



**FOR APPROVAL**

**CONFIDENTIAL**

**IN CAMERA SESSION**

**TO:** Business Board

**SPONSOR:** Scott Mabury, Vice President, University Operations  
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**PRESENTER:** Scott Mabury, Vice President, University Operations  
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**DATE:** March 17, 2014 for March 31, 2014

**AGENDA ITEM:** 15 (b.)

**ITEM IDENTIFICATION:**

Report of the *Project Planning Committee for The Relocation of the John H. Daniels Faculty of Architecture, Landscape and Design to One Spadina Crescent (Phase 2) – Execution of the Project*

**JURISDICTIONAL INFORMATION:**

Section 5.2 (b) of the terms of reference for the Business Board states that the Board is responsible for “approval of capital expenditures for, and the execution of, approved projects, as required by approved policies.”

**GOVERNANCE PATH:**

- 1. Business Board [for approval] (March 31, 2014)**

**PREVIOUS ACTION TAKEN:**

In April 2011, Governing Council approved the transfer of Site 07 (One Spadina Crescent) to the John H. Daniels Faculty of Architecture, Landscape and Design, with the Faculty of Arts and Science program in Visual Art.

In May 2013, Governing Council approved in principle the Project Planning Report for the relocation of the John H. Daniels Faculty of Architecture, Landscape and Design to One Spadina, and in addition, approved in principle the Phase One project scope totalling 4,600 gross square metres (approximately 2,100 net assignable square metres), with a total project cost of \$23.8 million, to be funded as follows:

Capital Campaign pledges to date	\$10.0 M
Provostial Central Funds	\$ 2.0 M

Graduate Expansion Funds	\$ 2.0 M
Deferred Maintenance Fund	\$ 3.5M
Borrowing	<u>\$ 6.3 M</u>
<b>TOTAL</b>	<b>\$23.8 M</b>

**HIGHLIGHTS:**

See the “Highlights’ section of the cover sheet for **The Relocation of the John H. Daniels Faculty of Architecture, Landscape and Design to One Spadina Crescent (Phase 2) – Financing Requirement.**

**FINANCIAL IMPLICATIONS:**

**a) Total Project Cost Estimate**

The project planned for Site 7 comprises two distinct phases:

Phase 1, with a space program of 2,100 nasm (4,600 gsm) and total estimated cost of \$23.8 million, was approved by Governing Council in May 2013.

Phase 2, consisting of the demolition of 4,100 gross sq.m. and new construction with a space program currently estimated at 4,690 nasm (6,790 gross), has an estimated total project cost of \$40.16 million.

The proposed Total Project Cost (TPC), for the two phases, has been established at \$63.96 million.

**b) Funding Sources**

The funding sources for Phase One were as follows:

Capital Campaign pledges to date	\$10.0 M
Provost Central Funds	\$ 2.0 M
Graduate Expansion Funds	\$ 2.0 M
Deferred Maintenance Fund	\$ 3.5 M
Borrowing	<u>\$ 6.3 M</u>
Total	<u>\$23.8 M</u>

**The funding sources for Phase Two are as follows:**

Capital Campaign pledges to date	\$11.875 M
Capital Campaign Outstanding	\$19.125 M
Provost Central Funds	\$ 3.360 M
Graduate Expansion Funds	\$ 2.000 M
Deferred Maintenance Fund	\$ 0.600 M
Borrowing	<u>\$ 3.200 M</u>
<b>Total</b>	<b><u>\$40.160 M</u></b>

*Note: any outstanding advancement sums will require financing at time of construction*

The combined funding for the two phases is:

	Existing One Spadina	Demolition Plus New Building	Total Project
Capital Campaign pledges to date	\$10.0	\$11.875	\$21.875
Capital Campaign Outstanding		\$19.125	\$19.125
Provost Central Funds	\$ 2.0	\$ 3.360	\$ 5.360
Graduate Expansion Funds	\$ 2.0	\$ 2.000	\$ 4.000
Deferred Maintenance Fund	\$ 3.5	\$ 0.600	\$ 4.100
Borrowing	\$ 6.3	\$ 3.200	\$ 9.500
<b>Total</b>	<b>\$23.8</b>	<b>\$40.160</b>	<b>\$63.960</b>

**RECOMMENDATION:**

Be it Resolved

Subject to Governing Council approval in principle of the project,

THAT the Vice-President University Operations be authorized to implement the project for Phase 2 of Relocation of the John H. Daniels Faculty of Architecture Landscape and Design to One Spadina Crescent at a total project cost of \$40.16 M to be funded as follows:

Capital Campaign pledges to date	\$11.875 M
Capital Campaign Outstanding	\$19.125 M
Provost Central Funds	\$3.360 M
Graduate Expansion Funds	\$2.000 M
Deferred Maintenance Fund	.600 M
Borrowing	\$3.200 M
<b>Total</b>	<b>\$40.160 M</b>

*Note: any outstanding advancement sums will require financing at time of construction*

**DOCUMENTATION PROVIDED:**

*See the Report of the Project Planning Committee for The Relocation of the John H. Daniels Faculty of Architecture, Landscape and Design to One Spadina Crescent (Phase 2), dated March 29, 2013 (Item 15 a).*