



FOR RECOMMENDATION

CONFIDENTIAL

IN CAMERA

TO: Planning and Budget

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DATE: January 15, 2019 for January 31, 2019

AGENDA ITEM: 11

ITEM IDENTIFICATION:

Capital Project: Capital Project: Report of the Project Planning Committee for FitzGerald Building Revitalization – 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, University Operations. 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: Total Project Cost and Sources of Funding

1. **Planning and Budget Committee [for recommendation] (January 10, 2019)**
2. Academic Board [for recommendation] (January 31, 2019)
3. Business Board [Financing, for approval] (February 4, 2019)
4. Executive Committee [for endorsement and forwarding] (February 13, 2019)
5. Governing Council [for approval] (February 28, 2019)

B. Execution of the Project:

1. Business Board [for approval] (February 4, 2019)

PREVIOUS ACTION TAKEN:

In March 2017, the University of Toronto initiated a *Feasibility Study* to explore the adaptive reuse possibilities and constraints of this building subsequent to forthcoming relocation of occupants including the Faculty of Medicine and Faculty of Dentistry. The study proposed new mechanical and electrical systems, as well as new controls technologies, all of which emphasize sustainability and energy management advancements. The *Final Report of the Feasibility Study* was completed in December 2017.

On March 2, 2018, the Capital Projects and Space Allocation Committee (CaPS) Executive Committee approved a proposal to engage consultants to develop the project through to the construction drawing stage; to proceed with early demolition; and the removal of hazardous waste. Through a subsequent proposal call, RDHA, a local architecture firm teamed with the Office of Metropolitan Architecture (OMA), based in New York, were selected as the project architectural team.

HIGHLIGHTS:

Discussion of the site and space plan can be found in the open session document for this project *Capital Project: Report of the Project Planning Committee for FitzGerald Building Revitalization* (item 3) of the documentation.

FINANCIAL IMPLICATIONS:

a) Total Project Cost

The total estimated project cost for the FitzGerald Building Revitalization is \$47,661,069.

At the March 2, 2018, at the CaPS Executive meeting, an expenditure of up to \$4,536,348 in consulting fees, included in the Total Project Cost, was approved to hire design consultants to proceed with design development to the end of construction documents and for demolition and hazardous waste removal.

Academic Board - Capital Project: Report of the Project Planning Committee for FitzGerald Building Revitalization - Total Project Cost and Sources of Funding

b) Funding Sources

The Total Project Cost of \$47,661,069 is to be funded as follows:

Central Funds	\$ 20,000,000
Financing	\$ 27,661,069
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Total:	\$47,661,069

c) Operating Costs

Annual operating costs are estimated to be \$51.67 per gross square metre (2018). It is estimated that post renovation, the annual operating costs will be approximately \$10.65 per gross square metre. Operating costs will be apportioned to building occupants based on amount and type of space occupied, as well as use of shared amenities.

RECOMMENDATION:

Be It Recommended:

THAT the project scope of the FitzGerald Building Revitalization Project, as identified in the *Capital Project: Report of the Project Planning Committee for FitzGerald Building Revitalization*, dated November 23, 2018, totaling 4,900 net assignable square metres (nasm) (10,092 gross square metres (gsm)) at a total project cost of \$47,661,069, to be funded as follows, be approved in principle:

Central Funds	\$ 20,000,000
Financing	\$ 27,661,069
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Total:	\$ 47,661,069

DOCUMENTATION PROVIDED:

- *Report of the Project Planning Committee for FitzGerald Building Revitalization*, dated November 23, 2018.