



University of Toronto

Office of the Assistant Vice-President, Space and Facilities Planning

TO: Planning and Budget Committee

SPONSOR: Elizabeth Sisam, Assistant Vice-President Space and Facilities Planning

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DATE: April 26, 2006 for May 9, 2006

AGENDA ITEM: 12

ITEM IDENTIFICATION: Change in Scope for Department of Economics Capital Project at 150 St. George Street

JURISDICTIONAL INFORMATION:

Under the Policy on Capital Planning and Capital Projects, the Planning & Budget Committee reviews Project Planning Reports prepared for a capital project and recommends to the Academic Board change in scope to capital Projects.

PREVIOUS ACTION TAKEN:

In November 2001, the Planning and Budget Committee approved, in principle, the Project Planning Report for the Economics Building Expansion and Renovation at 150 St. George Street.

The initial project was planned to be constructed at a total cost of \$14.3 million. The new facilities were to include space for the Institute for Policy Analysis currently located at the Robarts Library, and to provide a new 75-seat tiered electronic lecture hall. All funding for the project with the exception of the lecture hall, was to be raised through private benefaction. The lecture hall estimated to cost \$980,000 was to be funded centrally. The project scope was 1880 nasm of new space, 450 nasm of renovated space at a total estimated cost of \$14.3 million.

As work commenced on the design of the facilities, it became apparent that the fundraising goal of \$13.32 million was not easily attainable, and in order to address immediate space deficiencies, the project should preferably be conceived as two distinct phases. The first phase was estimated to cost \$6 million with funding from the Faculty of Arts and Science. The balance of the funds for Phase II were targeted to be raised from external sources. Approval to proceed with the two phased approach was received in March 2003. The facilities were to be designed to permit either the first or both phases to be constructed simultaneously or in sequence, depending upon available funding. Phases I & II were estimated to cost \$6 million and \$8.3 million respectively. This revised plan also permitted the tiered lecture hall to be paid from funds raised for Phase II as distinct from using central internal funds.

In March 2004, when the schematic design was completed, the Project returned to the Planning and Budget Committee as the total project cost for Phase 1 was estimated to be \$7,818,132, an increase of \$1,818,132. Of this total some \$415,000 was attributable to furnishings and an expanded number of deferred maintenance items.

Portions of the south building which were initially planned to be demolished instead were to be renovated. New space would be constructed to the north and west of the original north building. Phase II, if constructed, was estimated to cost \$4,962,566.

Shortly before the planned tender date for Phase One, the Faculty of Arts and Science received welcome news: a major donation would allow for the completion of Phase Two of the Economics project. The tender was delayed and the consultants began work on incorporating the second phase into the contract drawings. The Project Planning Committee has reviewed the approved space programme to ensure that it reflects the current status of the Department and has made several minor adjustments which are noted in the table that is attached. There are two changes – the removal of the Institute for Policy Analysis (IPA) from the program and the modification of the 75 seat classroom to a 30 seat classroom. Accommodation for all Economics faculty and students currently involved in IPA will continue to be provided as part of Phase Two, but the role of IPA within Arts and Science does not justify the allocation of space for this unit within this project. The decision to provide a 30 seat classroom more accurately reflects the needs of the Department and the Faculty. The revised space program is 2,035 nasm.

The total cost for the consolidated Phase 1 and 2 of the Department of Economics Expansion Project has been estimated at \$ 15,300,000.

The Project will be financed by

- a mortgage of \$ 6,500,000 to be repaid over 25 years or earlier, depending on availability of funds.
- a 5-year short-term loan of \$ 3,500,000 coinciding with the pledge payment schedule of a donor.
- \$ 4,800,000 from the operating budget of the Faculty of Arts and Science of which \$ 1,954,000 has already been disbursed
- \$500,000 from 2005-06 for deferred maintenance funding

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The revised Total Project Cost [TPC] for both phases of this project is also attached.

RECOMMENDATION:

1. THAT the revised scope of the Economics Renovation and Expansion Project at 150 St. George Street be approved in principle.
2. AT the total project budget of \$15,300,000 be approved with sources of funding as follows:
 - a mortgage of \$ 6,500,000 to be repaid over 25 years or earlier, depending on availability of funds.
 - a 5-year short-term loan of \$ 3,500,000 coinciding with the pledge payment schedule of a donor.
 - \$ 4,800,000 from the operating budget of the Faculty of Arts and Science
 - \$500,000 from Facilities and Services from 2005-06 Deferred maintenance fund

ECONOMICS	APPROVED SPACE PROGRAM			REVISED SPACE PROGRAM		
	DESCRIPTION	# ROOMS	NASM PER APPROVED NASM	# ROOMS	NASM PER REVISED NASM	REVISED NASM
ACADEMIC AND RESEARCH OFFICES						
Chair Office	1	26	26	1	26	26
Associate Chairs	2	15	30	2	15	30
Faculty Office/Private	50	13	650	50	13	650
Faculty Office/Emeriti	4	13	52	4	13	52
Faculty Office/Shared	9	10	90	6	10	60
Research Office - Level 1, 2 occupants per	5	13	65	9	13	117
Research Office - Level 2, 2 occupants per	6	10	60	-	-	-
Sub-Total Offices	77		973	72		935
GRADUATE STUDENT SPACE						
PhD Student Office Stations	48	4.33	208	66	4.33	286
MFEP Student Office Stations	31	4.8	149	22	4.8	106
MA Student Carrel/Computing Room Stations	11	4	44	15	4	60
TA Interview Rooms	6	8	48	3	8	24
TA Interview Room Waiting Space	non-assignable space			non-assignable space		
Graduate Student Lounge	1	35	35	1	35	35
Sub-Total Graduate Offices	90		484	103		510
NON-ACADEMIC OFFICES						
Receptionist	1	13	13	1	13	13
Business Officer	1	13	13	1	13	13
Chair's Secretary	1	13	13	1	13	13
Graduate and Undergraduate Administrators	2	13	26	2	13	26
Secretaries, 2	1	20	20	1	20	20
Secretary	1	13	13	1	13	13
Assistant to Business Officer	1	13	13	1	13	13
Photocopy Clerk	1	10	10	1	10	10
IT	2	10	20	incl in comp workshop below		
Journal Office	1	13	13	1	13	13
Undergraduate Administrator for COMM	1	13	13	1	13	13
Director of MFE Program	1	13	13	1	13	13
Assistant Director of MFE Program	1	13	13	1	13	13
MFE Secretary	1	13	13	1	13	13
Newsletter	1	13	13	1	13	13
Economics 100 Coordinator Office	1	13	13	1	13	13
Alumni Office	1	10	10	1	10	10
Sub-Total Non-Academic Offices	19		242	19		222
SUPPORT SPACE						
Resource Centre	1	26	26	-	-	-
Large Conference Room	1	60	60	1	60	60
Small Meeting Room	1	24	24	1	24	24
Office Supply room	1	10	10	1	10	10
Office Machine Room	1	10	10	1	10	10
Office Storage Room	1	10	10	1	10	10
Bookable Caserooms	4	10	40	3	13	39
Computer Workshop/Storage	1	12	12	1	32	32
Staff Lounge (now faculty and staff)	1	15	15	1	26	26
Kitchenette	1	7	7	1	7	7
Faculty Lounge	1	35	35	-	-	-
Mailroom - Faculty and Staff	1	7	7	1	7	7
Reception/Lounge Area	1	20	20	1	20	20
Sub-Total Support Space			256			245
OTHER FACILITIES						
Atrium/Common Room	1	50	50	1	50	50
Economics Course Union	1	13	13	1	13	13
Lecture Hall (75 seats, revised to 30 seat seminar room)	1	143	143	1	60	60
Subtotal Other Facilities			206			123
IPA/PEAP						
IPA Financial Officer	1	13	13	-	-	-
IPA Secretary	1	13	13	-	-	-
PEAP Secretary	1	13	13	-	-	-
IPA Research Economist	1	13	13	-	-	-
IPA Senior Economist	1	13	13	-	-	-
IPA Director	1	15	15	-	-	-
Sub-Total IPA/PEAP			80			0
TOTAL			2,241			2,035

1.

Project Title:

Economics

TABLE 1: Total Project Cost Estimate

	Items	
1	Base Construction Amount	9,739,000
	Construction Contingency	1,163,522
	Applicable GST	251,848
	Total Construction Costs, including GST	\$11,154,370
2	Infrastructure Upgrades in Sector	100,000
3	Secondary Effects	41,000
4	Demolition	578,000
5	Landscaping	0
	Permits, Fees & Insurance	187,800
	Professional Fees	1,623,130
	Computing Infrastructure	10,200
	Telephone Terminations	30,700
	Audio/Visual	0
	Moving	100,000
	Staging	20,000
6	Furnishings: Department	880,300
	Equipment	0
	Security & access systems	46,000
	Signage: Interior & Exterior	36,000
	Signage: Donor Recognition	10,000
	Groundbreaking & Building opening	10,000
	Miscellaneous	28,500
	Project Contingency	444,000
7	Finance Costs	0
	Total Project Cost Estimate	\$15,300,000

prepared

jcb 4 April 2006

Notes:

1 Main contract amount includes:
Amount available for balance of alterations and new construction, approx 4033 GSM.

Replace house roof.

Replace heating piping in S House.
Required heritage conservation work to House

All sitework including site services, landscaping, remediation.

Escalation to a tender in September 2006.

2 For new electrical service.

3 Preliminary preparation work

4 Includes hazardous materials abatement.

5 Included in main contract amount.

6 Per A&S schedule

7 Project fully funded per A&S to preclude finance charges.