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FOR APPROVAL:

TO: Planning and Budget Committee

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DATE: September 5th, 2002 for September 17th, 2002

AGENDA ITEM: **Item 4**

ITEM IDENTIFICATION:

Project Planning Report for the University College Residence Expansion.

JURISDICTIONAL INFORMATION:

Under the Policy on Capital Planning and Capital Projects, the Planning & Budget Committee approves the Project Planning Report prepared for a capital project and recommends to the Academic Board and the University Affairs Board, as appropriate, approval in principle of the project.

PREVIOUS ACTION TAKEN:

In January 2000, a Project Committee was established with the Principal of University College chairing the Committee comprising students, faculty and staff. Key alumni also formed an informal advisory group to the Principal. Over the past two years the College has examined a number of potential building sites. These have included the western edge of the back campus which was rejected, and more recently an investigation undertaken by A.J. Diamond Donald Schmitt and Company to add a north/south wing to complete the eastern edge of the Sir Daniel Wilson residence quadrangle in addition to building on an approved building site (Site 22).

This latter plan, presented as a formal Project Planning Report, was approved by the Planning & Budget Committee in April, 2002 with the knowledge that the Sir Daniel Wilson residence quadrangle is currently zoned UOS (University Open Space) within the City of Toronto zoning by-laws and would have required re-zoning of the site. The Project Planning Report was also approved at both the Academic Board and the University Affairs Board; at these meetings it was clearly stated that some revisions of the site were envisaged and that the subsequent re-approval could be required. This revised location was also unanimously approved by University College [UC] Council and the UC Alumni Association following numerous town hall meetings that extensively explored the various options.

Discussions were subsequently initiated with the City of Toronto about this proposed location. It was immediately clear that the City was reluctant to consider any re-zoning of this site, but were receptive to the concept of increased massing on Site 22 to accommodate the proposed space program. To proceed required the appointment of consultants to explore massing options that

would provide a sufficiently high number of beds. This exercise has now been completed and has the preliminary support of the City.

HIGHLIGHTS:

The proposed University College Residence, with 288 beds, including 5 Dons and one residence life co-ordinator will be totally located on Site 22. As previously reported, the residence will eliminate all surface parking from Site 22 and will be substantially higher than the earlier concepts to accommodate the required number of beds. To maximize the number of beds at this site will require the gross square metre per student bed to be substantially reduced as compared to existing campus residence design. Residents will therefore also be using the facilities available in the existing UC residences.

The demand for residence places at the University of Toronto, especially places for first year students, has grown steadily over the last few years. University College has the most critical need for student housing of all colleges on the St. George campus, currently accommodating only 12% of its students. This compares unfavorably with similar colleges notably Victoria, St. Michael's and Trinity where the corresponding numbers are 24%, 24% and 36% respectively. University College's current residences – Whitney Hall and the Sir Daniel Wilson residence – together accommodate approximately 450 students. The proposed University College Residence Expansion will significantly increase this number of student residence accommodations.

Under the Policy on Capital Planning and Capital Projects, the Project Committee will continue through the implementation phase. The Working Executive of the Project Committee, will comprise the lead User, a Planner and Implementer all of whom have been associated with the project definition since its inception; this membership is:

User: Principal Paul Perron
Planner: Jennifer Adams, Campus & Facilities Planning
Implementer: Julian Binks, Capital Projects

This Working Executive will also include the consultants who were appointed to manage the particular requirements of the re-siting of this project with the City. The role of the Working Executive is to ensure the successful completion of the project and to ensure that the user needs and concepts introduced into the Project Planning Report are addressed throughout the process of design and implementation which are carried out under the direction of the Chief Capital Projects Officer.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The space program for the UC Residence Expansion is approximately 7,400 gross square metres [GSM]. The major elements of the construction comprising 7,000 GSM for the residence, and 4,000 GSM for the dining hall kitchen facilities. The estimated cost of construction, including all furnishings and finance costs for 18 months (the length of time allowed for design and construction), is \$21,500,000.

Of the required \$21.500 million, \$2,500,000 will be secured from University College donations, \$1,500,000 of which has already been raised and projections that the remaining \$1,000,000 million will be raised prior to the opening of the residence. Ancillary contributions comprise \$1,485,000 from the UC residence ancillary and \$800,000 from the UC food service ancillary. A contribution not to exceed \$70,000 [\$66,000 + taxes] will be provided from the University Infrastructure Investment Fund [UIIF] to specifically address the cost of the elevator within the Drama Studies. The balance, approximately \$16,645,000, required for the UC residence

expansion will be funded by a 25 year mortgage, secured at 8%, to be repaid from residence fee revenues. These revenues are based on a monthly resident fee of \$597 per month. There will be an increase in all residence fees to achieve this plan: 8% per year for 3 years and then adjusted annually to carry the cost of the construction and operation of the residence. This financial model has been investigated and approved by the Financial Services Department and conforms to University policy guidelines.

Included in the Project Committee Report is a revenue and expense plan for the UC Residence Expansion prepared by Financial Services.

RECOMMENDATIONS:

It is recommended that the Planning and Budget Committee recommend to the Academic Board:

1. THAT the Revised Project Planning Report for the University College Residence Expansion be approved in principle;
2. THAT the project scope totaling approximately 7,400 gross square metres, allowing for the construction of the University College Residence Expansion on Site 22, an approved building site, be approved;
3. THAT the project cost of \$21,500,000 be approved, with the funding sources as follows:
 - (i) Donation from University College of \$2,500,000
 - (ii) University College Residence Ancillary allocation of \$1,485,000
 - (iii) University College Food Service allocation of \$800,000
 - (iv) University Infrastructure Investment Fund [UIIF] of \$70,000 and
 - (v) Financing in the amount of \$16,645,000 to be repaid from residence fee revenues over a 25-year amortization period at 8% per annum.