master of Science and Doctor of Philosophy Degree Programs in Ecology and Evolutionary Biology**

The Chair welcomed Professor Robert Baker, Chair and Graduate Chair, Department of Ecology and Evolutionary Biology, to the meeting.

Professor Zaky informed members that the reorganization of the biological sciences in the Faculty of Arts and Science had resulted in the formation of the Department of Cell and Systems Biology (CSB) and the Department of Ecology and Evolutionary Biology (EEB). The proposed programs in Ecology and Evolutionary Biology had been developed by the Department's Graduate Affairs Committee (GAC) and had included extensive consultation within the Department as well as with other units and divisions within the University.

Professor Zaky noted that the motion established new degrees to replace degrees offered under the previous departmental organization. The previous degrees would continue to exist until all current students graduated. The proposal had no resource implications.

On motion duly moved and seconded

YOUR COMMITTEE CONCURS

With the recommendation of the Committee on Academic Policy and Programs

THAT the proposal to establish the Master of Science (M.Sc.) and Doctor of Philosophy (Ph.D.) programs in Ecology and Evolutionary Biology within the Faculty of Arts and Science be approved, effective September, 2008.

Documentation is attached hereto as [Appendix "B"](#).

**7. School of Graduate Studies/Faculty of Arts and Science: Proposal for a Master of Science and Doctor of Philosophy Degree Programs in Cell and Systems Biology**

The Chair welcomed Professor Daphne Goring, Chair and Graduate Chair, Department of Cell and Systems Biology, to the meeting.

Professor Zaky informed members that the proposal for a Master of Science and Doctor of Philosophy degree programs in the Department of Cell and Systems Biology was also a result of the reorganization of the biological sciences in the Faculty of Arts and Science into the Department of Cell and Systems Biology and the Department of Ecology and Evolutionary Biology. Professor Zaky noted that, as with the EEB proposal, there were no resource implications.

On motion duly moved and seconded

YOUR COMMITTEE CONCURS

With the recommendation of the Committee on Academic Policy and Programs

THAT the proposal to establish the Master of Science (M.Sc.) and Doctor of Philosophy (Ph.D.) programs in Cell and Systems Biology within the Faculty of Arts and Science be approved, effective September, 2008.

Documentation is attached hereto as [Appendix "C"](#).

**8. School of Graduate Studies/Faculty of Arts and Science: Closure of the Joint Master of Spatial Analysis Program**

The Chair welcomed Professor Amrita Daniere, Graduate Chair, Department of Geography, to the meeting.

Professor Zaky informed members that the University of Toronto Department of Geography and the Ryerson University School of Applied Geography had established a joint Master of Spatial Analysis (M.S.A.) program in 1999. Over time, the interests of faculty members at the University of Toronto had shifted away from this program, and demand for enrolment had decreased. After extensive discussions, the Department of Geography was proposing to withdraw from the M.S.A. program and to close the program at the University of Toronto. Ryerson University had agreed to the dissolution of the joint program and would continue to offer the program on its own.

Professor Zaky noted that the School of Graduate Studies Education Council and the Committee on Academic Policy and Programs had approved the proposal.

Professor Daniere noted that there were currently no University of Toronto students registered in the program, and that the University had stopped admitting new students into the program several years ago. The proposal would therefore have no impact on current students.

A member asked whether the proposal would have an impact on Ryerson students. Professor Daniere noted that in the past, Ryerson had relied on resources offered at the University of Toronto for the program. However, that was no longer the case, and Ryerson was prepared to offer all relevant courses themselves. Professor Goel commented that the joint program had been established at a time when graduate programs were relatively new at Ryerson University, however, such programs were now well-established at that institution.

On motion duly moved and seconded

YOUR COMMITTEE CONCURS

With the recommendation of the Committee on Academic Policy and Programs

THAT the proposal from the School of Graduate Studies and the Faculty of Arts and Science to close the Joint Master of Spatial Analysis (M.S.A.) Program at the University of Toronto be approved, effective immediately.

Documentation is attached hereto as [Appendix "D"](#).

**9. Capital Project: Project Planning Report – University of Toronto at Scarborough Balcony Enclosures**

Ms Sisam informed members that there was a serious shortage of office space at the University of Toronto at Scarborough (UTSC), particularly in the Sciences Wing (S-Wing). The opening of the New Science Building in July 2008 would provide additional offices, but not fully meet the requirements. A Project Planning Committee had been established to examine the possibility of renovating the existing S-Wing building to create more space. The Committee had identified two balconies, which if enclosed, would provide space for 16 new faculty and staff offices, plus reception areas, storage, and support facilities.

Ms Sisam noted that the proposed renovations to the S-Wing had been carefully considered to maintain the integrity of the building appearance and design. There was considerable interest

**9. Capital Project: Project Planning Report – University of Toronto at Scarborough Balcony Enclosures (cont'd)**

from the architectural community and heritage preservation. The Design Committee had reviewed the preliminary concept designs twice.

Ms Sisam stated that the total cost of the project was estimated to be \$3,614,900, including all fees and contingencies. This funding was to be provided from UTSC operating funds; no borrowing was required.

A member asked whether financing the project from operating funds would impact other aspects of the UTSC campus. Ms Sisam advised that since the revenue stream for the project had been identified, there would be no impact on other campus operations. Professor Goel added that the University did not have separate capital and operating budgets; a balance had to be struck in allocating resources for new projects.

A member noted that the proposal would also serve the dual purpose of eliminating the need for some of the deferred maintenance on the exterior of the building in the area of the project.

On motion duly moved and seconded

**YOUR COMMITTEE RECOMMENDS**

1. THAT the Project Planning Report for the Balcony Enclosures at the University of Toronto at Scarborough, a copy of which is attached hereto as Appendix “E”, ([Cover](#))([Item](#)) be approved in principle.
2. THAT the total project scope comprising approximately 455 gross square meters having a total project cost of \$3,614,900 be approved with funding to be provided from UTSC operating funds.

**10. Capital Project: Project Planning Report – Expansion of the Rotman School of Management**

The Chair welcomed Professor Peter Pauly, Vice Dean, Research and Academic Resources, Joseph L. Rotman School of Management, and Ms Mary-Ellen Yeomans, Assistant Dean, Administration and Chief Administrative Officer, Joseph L. Rotman School of Management, to the meeting.

Ms Sisam informed members that since the time of the construction of the current Rotman School of Management building, the School had continued to expand its complement of faculty, students, staff and programs. The current space (approximately 5,880 net assignable square metres [nasm]) was not sufficient to support the current and future needs of the School. An Interim Project Planning Report had been approved in December 2006. This had developed into a final proposal which identified a total of 13,280nasm of space, to be divided between the existing building at 105 St. George Street, and a new structure on Site 11 to the south (7,400nasm), thus expanding the Rotman complex.

The report included a separate (preliminary) space plan anticipating requirements for the Rotman Executive Development Programs (EDP). The limitations of Site 11 made it difficult to accommodate this part of the space program on that Site. The report determined that the EDP would require approximately 2,800nasm of space. Various sites were being considered for this purpose, including Site 12, which could possibly locate the EDP with the proposed Varsity Centre for High Performance Sport and the proposed Student Commons. The



**10. Capital Project: Project Planning Report – Expansion of the Rotman School of Management (cont'd)**

Admissions Building, located on this Site, could be incorporated into any development plan. Site 12 was currently zoned for a height of 5 stories (23m). The proposal would require rezoning. A study of the Bloor Street Corridor from Avenue Road to Bathurst Street was underway, and identified areas of intensification. This site was within the area being reviewed.

Ms Sisam stated that Site 11, located directly south of the Rotman School of Management building, was well situated to accommodate further Rotman School space. The Site encompassed two existing buildings and a surface parking lot. CIUT Radio and the Sexual Education and Peer Counselling Centre (SEC) were currently housed at this Site. As a result of the project, these services would be relocated to other space on campus. Ms Sisam noted that a detailed analysis of alternative spaces for these units would need to be done. Separate Project Planning Reports would be prepared. The University was committed to finding accommodation for these activities. A provisional cost of approximately \$200,000 to relocate these units had been identified. Ideally, both units would eventually be located in the proposed Student Commons. The Classics Department, also located on this Site, was relocating to the Lillian Massey Building as a separate initiative. The displaced parking spaces would be relocated across campus to maintain compliance with the City of Toronto parking by-law. Ms Sisam noted that there were currently surplus parking spaces at the OISE/UT parking garage.

Ms Sisam advised that the requirements identified in the space program also exceeded the approved envelope capacity of Site 11. To achieve the program described in the report, an estimated 10 to 13 stories above-grade (at an approximate height of 37 to 51m) would be required. Site 11 was currently limited to approximately 5 stories (23m). Site planning consultants had been retained to assist in the review of the site, and several options were being considered, which would require municipal approval.

Ms Sisam noted that funding for the project was being assembled primarily from external sources. In the current Budget, the Government of Ontario had announced \$50-million for the project. Furthermore, an additional \$10-million in government grants to the University would be directed to the project. Joseph and Sandra Rotman would donate \$2.8-million. A total of \$9-million would come from general University revenues. It was intended that the remaining \$20-million would be raised through Advancement prior to commencing the project; long-term borrowing may need to be allocated on a contingency basis to accommodate cash-flow requirements.

Professor Goel added that the Rotman Expansion project was the first major building project in a number of years. He noted that as the University continued to develop on existing sites, projects had become increasingly complex. Although some issues had not been finalized, the University needed Governing Council approval before seeking municipal rezoning.

Professor Pauly noted that the project was required to ensure Rotman's future success. Since having moved into the existing building 10 years ago, the School had virtually doubled in size. He also noted that Rotman's non-degree programs have had to move off-site because they were too large to be accommodated in existing facilities on campus.

The Chair invited Mr. Brian Burchell, Station Manager of CIUT-FM Radio, to address the Committee. Mr. Burchell congratulated the Rotman School for its success in implementing its academic plans. However, he suggested that the secondary effects of the program had not been given sufficient consideration. He stated that CIUT had not been consulted in making plans for the Station's proposed relocation, and also expressed concerns about the uncertain status of the locations suggested in the proposal. He emphasized the significance of campus radio to student life at the University and the importance of CIUT being centrally located on campus.

**10. Capital Project: Project Planning Report – Expansion of the Rotman School of Management (cont'd)**

Professor Goel noted that CIUT had been consulted throughout the process, and that the University was committed to continuing to work with CIUT to find a suitable home for CIUT.

He pointed out that Site 11 had been signaled as a development site for over 10 years. Professor Goel also noted that given the construction timelines, CIUT would likely be temporarily relocated, however, a permanent move to McCaul Street had been suggested in response to CIUT's concerns about the possibility of moving twice. He noted that due to the shortage of available development sites, all options for Site 12 had to be considered. Professor Sinervo reiterated that the Committee was not being asked to make a decision regarding the relocation of CIUT and the SEC.

A member asked whether the Executive Development Programs would be housed in the facilities proposed for Site 12 (Varsity Centre and Student Commons). Ms Sisam responded that the building envelope would have to be expanded to accommodate the Program on that site, and that it was a matter of appropriate design to maximize the Site's potential. The member noted that the expansion of the Rotman School might create a demand for additional parking spaces. Ms Sisam reiterated that current parking spaces would be relocated across the campus, and that currently, the University had excess parking capacity beyond that required by the By-law. Ms Riggall observed that parking at the University was not fully subscribed. The member asked whether consideration had been given to building an additional residence to complement the expansion of the School. Ms Sisam pointed out that student residences were planned through a separate process. Professor Goel noted that he expected that there would be a need for a separate review of housing following the *Towards 2030* exercise.

A member observed that the motion did not outline the specific sources of funding. Professor Goel noted that the phrasing of the motion had been discussed with the Secretariat and the agenda planning group. He pointed out that the sources of funding had been outlined in the Project Planning Report, but suggested that the motion should allow flexibility for minor changes in funding without necessitating subsequent re-approvals. The member noted that an expansion of this size was based on an assumption that there would be a significant expansion in enrolment as well. Professor Pauly noted that Rotman was a major participant in the graduate expansion.

A member asked why the FTEs for Academic staff planned for 2010 in the Utilization Analysis of the Report exceeded the intended growth in FTEs by 2014 in the Academic Plan. Professor Pauly indicated that these numbers reflected different types of appointments (including faculty and research associates).

A member asked whether there had been a determination of the cost per square foot of the project. Ms Sisam responded that the estimated cost was \$12,405 per net assignable square metre, and \$6,120 per gross square metre, which reflected the total project cost. She suggested that the cost was reasonable, given the volatility of the market and the complexity of the site.

A member asked whether contractors would assume financial risk in constructing the project, noting that the Varsity project had been 50% over-budget and had only received one bid. Professor Goel suggested that issue be discussed directly with the Chief Real Estate Officer. The Chair also indicated that those types of concerns were more appropriately within the purview of the Business Board.

A member commented that the project was ambitious, but would have a positive impact on the surrounding neighbourhood.

**10. Capital Project: Project Planning Report – Expansion of the Rotman School of Management (cont'd)**

On motion duly moved and seconded

**YOUR COMMITTEE RECOMMENDS**

1. THAT the Project Planning Report for the Rotman School of Management Expansion, a copy of which is attached hereto as Appendix “F”, ([Cover](#))([Item](#)) be approved in principle.
2. THAT the project scope of approximately 7400nasm (15,000gsm) new construction and additional renovation of existing facilities be approved with a total project cost of \$91,800,000 to complete Phase One.
3. THAT Phase Two renovations to existing spaces be approved in principle.
4. THAT the preliminary space program for the Executive Development Programs and affiliated research centers be approved in principle for the provision of approximately 2800nasm (5600gsm) to accommodate these functions.
5. THAT long-term borrowing capacity, maximum of \$20 million, be allocated on a contingency basis to accommodate cash flow requirements.

**11. Capital Project: Project Planning Committee – Membership and Terms of Reference – Administrative Offices, Faculty of Applied Science and Engineering, Galbraith Building**

Members received for information the Membership and Terms of Reference for the Project Planning Committee for Administrative Offices in the Faculty of Applied Science and Engineering, Galbraith Building. There were no questions.

**12. Accommodations and Facilities Directorate - Annual Report on Approvals on Projects between \$50,000 and \$2 Million (2006-07)**

The Chair noted that the *Policy on Capital Planning and Capital Projects* required that the Accommodations and Facilities Directorate (AFD) report annually to the Planning and Budget Committee on projects that fell within the approval authority delegated under the *Policy* to the AFD.

Members received the AFD Annual Report for information. There were no questions.

**13. Calendar of Business for 2007-08**

The Chair noted that the proposed Calendar of Business for the upcoming year had been distributed to members. Members were encouraged to review the Calendar carefully. There were no questions.

**14. Report on Decisions under Summer Executive Authority**

The Chair reported that no decisions that fell within the Committee's Terms of Reference had been made under Summer Executive Authority.

**15. Date of the Next Meeting**

The Chair reminded members that the next meeting of the Committee was scheduled for Wednesday, October 24, 2007 at 4:10 p.m. in the Council Chamber.

**16. Other Business**

There was no other business.

The meeting adjourned at 6:00 p.m.

Secretary

Chair

September 24, 2007