



University of Toronto

BUSINESS AFFAIRS

TO: Business Board

SPONSOR: Catherine J Riggall, Vice President, Business Affairs

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DATE: September 13 for October 1, 2007

AGENDA ITEM: 7

ITEM IDENTIFICATION:

Recommended sale of David Dunlap Observatory Lands

JURISDICTIONAL INFORMATION:

The Business Board is responsible for the approval of the disposal of real estate assets.

PREVIOUS ACTION TAKEN:

Planning and Budget recommended that Academic Board approve the declaration of the lands as surplus to University requirements at their meeting on September 18, 2007. The Academic board will consider this recommendation at their meeting October 2, 2007.

HIGHLIGHTS:

The David Dunlap Observatory occupies a parcel of approximately 191 acres of land located at the municipal address of 123 Hillview Drive in the Town of Richmond Hill. Approximately 175 acres of land was a gift from Jessie Donalda Dunlap in 1932; who also donated the cost of the observatory buildings and associated equipment. In addition, approximately 16 acres of the property, the 'Panhandle', was gifted to the University by Clarence Chant and is currently leased to the Town of Richmond Hill pursuant to two leases.

When the Dunlap Observatory first opened it was a world class observatory. When built the 1.88 M telescope was the second largest in the world and remains the largest in Canada. However, while the site was originally farmland it is now surrounded by a highly urbanized area and thus the encroachment of light pollution and changes in technology over the years has diminished the use as an observatory. The excellent reputation now enjoyed by the University in Astronomy and Astrophysics is based on data acquired at national and international observatories at the very best remote high-altitude sites or in space. Recent international external reviews have confirmed this

reputation, e.g., “[This] *squarely places the University of Toronto as Canada’s pre-eminent home for astrophysical research.*” and regarding the graduate program: “*Within Canada there are few other such programs, if any, that can draw on similar depth and breadth of resources to operate an astrophysics program at a consistently high level. In broad terms our opinion is that the size and quality of the program make it competitive with many of the high-profile schools in the USA.*”

Operation of the facilities and lands entails about \$800,000 of expense per year.

The University’s priority is to deliver on its academic purpose and it must use its resources in a manner that best facilitates education, research and discovery. With the agreement of the successors of Jessie Dunlap, the University is proposing that the operation of David Dunlap Observatory cease and the assets at that site be liquidated. The net proceeds will be invested in an endowment to support astronomy and astrophysics at the University. It is proposed that the legacy of the Dunlap gift be recognized through the establishment of a Dunlap Institute of Astronomy and Astrophysics. The multi-faceted Institute will assume a prominent leadership position in research, teaching, advanced training, and public outreach. The creation and naming of the Institute will be subject to the appropriate governance approvals.

The disposition of the land will be done following normal University process. A single stage Request for Proposals will be issued after approval by Governing Council to a wide group of potential purchasers. The sale will also be advertised. Bids will be reviewed and the Real Estate Advisory Board will be consulted in the evaluation of the bids to ensure that the University of Toronto gets maximum value consistent with our risk tolerance.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

All of the net proceeds received by the University from the sale of the David Dunlap Observatory lands will be allocated to an endowment which will support the Dunlap Institute of Astronomy and Astrophysics.

RECOMMENDATION:

It is recommended that the Business Board approve:

Subject to the approval by the Governing Council that the lands are surplus to the academic requirements of the University,

THAT the Vice-President, Business Affairs be authorized to undertake the sale of the David Dunlap Observatory Lands.