

UNIVERSITY OF TORONTO

THE GOVERNING COUNCIL

REPORT NUMBER 111 OF THE PLANNING AND BUDGET COMMITTEE

May 9, 2006

To the Governing Council,
University of Toronto

Your Board reports that it held a meeting on May 9, 2006 at 4:10 p.m. in the Council Chamber, Simcoe Hall at which the following were present:

Professor Avrum Gotlieb (Chair)
Professor Vivek Goel, Vice-President and
Provost
Ms Catherine J. Riggall, Vice-President,
Business Affairs
Professor Safwat Zaky, Vice-Provost, Planning
and Budget
Professor Philip H. Byer
Mr. Ryan Matthew Campbell

Mr. P.C. Choo
Professor John Coleman
Mr. Martin Hycza
Professor Glen A. Jones
Professor David Mock
Ms Carole Moore
Mr. Timothy Reid
Professor Pekka Sinervo
Mr. Stephen C. Smith

Regrets:

Professor Miriam Diamond
Miss Coralie D'Souza
Professor J. J. Berry Smith
Professor Ron Smyth

Non-voting Assessors:

Ms Elizabeth Sisam, Assistant Vice-
President, Space and Facilities Planning

Secretariat:

Mr. Henry T. Mulhall
Ms Cristina Oke, Secretary

In Attendance:

Ms Sheree Drummond, Assistant Provost
Professor Marc Gotlieb, Chair, Department
of Fine Art
Dr. Jeanne Li, Special Assistant to the Vice-
President, Business Affairs
Ms Rosanne Lopers-Sweetman, Director,
Special Projects, Office of the Vice-
President and Provost
Professor Brian Cantwell Smith, Dean,
Faculty of Information Studies

In this report, items 4, 5, 6, 7, 9, 10, 11 and 12 are recommended to the Academic Board for approval. All other items are reported to the Academic Board for information.

1. Report Number 110 of the Previous Meeting - March 28, 2006

Report Number 110 of March 28, 2006 was approved.

2. Business Arising from the Previous Meeting

There was no business arising.

3. Report of the Vice-President and Provost

Professor Goel indicated that no new matters had arisen since his report to the Academic Board on May 4, 2006, and referred members to Report Number 143 of the Academic Board.

A member commented that, even with the increase in funding to the Canadian Institutes for Health Research (CIHR) that had been included in the federal budget of May 2, 2006, the amount of funding available lagged behind inflation by approximately 2.5%. Professor Goel replied that the University was continuing to advocate for increased funding to the federal granting councils. A major focus of the University's advocacy efforts remained on the provision of funding for the indirect costs of research. A member noted that new grants included increased amounts for the indirect costs of research. Another member commented that increased funding for the granting councils and funding for indirect costs of research were equally important, particularly to new faculty who were interested in the success rates of applications to the granting councils, although the total funding available to some councils appeared to be flatlined.

4. Preliminary Plan for Graduate Expansion

(a) Introduction

Professor Goel reminded members that the Committee had had a thorough discussion of Graduate Enrolment Planning at its meeting on November 1, 2005. He explained that it had been anticipated that a final framework would be brought forward to governance for approval in the 2005-06 academic year, once the Ministry of Training, Colleges and Universities had made allocations of spaces to institutions. However, as the government had not yet announced the allocations, a framework would not be ready for governance before the fall of 2006. Accordingly, this preliminary plan for the 2006-07 academic year was being brought forward on an interim basis. To enable the University's full participation in the government funding, and to provide an orderly process of expansion, action needed to be taken in the 2006-07 academic year. The University was proposing to increase graduate enrolment by up to 1,000 students in 2006-07, based on the following considerations:

- Academic Divisions were increasing enrolments consistent with their academic plans and with the resources available to them at this time.
- The University's overall share of the government's expansion target would be much higher than 1,000 students. Hence, government funding for 1,000 students was certain.
- In order to attain higher targets for subsequent years, an increase by an amount in this range in 2006-07 would be a necessary step.

Professor Goel indicated that if, after receiving the Framework document in the Fall, the Governing Council decided against the expansion of graduate enrolment as proposed in the Framework, it would be possible to modify subsequent enrolment targets to reflect any approved expansion scenario.

b) Discussion

A member asked whether the 'target' enrolment increase was intended to be a maximum limit or an exact number. Professor Goel replied that it was more difficult to set targets for graduate enrolment than for undergraduate enrolment because the admission process for graduate programs was decentralized and depended upon the actions of departments and individual faculty members. Thus the number was an objective but was not meant to be a hard cap.

4. Preliminary Plan for Graduate Expansion (cont'd)

b) Discussion (cont'd)

The member noted that, because it was late in the graduate enrolment cycle for 2006-07, it might be difficult to achieve the proposed increase. He suggested that the University develop a plan for the allocation of increased graduate enrolment, to ensure that the expansion occurred where it was needed. He expressed his concern that some academic units might be expanding graduate enrolment solely in order to receive increased funding. Expansion of domestic graduate enrolment in some programs could have a negative effect on international students. He asked how the University would determine whether proposed graduate enrolment expansion plans were appropriate, and whether the Provost would provide principles and guidelines to academic units and use these principles and guidelines as a framework in which to review proposals for graduate enrolment expansion. Professor Goel replied that academic divisions were being asked to revisit their *Stepping UP* plans in light of new resources for graduate enrolment expansion. Proposals for graduate enrolment expansion had to be based on the division's academic priorities. At a University-wide level, an appropriate balance across disciplines would be identified.

Another member emphasized the 'bottom up' process of consultation that characterized the graduate enrolment expansion planning in the Faculty of Arts and Science. The Faculty wanted to take advantage of the opportunity to increase graduate enrolment, and was using a three-campus model to plan graduate programs.

A member referred to the set of principles that had been suggested at the November 1, 2005 meeting of the Planning and Budget Committee and that had been listed in the documentation for this item. He suggested that the third principle be revised to read:

3. Graduate enrolment expansion must support the undergraduate expansion experience, for example, fund additional teaching assistantships.

He also suggested that the wording of the sixth principle be revised to reflect the intent of the principle, which was to develop a more flexible graduate funding guarantee. Professor Goel replied that the principles were those that had been included in the Report of the November 1, 2005 meeting of the Planning and Budget Committee, and that were included to reflect that the input received by governance would be considered in preparation of the plan.

A member asked whether the additional graduate students were expected to be from Ontario, from out-of-province or from outside Canada, and whether current graduate admission standards would be maintained. Professor Goel replied that international students were not eligible for government funding. It was anticipated that there would be increased demand for graduate education from students in the double cohort in Ontario, although students in this group had not been entering university or graduating entirely as predicted. The pool of eligible students both in Ontario and out-of province would have to be expanded, and the yield rate would also have to increase. Professor Goel noted that all Ontario universities would be taking the same actions.

Professor Sinervo, the Dean of Arts and Science, noted that, in 2000-01, there had been 2,700 students in year 4, of whom 25-35% went on to graduate school. In 2005-06, there were 5,000 students in year 4. This pattern was similar throughout

4. Preliminary Plan for Graduate Expansion (cont'd)**b) Discussion (cont'd)**

Ontario, and would result in an increased number of students seeking enrolment in graduate school.

A member noted that most of the students in the double cohort were expected to graduate in 2007, while the University's maximum target for increased graduate enrolment was set for 2010. Professor Goel replied that the province had set 2009-10 as the date for completion of graduate enrolment expansion.

On motion duly moved and seconded

YOUR COMMITTEE RECOMMENDS

THAT the target for graduate enrolment for 2006-07 be increased by 1000 students.

The Chair noted that the proposal had passed unanimously.

5. School of Graduate Studies: Proposal for a new PhD in Planning

Professor Zaky advised members that the proposal for a new PhD in planning was built on the success of the current Master of Science in Planning (MScPl) program and was a response to the growing demand for PhD-trained planners in universities and in the world of professional practice. The size of the program had been determined in the context of the financial implications and resources available to the program. The program would have an initial cohort of three students and the steady-state enrolment was projected to be 12 students. It was anticipated that enrolment would increase in the future.

Professor Zaky indicated that the proposal had received the support of related units at the University, including the Centre for Urban and Community Studies, the Urban Studies Program (Innis College), the Centre for Environment, and the Faculty of Architecture, Landscape, and Design. The Department of Geography and the Faculty of Arts and Science had made a commitment to provide all the resources needed for this program, therefore there were no implications for the University budget.

Professor Sinervo, Dean of the Faculty of Arts and Science, expressed his support of the proposal. He noted that the proposal had been identified as an academic priority, built on a strong program, and was well-timed in light of anticipated graduate enrolment expansion.

On motion duly moved and seconded

YOUR COMMITTEE CONCURS WITH THE RECOMMENDATION
OF THE COMMITTEE ON ACADEMIC POLICY AND PROGRAMS

THAT the PhD in Planning at the Faculty of Arts and Science Department of Geography be approved, effective September 2007.

6. School of Graduate Studies: Disestablishment of Museum Studies Program and Establishment in the Faculty of Information Studies

Professor Zaky explained that the Museum Studies Program currently existed within the School of Graduate Studies (SGS). It was proposed that the Program be disestablished within SGS and re-established as a degree program in the Faculty of Information Studies (FIS). The program had undergone an external review in August 2005, and it had been the opinion of the reviewers that a successful program required the full participation of cognate units. The proposed move was consistent with the recommendations of the reviewers and with the academic plans of the Faculty of Information Studies. The transfer would allow the Museum Studies Program to play a stronger role within FIS through greater interaction within the Faculty.

Professor Zaky noted that Museum Studies was a two-year professional program with 36 students. The program would be unchanged. The current budget of \$320,000 would be transferred to FIS, and there would be no other implications for the University's budget.

A member asked if the transfer would result in increased services to students. Professor Goel replied that student services should be enhanced as a result of the move to FIS because the program would no longer be free-standing. The move would also allow the development of doctoral programs.

A member asked how faculty members involved with the program would be affected as a result of the proposal. At the invitation of the Chair, Professor Cantwell Smith, Dean of the Faculty of Information Studies, replied that a transition committee was reviewing administrative and academic aspects of the transfer, including cross-appointments of teaching staff and the use of adjunct professors. He noted that FIS had received an allocation from the Academic Initiatives Fund to support the program, including the increased involvement of University of Toronto faculty in other departments.

A member asked about projected enrolment for the program. Professor Cantwell Smith replied that projected enrolment was for 25 – 30 students in each year, an increase on the order of 50% from the current total of 36 students in the two-year program. He noted that the enrolment was hard to predict, given the evolving connections among the disciplines of library science, archives and museum studies.

On motion duly moved and seconded

YOUR COMMITTEE RECOMMENDS

THAT the Museum Studies Program be disestablished as an academic unit in the School of Graduate Studies and reestablished as a degree program within the Faculty of Information Studies, effective July 1, 2006.

The Chair noted that the motion had been carried unanimously.

7. School of Graduate Studies: Discontinuation of Nursing MSc Program

Professor Zaky informed members that the Faculty of Nursing had offered a thesis program since 1970. Initially, the program had led to the degree of Master of Science in Nursing (MScN). In 1991, the degree designation had been changed to Master of Science (MSc). Since 1993, the Faculty had been offering a non-thesis Master's program leading to the degree of Master of Nursing (MN). Graduates of this program had been accepted into the Faculty's PhD program and other PhD programs in the province without difficulty.

7. School of Graduate Studies: Discontinuation of Nursing MSc Program (cont'd)

Professor Zaky explained that no students had been admitted to the MSc program since 1996. Any lapsed students who requested re-instatement in the future, could be accommodated into the MN program, which functioned as both a research and professional program.

A member commented on the use of the term 'disestablish' in the motion concerning the Museum Studies program, and asked for clarification of the use of the terms 'disestablish' and 'close' with respect to academic programs. Professor Goel undertook to obtain clarification from the School of Graduate Studies on the use of the terms, and to report the outcome to the Academic Board during the consideration of this item.

A member asked whether the proposal had been approved by the Faculty Council of the Faculty of Nursing. Professor Goel replied that the recommendation to close the program had been approved by the Faculty Council.

On motion duly moved and seconded

YOUR COMMITTEE RECOMMENDS

THAT the Nursing MSc Program at the Faculty of Nursing be closed, effective September 2006.

The Chair noted that the motion had been carried unanimously.

8. Capital Plan for Buildings and Projects in excess of \$2 million

Ms Sisam summarized the changes to the Capital Plan between December 31, 2005 and April 5, 2006. The borrowing requirements that had been identified in the December 31, 2005 capital plan had totaled \$693.38, with \$67.22 million available for other initiatives. As of April 5, 2006, the total borrowing requirement was \$730.49 million with \$30.11 million available for other initiatives.¹

A member asked whether there were any changes to the amount of funding required for deferred maintenance. Ms Riggall replied that the amount of funding for deferred maintenance did not change frequently. She noted that a report on deferred maintenance was presented annually to the Business Board for information.

A member observed that the Canadiana Building appeared in the Capital Plan as a project that was urgently needed but for which full funding was required in order to proceed. However, the next agenda item was the approval of a project planning report related to that building. Professor Goel replied that the reference on the Capital Plan was from November 2004, based on more extensive renovations for the School of Public Policy that would have required external funding. In the absence of external funding, the University was proposing to proceed with a more modest project. Professor Goel also

¹ Adjustments in borrowing from December 31, 2005 to April 5, 2006:

Closed Projects (UTM: CCIT Parking)	\$ (0.35) M
Changes in Capital Plan:	
Centre for Biological Timing and Cognition (CBTC)	0.20 M
New Projects	
UTSC: Science Building	20.00 M
UTSC: Electrical/Mechanical Infrastructure, Phase 5	0.32 M
Energy Efficiency, St. George, Light Retrofit and Chiller	16.94 M

8. Capital Plan for Buildings and Projects in excess of \$2 million (cont'd)

indicated that he would be working with the Vice-President, Business Affairs, to develop a revised borrowing capacity, in light of the University's current assets.

A member noted that all projects listed in Section 1 of the current capital plan appeared to be covered by the provision that any shortfall in funding would be met from University funds; no projects were marked with an asterisk to indicate an exception to that provision. He asked whether this marked a change from the previous Capital Plan Update. Professor Goel replied that all the projects in that section had been approved by the Governing Council. The *Policy on Capital Planning and Capital Projects* allowed the Vice-President, Business Affairs to approve cost over-runs of the lesser of \$2 million or 10% of the total cost.

9. Capital Project: Centre for Criminology – Project Planning Report

Ms Sisam explained that, during the summer of 2005, the University had received a gift from a benefactor to fund the expansion of the Richard Charles Lee Canada Hong Kong Library. The proposed location for such expansion was space contiguous with the East Asian Library on the 8th floor of the Robarts Library that was currently occupied by the Centre for Criminology. In order to make room for the expansion of the Richard Charles Lee Canada Hong Kong Library, it was proposed that the Centre for Criminology be relocated to the Canadiana Building, at 14 Queen's Park Crescent West.

Members were reminded that projects that were advanced for consideration by the Planning & Budget Committee had been evaluated against criteria identified in the Capital Plan ². This project would enable the University to provide improved space to address academic objectives directly for the Centre for Criminology and also for the Richard Charles Lee Canada Hong Kong Library and to create additional student study space. The project would address much of the deferred maintenance of the Canadiana Building, enabling the renovated facilities to be fully used for institutional purposes.

Ms Sisam indicated that the Canadiana Building would require immediate renovations to make the ground level space, including the library, fully accessible. The 2nd level would not be barrier free accessible at this time because of budget constraints, but it was the goal of the University to provide full accessibility for this building in the near future. One room on the ground floor would be made available for faculty/student meetings provide interim accommodation for those who could not access the second floor.

The cost of the relocation of the Centre for Criminology was recognized as a secondary effect to the Richard Charles Lee Canada Hong Kong Library. The Faculty of Arts and Science would provide up to \$1 million dollars OTO towards the construction costs for the Centre for Criminology. The second part of the project, which would fully occupy the balance of the building, would provide renovated space for the School of Public Policy. This part of the project would be approved by the Accommodations and Facilities Directorate (AFD) once a Project Committee Report had been completed. A separate phase to provide an elevator making all floors fully accessible was estimated to

² The nine criteria by which all capital projects are assessed are:

- | | |
|------------------------------------------|--------------------------------------------------|
| 1. Mission Objectives of the University, | 2. Policy Objectives & Legislative Requirements, |
| 3. Provincial Space Standards, | 4. Strengthening Scholarship, |
| 5. Providing Academic Leadership, | 6. Student Experience, |
| 7. Economic Consistency, | 8. Resources, |
| 9. Deferred Maintenance. | |

9. Capital Project: Centre for Criminology – Project Planning Report (cont'd)

cost an additional \$700,000, and space for the elevator had been incorporated in the overall plan for the building.

A member commented that the Canadiana Building was a wonderful building to refurbish and regenerate. He emphasized how critical it was to use this opportunity to address energy issues. Ms Sisam replied that the Sustainability Office was being asked for advice on this project, and that a member of the Sustainability Office would be involved with the project implementation team.

Professor Goel noted that the deferred maintenance needs of the building were being addressed with the renovation.

A member asked whether computers were included in the estimated cost of the project. Ms Sisam replied that infrastructure costs were included in the project cost but the cost of computers was the responsibility of the unit.

On motion duly moved and seconded

YOUR COMMITTEE RECOMMENDS

1. THAT the Project Planning Report for the Centre for Criminology be approved in principle.
2. THAT the project scope as described in this report, allocating 820 nasm for the Centre for Criminology in the Canadiana Building, at an estimated Total Project Cost of \$2,109,000, be approved.
3. THAT the following sources of funding for the project be approved.

(a) Faculty of Arts and Science	\$1,000,000
(b) Deferred Maintenance Funds 2005-06	\$ 400,000
(c) Facilities Renewal Funds carry forward	\$ 709,000
 TOTAL	 \$ 2,109,000

10. Capital Project: Department of Fine Art – Project Planning Report

Ms Sisam explained that, in February 2001, a Project Committee had been established with a mandate to develop a space plan to accommodate the Department of English, the Department of Fine Art and possibly the Centre for Museum Studies at One Spadina Crescent. Prior to the completion of this planning exercise, the University of Toronto had acquired the Medical Arts Building at Bloor and St. George Street, and the Faculty of Arts and Science had made the decision to consolidate the Departments of English, Philosophy, Linguistics and Religion in that location.

Members were informed that the operations of the Department of Fine Art had been severely constrained by existing space limitations. Its Visual Studies Programme, including offices and studios, were already located at One Spadina Crescent. Other departmental operations, including all functions related to the History of Art curriculum, faculty, administration and Library functions, were located at Sidney Smith Hall. Reuniting the divided components of the unit and updating and adding to existing facilities was essential for the department's programmatic excellence, efficient operation and its academic future.

10. Capital Project: Department of Fine Art – Project Planning Report (cont'd)

It was noted that the mandate of the Project Committee had been redefined in April 2003 with three stated goals: to develop a space program and plan to accommodate the entire Department of Fine Art within One Spadina Crescent; to investigate all secondary effects resulting from the accommodation of Fine Art at One Spadina Crescent; and to provide a schedule that would accomplish the above objectives including all cost implications.

Ms Sisam observed that the relocation of the entire Department of Fine Art to One Spadina Crescent would require the relocation of thirteen units currently occupying the space. Relocation would occur consistent with a phased Master Plan and be accomplished as funds became available.

The project had assumed that some structures of One Spadina Crescent would be demolished and that the original structure and surrounding grounds would be renovated/updated for the Department of Fine Art. New space also had to be constructed in order to fully accommodate the department. As the approved development site wrapped the original building and included an area that was currently occupied, any new construction, as well as any intention to maintain the military wing and animal facilities, would impinge on the development site.

Ms Sisam advised members that a preliminary estimate had identified the total project cost in 2006 dollars in the range of \$ 36.5 to \$42.8 million. Because of the complexity of the building structure and its heritage attributes, determining a phased plan without detailed investigations by consultants was considered to be inadvisable. The Project Planning Report described the full potential of One Spadina Crescent to accomplish all the long-term goals of the Department of Fine Art. Further consultant review was recommended as the first phase of the project, to provide an accurate phased master plan and cost estimate. Up to \$250,000 dollars would be made available by the Faculty of Arts and Science to complete this review. Subsequent phases determined in the master plan would come forward for approvals as funding became available.

Ms Sisam added that a \$1 million donation had been secured to fund the renovation of the lobby of One Spadina Crescent. This portion of the work would be done in conjunction with other adjacent spaces when additional funding was secured.

Professor Goel observed that a different approach had been taken regarding this project to address concerns about unexpected costs that had been raised previously by members of the Committee. It was hoped that this approach would be a model for other complex capital projects.

A member referred to Table 4 on page 8 of the Project Planning Report that indicated that the Department 's space would increase from 1950 nasm to 3649 nasm. He expressed his concern about this increase, and commented that all space had an opportunity cost. Ms Sisam replied that the report followed the space guidelines of the Council of Ontario Universities (COU). Professor Sinervo added that the current amount of space allocated to the Department was unconscionable. He explained that the Department required additional space for its academic program, and noted that the project had been identified as the top advancement priority for the Faculty of Arts and Science. Professor Goel noted that the allocations were in categories that would directly benefit students, including increased study, studio, research and library space.

A member spoke in support of the project, highlighting the heritage status of the building and the fact that it would be a gateway to the University.

10. Capital Project: Department of Fine Art – Project Planning Report (cont'd)

On motion duly moved and seconded

YOUR COMMITTEE RECOMMENDS

1. THAT the Project Planning Report for the Department of Fine Art be approved in principle.
2. That the building at One Spadina Crescent be allocated to the Faculty of Arts and Science for the Department of Fine Art.
3. THAT a space program of 3690 nasm be approved for the Department of Fine Art.
4. THAT implementation of the project begin with Phase One to determine a detailed Site and Phased Master Plan with subsequent phases brought forward for approvals as funds become available.

11. Capital Project: University of Toronto at Mississauga (UTM) Parking Garage

Ms Sisam informed members that a Project Planning Committee had been established in February 2005 for a new above-grade parking structure on the University of Toronto at Mississauga (UTM) campus. A requirement for additional parking had been identified previously as approximately 3300-3500 spaces; the current inventory of 2600 parking spaces was not expected to accommodate the commuter population and expanded enrolment.

The Project Planning Committee had reviewed a variety of options to provide additional parking on the campus, and approval had been given to identify an alternate delivery of parking services for the campus. Proposals to finance, build and operate a parking garage had been received from several consortiums, but the responsibility for the cost of the project had remained with the University in the financial arrangements that had been proposed. Therefore, this option had been rejected.

The Project Planning Committee had reviewed the existing parking operations, demand and future requirements, with a view to increasing efficiencies and perhaps reducing or eliminating the requirement for a garage altogether. It had decided that the current patterns of parking demand could be addressed by reducing the number of spaces designated as reserved, and that additional spaces could be created by a more efficient layout of the parking lots. It had concluded that the UTM campus did not appear to require a new parking structure prior to 2009-10. Ms Sisam explained that approval of the Project Planning Report would close the file on this project.

A member spoke against the recommendation. It was his understanding that, while enrolment at UTM had increased from 6,500 to 10,000 students over the past few years, the number of parking spaces had decreased. Most students at UTM drove to the campus because of limited public transportation alternatives. Demand for the available parking spaces would likely result in an increase in parking fees. Ms Sisam replied that the parking spaces that had been eliminated by other capital projects at UTM had been replaced in the parking garage that had been built under the Communication, Culture and Information Technology (CCIT) Building. Many of these spaces had remained empty because they had been designated as reserved. The spaces were now being used because the reserve designation had been removed. Professor Goel added that the recommendation included provisions for monitoring the demand for parking at UTM.

11. Capital Project: University of Toronto at Mississauga (UTM) Parking Garage (cont'd)

It was noted that there had been student representation on the Committees at UTM that had approved the proposed recommendations.

A member asked whether there were times when an insufficient number of parking spaces were available at UTM. Ms Sisam replied that there were a sufficient number of parking spaces available, but that some of the spaces were located at a distance from campus buildings.

On motion duly moved and seconded

YOUR COMMITTEE RECOMMENDS

1. THAT a parking garage on the UTM campus not be constructed at this time
2. THAT parking demand on the UTM campus be monitored on an annual basis.
3. THAT alternative solutions to minimize the use of automobiles be examined.

12. Capital Project: Department of Economics – Change in Scope

Ms Sisam explained that, in November 2001, the Planning and Budget Committee had approved in principle, the Project Planning Report for the Economics Building Expansion and Renovation at 150 St. George Street. The project scope had been 1880 nasm of new space and 450 nasm of renovated space at a total estimated cost of \$14.3 million. The new facilities had included space for the Institute for Policy Analysis, and for a new 75-seat tiered electronic lecture hall. All funding for the project, with the exception of the lecture hall, had to be raised through private benefaction.

As work commenced on the design of the facilities, it had become apparent that the fundraising goal was not easily attainable, and that the project should preferably be conceived as two distinct phases. Approval to proceed with the two phased approach had been received in March 2003. Phases One and Two were estimated to cost \$6 million and \$8.3 million respectively. In March 2004, the Project had returned to the Planning and Budget Committee as the total project cost for Phase One was estimated to be \$7.8 million, an increase of \$1.8 million. Portions of the south building were to be renovated, rather than demolished. New space would be constructed to the north and west of the original north building. Phase Two, if constructed, was estimated to cost \$4.9 million. Shortly before the planned tender date for Phase One, the Faculty of Arts and Science received a donation that would allow for the completion of Phase Two of the Economics project.

The Project Planning Committee had reviewed the approved space programme to ensure that it reflected the current status of the Department. Several minor adjustments had been made, and two changes had been incorporated: 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. The revised space program was 2,035 nasm, and the total cost for the consolidated Phase One and Two of the Department of Economics Expansion Project had been estimated at \$ 15,300,000.

12. Capital Project: Department of Economics – Change in Scope (cont'd)

A member asked for clarification concerning the renovations. Ms Sisam replied that two buildings were included in the project. The north building was Victorian in architecture, and this building would be renovated and expanded. The south building was Georgian in architecture, and would be renovated. Professor Sinervo noted that the Faculty of Arts and Science was providing \$4.8 million from its operating budget to this capital project.

A member asked why, in light of the donation, the less costly version of the project was not being recommended. Ms Sisam replied that the increased costs reflected the complexity of the site. Professor Goel added that it was doubtful that the project plan could have been realized at the 2004 estimated cost of \$12.7 million. Professor Sinervo commented that the buildings were old and were in poor shape. The renovations would make the space livable, and integrate students and faculty into one facility.

The member recalled that this capital project had not been considered as a priority in earlier consideration by governance, and it had been expected that the project would only proceed if external funding was secured. It was noted that, when this capital project had been previously considered by governance, the borrowing capacity of the University was lower than it was now, and the Provost at the time had not flagged this as a priority for access to borrowing capacity. It was also noted that the sources of funding for this capital project did not include funds from the University.

On motion duly moved and seconded

YOUR COMMITTEE RECOMMENDS

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

13. Annual Report: Design Review Committee

Ms Sisam presented the annual report of the Design Review Committee for information. Among the projects highlighted were the following:

- Varsity Centre;
- Philosopher's Walk;
- Bar Mercurio in the Woodsworth Residence;
- Davenport Garden;
- Artwork outside the Donnelly CCBR Building;
- King's College Road;
- UTM Phase 8 residence;
- Centre for Biological Timing and Cognition (CBTC).

14. Reports for Information

(a) Membership and Terms of Reference for the Project Planning Committee for the Centre for the Environment

The Committee received this item for information. A member referred to the following phrase in the first paragraph under 'Background' in the documentation: '*...with the academic goal to co-ordinate and enhance environmental research and teaching across the disciplines.*' He acknowledged that the Institute for Environmental Studies, Division of Environment and the Innis College Environmental Studies Program had joined together to create the Centre for the Environment, but pointed out that environmental teaching and research was being conducted in other University departments and divisions. In his view, the membership of the Committee was too narrow. Decisions concerning the breadth of the Centre for the Environment should be made sooner rather than later. Ms Sisam replied that it was her understanding that future directions of the Centre for the Environment would be identified as a result of approval of divisional academic plans. She undertook to consider the member's comments.

(b) Membership and Terms of Reference for the Project Planning Committee for Biological Sciences.

The Committee received this item for information. There were no questions.

15. Date of the Next Meeting

The Chair reminded members that the meeting had been the final scheduled meeting of the 2005-06 governance year. The meeting schedule for 2006-07 was currently being finalized, and would be available later in May.

16. Other Business

(a) Thank you

The Chair thanked members of the Committee, and particularly the assessors, members of the Agenda Planning Group, and the Vice-Chair Miriam Diamond, for their work over the past year.

On behalf of the Governing Council, he thanked all the members of the Committee for their diligence and commitment over the past year. He observed that the work of the Committee was crucial to the governance of the University, and that members' efforts were appreciated.

On behalf of the Provost, Professor Zaky thanked the Chair for his excellent leadership of the Committee.

(b) Committee Membership for 2006-07

The Chair informed members that the non-Governing Council membership of the Committee for 2006-07 would be considered for approval by the Academic Board at its meeting on June 1, 2006, while Governing Council membership of the Committee for 2006-07 would be considered for approval by the Governing Council at its meeting on June 29, 2006.

The meeting adjourned at 6:20 p.m.

Secretary
September 8, 2006

Chair