



TO: Business Board

SPONSOR: John Bisanti, Chief Capital Projects Officer

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DATE: October 30<sup>th</sup>, 2003 for November 10<sup>th</sup>, 2003

AGENDA ITEM: 6(b)

### **ITEM IDENTIFICATION:**

#### **Capital Project – Leslie L. Dan Pharmacy Building**

### **JURISDICTIONAL INFORMATION:**

Pursuant to Section 5.2.(b) of its Terms of Reference, the Business Board approves expenditures for, and the execution of, approved Capital Projects.

### **PREVIOUS ACTION TAKEN:**

- On June 19, 2003, the Business Board approved the expenditure of up to an additional \$3 million to complete the site service relocations, excavation and shoring work.
- The previous time this item was presented was on November 21, 2001, at which time the Business Board approved the expenditure of up to \$10 million for the design and site development work related to the Leslie L. Dan Pharmacy Building.

### **HIGHLIGHTS:**

The Leslie Dan Faculty of Pharmacy is planned to be relocated into the health science sector of the campus. The new facilities will accommodate the enrolment expansion to 240 students as approved in the 2000-2004 strategic plan. The doubling of undergraduate enrolment for the Pharmacy program brings with it faculty growth and opportunities for significant expansion in research endeavors.

Existing obsolete facilities, now in a building which is almost 40 years old, will be replaced by state of the art research and support facilities. Inadequate instructional space will be replaced by two large fully equipped electronic lecture halls and an array of other smaller instructional meeting rooms. The total space program requirement of the Leslie Dan Faculty of Pharmacy is 9,721 nasm, consistent with the projected enrolment and academic plans for the Faculty.

Approximately 1,040 nasm, accommodating eight Pharmacy faculty and their associated research teams will be located within the Centre for Cellular and Biomolecular Research (CCBR). The balance of the space program, approximately 8,680 nasm is planned to be built on the site at the northwest corner of College Street and University Avenue.

Previously the site accommodated the historical greenhouse used by the Department of Botany however; new facilities on the roof of the Earth Sciences Centre were completed and operational in the fall of 2002 with a \$1,000,000 contribution charged to the Pharmacy project. City approvals for the Pharmacy building envelope included discussions regarding the dismantling and relocation of the southern most greenhouses to Allan Gardens. The original scope was valued at only \$350,000 however; the City insisted that the University undertake the reassembly of the greenhouse which increased our overall commitment to \$1,035,000. The additional \$685,000 is an unanticipated change in scope to the original project estimate.

In late 2001 an architectural competition was held and in April 2002 the Architect Selection Committee chose the architectural team led by the internationally acclaimed firm of Foster & Partners of London, England in joint venture with Moffat Kinoshita Architects of Toronto to design this gateway project for the University.

In July 2003, the project received the necessary Site Plan Approvals from the City and we also received our Excavation Permit. In addition, we also reached an agreement in principal with the Ontario Realty Corporation for necessary easements required to facilitate the construction. Currently we are working with the ORC to finalize the formal agreement.

In accordance with the master project schedule, the Phase I work consisting of excavation, shoring and site service relocations is on schedule for completion by November 10<sup>th</sup>. The Phase II tender, consisting of the entire building, was issued September 22<sup>nd</sup>, a week later than planned, with an original closing date of October 22<sup>nd</sup>. However, due to the large volume of other construction projects currently out for bid it was necessary to extend our tender close date until November 4<sup>th</sup>. At this time we are requesting approval for full project funding from the Business Board for the Leslie L. Dan Pharmacy Building

#### **FINANCIAL AND/OR PLANNING IMPLICATIONS:**

##### **Total Project Cost:**

Project Estimate	=	<u>\$75.0 M</u>
<b>Total Pharmacy Cost</b>	=	<b>\$75.0 M</b>

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**Total Funding Secured to-date:**

a.	SuperBuild	=	\$28.8	M
b.	SuperBuild Interest	=	\$ 5.0	M
c.	Leslie L. Dan Contribution	=	\$13.0	M
d.	Shoppers Drug Mart Contribution	=	\$ 2.0	M
e.	Apotex Contribution	=	\$ 5.0	M
f.	Ontario Pharmacists Association Contribution	=	\$ 2.0	M
g.	Green Shield Canada Contribution	=	\$ 0.1	M
h.	Vernon Chiles Contribution	=	\$ 0.025	M
i.	UIIF	=	<u>\$ 7.2</u>	<u>M</u>
<b>Total Project Funding Secured To-Date</b>		=	<b><u>\$63.125 Million</u></b>	

<b>PROJECT FUNDING SHORTFALL</b>	=	<b><u>\$11.875 Million</u></b>
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An aggressive private donor fund raising campaign continues and the Faculty is confident that they will be able to raise sufficient funds to eliminate the shortfall.

**RECOMMENDATION:**

THAT the Vice-President - Business Affairs be authorized:

- (i) to execute the proposed Leslie L. Dan Pharmacy project at the cost not to exceed \$75,000,000 with funding as follows:

a.	SuperBuild	=	\$28.8	M
b.	SuperBuild Interest	=	\$ 5.0	M
c.	Leslie L. Dan Contribution	=	\$13.0	M
d.	Shoppers Drug Mart	=	\$ 2.0	M
e.	Apotex Contribution	=	\$ 5.0	M
f.	Ontario Pharmacists Association Contribution	=	\$ 2.0	M
g.	Green Shield Canada Contribution	=	\$ 0.1	M
h.	Vernon Chiles Contribution	=	\$ 0.025	M
i.	UIIF	=	<u>\$ 7.2</u>	<u>M</u>
<b>Sub-Totals</b>		=	<b>\$63.125 Million</b>	
<b>Fundraising</b>		=	<b><u>\$11.875 Million</u></b>	
<b>TOTAL PROJECT COST</b>		=	<b><u>\$75.0 Million</u></b>	

- (ii) to arrange such interim and long-term financing as required.