FOR RECOMMENDATION   **CONFIDENTIAL**   *IN CAMERA*

TO: Planning & Budget Committee

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DATE: December 10, 2019 for January 9, 2020

AGENDA ITEM: 10

ITEM IDENTIFICATION:

Capital Project: *Fitzgerald Revitalization located at 150 College Street – Revised Total Project Cost and Sources of Funding*

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, "…proposals for capital projects exceeding $20 million must be considered by the appropriate Boards and Committees of Governing Council on the joint recommendation of the Vice-President and Provost and the Vice-President, Operations and Real Estate Partnerships. Normally, they will require approval of the Governing Council. Execution of such projects is approved by the Business Board. If the project will require financing as part of the funding, the project proposal must be considered by the Business Board."

GOVERNANCE PATH:

A. Project Planning Report: Site and Space Plan
   1. **Planning and Budget [for recommendation] (January 09, 2020)**
   2. Academic Board [for approval] (January 30, 2020)
   3. Business Board [for approval, financing] (February 3, 2020)
   4. Executive Committee [for endorsement and forwarding] (February 12, 2020)
   5. Governing Council [for approval] (February 27, 2020)

B. Execution of the Project:
   1. Business Board [for approval] (February 3, 2020)

PREVIOUS ACTION TAKEN:

On February 28, 2019, the Project Planning Report for the FitzGerald Building Revitalization dated November 23, 2018 outlining the proposed revitalization for the FitzGerald Building, and project scope totalling 4,900 net assignable square metres (nasm) (10,092 gross square metres (gsm)) were confirmed by the Governing Council. The University envisions that the FitzGerald Building will be an exemplar in adaptive re-use, and set a precedent for progressive campus work environments. The primary goal is the creation of a modern, flexible, collaborative office environment, where the quality of space results from the acknowledgement and accommodation of an evolving 'me' to 'we' workplace culture.

At the November 19, 2019 meeting of the Executive Committee of the Capital Project and Space Allocation Committee (CaPS) the increase was approved.

HIGHLIGHTS:

The project tendered much higher than anticipated in May/June 2019. In order to reconcile between the original construction budget and tender price, the design scope has decreased, though no cardinal changes have been made to the project scope. The main cost saving measures include simplifying several key building components, removing a large portion of the roof addition that was the Video Studio and changing several of the building's interior finishes for more cost efficient materials.

From analysis of the tender pricing and the project documentation, a few reasons for the large discrepancy were identified. Errors in cost estimating, scope creep in some specialized building components and unfavorable market conditions all contributed to the higher pricing received. The project team has worked to address these issues to ensure cost savings are realized going forward.

With the deletion of the Video Studio, the revised project scope totals 4,577 net assignable square metres (nasm) (9,856 gross square metres (gsm)). In order to maintain the main feature stair in the south wing to be open at each floor, the addition of a corridor at the top floor (roof level) will be maintained to provide access to a second rated fire exit.

Project budget increases to date total 31.8% of the original Total Project Cost. As project budget increases currently being requested exceed 10% of the original Total Project Cost, the project requires a revised level 3 project approval.

<u>**Revised**</u> **Schedule**

The revised schedule for the project is as follows:

- Construction Documents finalized   January 2020
- Governing Council approval   February 27, 2020
- Tender and award   March/April 2020
- Construction start   May 2020
- Full operational occupancy   November 2021

The schedule assumes all municipal approvals may be achieved within the timelines.

FINANCIAL IMPLICATIONS:

a)   **Total Project Cost**

The original Total Project Cost for the FitzGerald Revitalization project at 150 College is $47,661,069. The revised Total Project Cost for the Fitzgerald Revitalization is $62,834,672. This represents a project budget increase of 31.8% or $15,173,603.

b)   **Funding Sources**

The Total Project Cost of $62,834,672 is to be funded as follows:

Central Funds	$ 20,000,000
Financing	$ 42,834,672
Total	$ 62,834,672

c)   **Operating Costs**

No changes to operating costs to report.

RECOMMENDATIONS:

Be It Recommended:

THAT the revised Total Project Cost of $62,834,672 for the project as outlined in the *Report of the Project Planning Committee for Fitzgerald Revitalization, dated November 23, 2018* and the *Revised Space Program for the FitzGerald Revitalization, dated December 10, 2019* totaling 4,577 net assignable square metres (nasm) (9,856 gross square metres (gsm)), be approved, to be funded as follows:

Central Funds	$ 20,000,000
Financing	$ 42,834,672
Total	$ 62,834,672

DOCUMENTATION PROVIDED:

- Revised Space Program for the FitzGerald Revitalization, dated December 10, 2019
- Report of the Project Planning Committee for Fitzgerald Revitalization, dated November 23, 2018.

Revised Space Program for the FitzGerald Revitalization, December 10, 2019

(Building Permit Drawings April 8, 2019)

ROOM TYPE	BP PROVIDED COUNT	ROOM NASM	AREA NASM
Cat 10.0 Space			
SHARED SPACES:			
Conference Room, 22 seats	1		54.00
Conference Room, 32 seats	1		87.60
Meeting Room, 4 seats	10		122.20
Meeting Room, 8-10 seats	8		222.01
Phone Booth	4		20.78
Atrium/Lunch Room	4		137.52
Atrium Lower + Upper Lounges	3		218.40
Kitchenette	3		43.80
Collaboration Zone, large	2		121.00
Collaboration Stair Lounge	1		58.70
Micro News Room & Storage	2		28.70
Coat Closet	mulitiple		25.00
Hoteling Stations	68	5.50	374.03
Library/Quiet Room	1		50.00
SHARED SPACES SUBTOTAL			**1,563.74**
Shared FTE Hoteling	**68**		
DUA, ADVANCEMENT COMMUNICATION & MARKETING (ACM):			
Office, large	1	14.90	14.90
Account Management			
Open Workstations	8	5.12	40.96
Creative Services			
Open Workstations	8	5.12	40.96
Online Marketing & Communication			
Open Workstations	8	5.12	40.96
Editorial Services			
Open Workstations	8	5.12	40.96
Open Workstations, growth	7	5.12	35.84
Workroom large	1	37.30	37.30
Spray Booth	1	7.90	7.90
Equipment Storage	1		12.45
Storage	1	27.70	27.70
New Open Workstations (The Brand Hub)	7	5.12	35.84
DUA, ACM SUBTOTAL			**335.77**
DUA FTE Open Workstations	**46**		
DUA FTE Hoteling			
DUA FTE Offices	**1**		
DUA FTE Total	**47**		

Revised Space Program for the FitzGerald Revitalization, December 10, 2019

(Building Permit Drawings April 8, 2019)

ROOM TYPE	BP PROVIDED COUNT	ROOM NASM	AREA NASM
HUMAN RESOURCES & EQUITY (HR&E)			
Office, Large	1	14.42	14.42
Open Workstations	4	6.89	27.56
Open Workstations, growth	8	6.89	55.12
Service Counter, 1 workstation	3	16.71	16.71
Workroom	1	4.80	4.80
Storage	1		18.80
Compensation (including SESU & JDX)			
Office, small	1	11.20	11.20
Open Workstations	15	6.89	103.35
Job Evaluation Room	1	13.40	13.40
HR Strategic Initiatives			
Office, small	1	11.70	11.70
Open Workstations	15	6.89	103.35
Benefits & Pension, Payroll & Support			
Office, small	1	12.60	12.60
Open Workstations	20	6.89	137.80
Recognition & Engagement			
Office, small	1	12.40	12.40
UTemp			
Open Workstations	8	6.89	55.12
LC			
LC Office, small	1	11.70	11.70
LC Open Workstations	7	5.08	35.56
LC Seminar Room, 50 seats, divisable	1	123.40	123.40
LC Seminar Room Storage	1	12.40	12.40
LC Meeting Room, 10 seats	1	35.78	18.07
LC Training Room, 20 Seats	1	34.90	34.90
LC Kitchenette	1	16.07	16.07
HR&E SUBTOTAL			**850.43**
HR&E FTE Open Workstations	**70**		
HR&E FTE Hoteling			
HR&E FTE Service Counter	**3**		
HR&E FTE Offices	**5**		
HR&E FTE Total	**78**		

Revised Space Program for the FitzGerald Revitalization, December 10, 2019

(Building Permit Drawings April 8, 2019)

ROOM TYPE	BP PROVIDED COUNT	ROOM NASM	AREA NASM
CHIEF FINANCIAL OFFICER (CFO)			
Office, large	2		27.40
Open Workstations	33	6.07	200.31
Open Workstations, growth	2	6.07	12.14
Hoteling stations	2	6.07	12.14
Vault Room (and cheque stick storage)	1	12.60	12.60
Workroom	1	4.80	4.80
Student Accounts			
Service Counter, 1 workstation	1		14.50
Open Workstations	8	6.07	48.56
Risk Management and Insurance			
Office, large	1		11.05
Open Workstations	2	6.07	12.14
Procurement Services			
Office, large	1		10.90
Open Workstations	13	6.07	78.91
Storage	1	18.00	18.00
CFO SUBTOTAL			**463.45**
CFO FTE Open Workstations	**58**		
CFO FTE Hoteling	**1**		
CFO FTE Service Counter	**1**		
CFO FTE Offices	**4**		
CFO FTE Total	**64**		
INTERNAL AUDIT (IA):			
Office, small	2	12.60	25.20
Open Workstations	7	4.08	28.56
Open Workstations, growth	1	4.08	4.08
Hotelling station	4	4.08	16.32
Workroom large	1	12.50	12.50
Storage	2		23.60
IA SUBTOTAL			**110.26**
IA FTE Open Workstations	**8**		
IA FTE Hoteling	**4**		
IA FTE Offices	**2**		
IA FTE Total	**14**		

Revised Space Program for the FitzGerald Revitalization, December 10, 2019

(Building Permit Drawings April 8, 2019)

ROOM TYPE	BP PROVIDED COUNT	ROOM NASM	AREA NASM
UNIVERSITY OF TORONTO COMMUNICATIONS (UTC)			
Office, Large	1		14.60
Open Workstations	46	6.87	316.02
Open Workstations, growth	7	6.87	48.09
Workroom, large	1		12.20
Equipment Storage	1		12.45
UTC SUBTOTAL			**423.26**
UTC FTE Open Workstations	**53**		
UTC FTE Hoteling			
UTC FTE Offices	**1**		
UTC FTE Total	**54**		
ANCILLARY SERVICES (AS)			
Office, Large	1		14.60
Office, small	2	11.80	23.60
Open Workstations	16	5.24	83.84
Open Workstations, growth	2	5.24	10.48
Hotelling	2	5.24	10.48
Workroom			3.30
Storage	3		17.20
Parking & Transportation			
Office	1		12.60
Open Workstations	4		22.60
Service Counter, 5 workstations	5		21.50
PCO Men's Locker Room	1		18.30
PCO Women's Locker Room	1		12.90
Storage	1		19.90
AS SUBTOTAL			**271.30**
AS FTE Open Workstations	**22**		
AS FTE Hoteling	**2**		
AS FTE Service Counter	**5**		
AS FTE Offices	**4**		
AS FTE Total	**33**		

Revised Space Program for the FitzGerald Revitalization, December 10, 2019
(Building Permit Drawings April 8, 2019)

ROOM TYPE	BP PROVIDED COUNT	ROOM NASM	AREA NASM
Planning & Budget (P&B):			
Office, large	1	13.40	13.40
Office, small	6		74.16
Open Workstations	20	6.58	131.60
Hotelling	2	6.58	13.16
Workroom	1		11.50
Storage	1		13.90
Reception	1	9.00	9.00
P&B SUBTOTAL			**266.72**
P&B FTE Open Workstations	**21**		
P&B FTE Hoteling	**2**		
P&B FTE Offices	**7**		
P&B FTE Total	**30**		
Total NASM			**4,265.03**
Total FTE Open Workstations	**278**		
Total FTE Hoteling	**77**		
Total FTE Service Counter	**9**		
Total FTE Offices	**24**		
Total FTE (incl hoteling)	**388**		
Total FTE	**311**		
Other Cat (3.0, 9.20, 12.0) Space			
Bio Wash Shreader & Pail Washer	1	37.40	37.40
Hazardous Waste Storage	1	39.90	39.90
Building Storage	1	112.5	112.5
Caretaking Storage	1	26.0	26
Caretaking Storage	1	23.3	23.3
Male Caretaking Changing Room	1	7.5	7.5
Female Caretaking Changing Room	1	12.6	12.6
Caretaking Lunchroom	1	21.2	21.2
Caretaking Closet	1	2.8	2.8
Coats	1	2.0	2
Janitor's Closet	1	10.8	10.8
Janitor's Closet	1	2.0	2
Janitor's Closet	1	2.0	2
Janitor's Closet	1	2.0	2
Janitor's Closet	1	0.0	0
Mail Room	1	10.30	10.30
			312.30
TOTAL NASM			**4,577.33**