

University of Toronto Mississauga

Pre-Budget Ancillary Update

**Campus Council
November 13, 2024**

UofT Financial Objectives for Ancillary Operations

<u>Objective</u>	<u>Residence</u>	<u>Hospitality</u>	<u>Parking</u>
Operate without subsidy	Yes	Yes	Yes
Provide for capital renewal	Yes	Yes	Yes
10% operating reserve	Yes	Yes	Yes* - temporarily not meeting this requirement
Contribute to operating	No	No	No

Consultation Committees

- Food Services Advisory Committee
 - November 6, 2024
 - November 27, 2024
- Residence Student Dining Committee
 - October 23, 2024
 - November 19, 2024
- Transportation and Parking Advisory Committee
 - November 4, 2024
 - November 11, 2024

Parking Initiatives for 2024/25

- Pay-by-App AMP Park App – May 2024
- Expanded Motorcycle Parking - September 2024
- Car Care Centre - October 2024

Asset Management

- ✓ CCT Parking Garage Restoration (Spring 2025)
- ✓ P4 & P8 Parking Decks Waterproofing (Summer 2025)

Hospitality Initiatives for 2024/25

- **Hospitality:**
 - ✓ Expanded Commissary - Spigel Kitchen (Sept 2024)
 - ✓ New Specialty Vending Machines (Fall 2024)
 - ✓ New Off-Campus Partners for Meal Plan (Fall 2024)
 - ✓ New Commerce Management Contract (June 2024)

Hospitality Budget Considerations

- Food Prices
 - Food prices in Ontario increased by 3.8% between August 2023 and August 2024 (Statistics Canada)
 - Waiting for the 2024 Food Institute of Dalhousie University Food Price report predictions (December 2024)

Student Housing & Residence

Brian Cunha

Director, Student Housing & Residence Life

Student Housing Advisory Committee

- Student Housing Advisory Committee
 - October 3, 2024
 - Introduction to SHAC
 - October 10, 2024
 - Overview of budget process and SHRL business plan
 - October 17, 2024
 - Operating budget and recommended residence fees presented
 - October 24, 2024
 - Final budget presented
 - Received unanimous endorsement from SHAC

UTM Student Housing Demand Study

Research Firm:

CRI is a Canadian market research firm specializing in postsecondary education since 2005, delivering practical, data-driven solutions through over 550 projects.

Study Goal:

The study aims to evaluate demand for the new residence project, forecast future on-campus housing needs, and provide UTM with tools to optimize rental rates, ensuring financial sustainability while offering affordable housing options for socio-economically disadvantaged students.

UTM expects the results of this study in late Fall 2024.

Rental Housing Market Analysis

Study Goal:

Analyze rental market conditions in Mississauga and Toronto, with forecasts for 2024-2028, focusing on vacancy rates, rent growth, and the housing needs of students.

Researcher:

Conducted by Will Dunning, an economist with over 40 years of experience in housing market analysis, including work with Canada Mortgage and Housing Corporation (CMHC)

Findings

- **Rental Market Pressure:** Toronto and Mississauga face high rental demand, with rent increases outpacing inflation and income growth.
- **Population Growth Impact:** Rising non-permanent residents (e.g., students, workers) are driving rental demand. Slowing this growth is crucial to easing market pressures.
- **Student Housing Needs:** A significant shortage of affordable student housing exists, both on- and off-campus.
- **Vacancy Rates:** Tight vacancy rates (around 1.5%) will persist, fueling continued rent increases of approximately 5% annually.
- **Future Monitoring:** UTM should monitor market trends to address ongoing housing challenges and student housing demand.

Summary Student Housing Budget (2023-24)

UTM Student Housing and Residence Life	
Revenues	\$20,857,104
Expenses	\$16,798,717
Operating Results	\$4,058,387
Unrestricted Surplus/(Deficit)	\$246,063

- **2023-24 Major Maintenance/Capital Projects:**
 - LL Renovation (Part II - 2/3 of total cost): \$6,404,963
 - LL Furniture: \$577,000
 - LL Appliances: \$42,000
 - MV Renovations (Planning Phase 1): \$449,834
 - Paint Cycle 2: \$171,380
 - OPH Bathroom Floors (~55 units): \$32,000
 - **Total Major Maintenance: \$6,854,797**
 - **Total Capital Purchases: \$619,000**

Questions/Discussion