



# University of Toronto

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CAPITAL PROJECTS DEPARTMENT

TO: Business Board

SPONSOR: Nadeem Shabbar, Chief Real Estate Officer

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DATE: September 17, 2007 for October 1, 2007

AGENDA ITEM: 6 (b)

## **ITEM IDENTIFICATION:**

Capital Project Report – Rotman School of Management Expansion

## **JURISDICTIONAL INFORMATION:**

Pursuant to Section 5.2. (b) of its Terms of Reference, the Business Board approves expenditures for, and the execution of, approved Capital Projects.

## **PREVIOUS ACTION TAKEN:**

This is the first time this project is being presented to the Business Board. Other Board and Committee approvals to date include:

- Planning and Budget Committee September 18, 2007

## **HIGHLIGHTS:**

The Rotman School of Management is currently located at 105 St. George Street. There has been an addition of a fourth and fifth floor in south wing to accommodate growth but this has not been sufficient to support the current and long-term goals for the school. The space constraints have severely limited student study space, research facilities, administrative services, and the capacity to offer executive non-degree programs. A total of 13,280 nasms of space has been identified as being required to accommodate growth within the Rotman School of Management. This can be accomplished with the use of 5880 nasm's of existing space at 105 St George Street and the creation of 7400 nasm's with a new structure to be located on Site 11 to the south of 105 St George Street. Site 11 consists of two existing buildings (91 and 97 St George Street), and a surface parking lot. The CIUT radio and Sexual Education and Peer Counseling Centre (SEC) are currently located at 91 St George. CIUT radio and SEC will be relocated to other space on campus as secondary effects of this project. The Classics Department occupies 97 St George and is currently being relocation to the Lillian Massey Building. The forty-four surface parking spaces located at Site 11 will be relocated across campus in a variety of locations to maintain the City of Toronto Parking by-law requirements. A building of between ten to thirteen stories above grade, to an approximate height of 43 to 56 metres would be required to achieve the full program. The development site currently allows construction to a maximum height of 23 metres (five stories). The project will require negotiating with the City of Toronto and possible rezoning.

The project scope is for the new construction of 15,000 gsm and renovations of 725 gsm within 105 St George Street. Completion date for the new construction of the Rotman School of Management Expansion is targeted for Summer of 2011.

**FINANCIAL AND/OR PLANNING IMPLICATIONS:**

The Total Project Cost for the Rotman School of Management Expansion is estimated to be \$91.8 million dollars. Funding for the Rotman School of Management Expansion project is to be provided by the Government of Ontario (\$50 million), other government grants to the University (\$10 million), Joseph and Sandra Rotman (\$2.8 million), University of Toronto from general revenues (\$9 million) and advancement, (\$20 million). Assuming a lump sum tender in January/February 2009, the budgeted construction cost within the total overall Total Project Cost for the new building of 15,000 gross square meters (gsm) amounts to \$4,267 per gsm.

**RECOMMENDATION:**

Be it Resolved

Subject to Governing Council approval of the project,

(i) THAT the Vice-President, Business Affairs be authorized to execute the Rotman School of Management project at a total project cost not to exceed \$ 91.8 M dollars, with sources of funding as follows:

- Government of Ontario \$50,000,000
- Government Grants \$10,000,000
- Joseph and Sandra Rotman \$ 2,800,000
- University of Toronto General Revenues \$ 9,000,000
- Donations \$20,000,000

(ii) THAT the Vice-President, Business Affairs be authorized to arrange such interim and long-term borrowing as required either from internal or external sources.