

Chinese Family Clan and Benevolent Societies 華裔宗親或會館組織

Business Plan Development Workshop
商業計劃制定研討會
June 25, 2016

Workshop Topics

研討會提要

- ▶ Purpose of a Business Plan
- ▶ Key Elements
 - Organizational Information
 - Project Information
 - Operational Information
 - Financial Information
- ▶ How You Will Use Your Business Plan



Purpose of a Business Plan

商業計劃的目的



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Purpose of a Business Plan

商業計劃的目的

- ▶ Tells the reader about your organization
- ▶ Tells the reader about the project you are doing
- ▶ Provides information about your skills and ability to carry out the project
- ▶ Provides a financial analysis for money required and how you will pay back loans or provide a return to investors
- ▶ Describes the project risks & required action steps



Who Needs to Know 誰需要了解

▶ The Society

- Information about the plans
- Information about the future of the organization
- What is the legacy the Society will be creating

▶ Funders

- Description of the project
- Understanding of how much money is needed
- Proves that the project can be successful

▶ Bankers

- Understanding of the project plan
- How much money will be required
- How will the Society pay the mortgage back

▶ The Public

- What work is going to be done
- How will this change the face of the neighbourhood
- How will traffic be disrupted by construction
- What will the long term impact be on their community



Business Plan Components

商業計劃的構成



Business Planning Process

商業計劃的制定過程



Roles

Board	Board Hired Experts	Board Business Advisor Developer Construction Expert	Business Planning Advisor Construction Expert Developer	Board Hired Experts External Advisors	Business Planning Advisor	Board Stakeholders
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Key Elements of a Business Plan

商業計劃的關鍵點



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Key Elements

關鍵點

1. Introduction or Summary
2. Organization information (who & why)
3. Industry or business context (where)
4. Project information (what)
5. Project Management and available skills (how)
6. Operational information
7. Financial planning (project budget) (cost)
8. Capital Plan (how to pay for it)
9. Risks & Implementation (action steps)



Summary

總結

- ▶ Presents the primary information in a brief report
- ▶ Provides the reader with a quick overview of the business plan
- ▶ Records key outcomes or recommendations
- ▶ One page or less in length



Organizational Information

組織架構信息

- ▶ Background
- ▶ How your organization is structured (non-profit, corporation, etc.)
- ▶ Mission and Vision of the organization
- ▶ Services you provide in the community
- ▶ The nature of the building the society owns
- ▶ Purpose of taking on a building renovation project



Industry or Business Context

行業或商業背景

- ▶ Formation of the Chinese Heritage Society Buildings Societies and heritage buildings
- ▶ Current role in the development of Chinatown District (providers of affordable seniors housing, athletic clubs, society meeting space, etc)
- ▶ Heritage significance of the buildings
- ▶ Efforts being done to rehabilitate the various heritage buildings
- ▶ Public support for the project



Project Information

項目信息

- ▶ Project vision and objectives
- ▶ Benefits to the community
- ▶ Size and scope of planned project
- ▶ Specific activities and long term use of the building
- ▶ Technical assessment of building
- ▶ Timing of renovation activities



Project Management

項目管理

- ▶ Who will be running the planning and execution of the project
- ▶ What skills does the organization have currently (staff or Board)
- ▶ What technical experts will be engaged
- ▶ What is the organizational experience in a similar type of project
- ▶ What work has been done already
- ▶ What work remains to be done and when will it be completed



Operational Information

執行信息

- ▶ How the building is currently operating
- ▶ Constraints with the current building
- ▶ How do you intend to operate the building once renovation work is completed
- ▶ In what ways will the renovation project improve the ability to operate the building
- ▶ Facility Management (upcoming workshop)



BREAK
休息



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Financial Planning

財務規劃



Financial Planning – Budgeting

財務規劃：預算

Setting out components of the project:

- ▶ **Structural repairs**
 - Foundation
 - Core building supports
 - Asbestos removal
 - Earthquake requirements
- ▶ **Exterior repairs**
 - Roof
 - Facade (heritage)
 - Windows
- ▶ **Interior building system upgrades**
 - Plumbing
 - Electrical
 - Heating
- ▶ **Interior finishing**
 - Walls
 - Painting
 - Flooring



Financial Planning – Budgeting

財務規劃：預算

- ▶ Estimating each of the costs (template provided)
- ▶ Relying on the technical reports
- ▶ Allowance for design & engineering costs
- ▶ Make provision for general site costs
- ▶ Allowance for contingency
- ▶ Consider doing the project in Phases
- ▶ More detailed budgets will be done as the project moves forward



Project Budget – Example

項目預算案例

Building Component	Budget
<i>Exterior</i>	
Roof & Flashings	\$ 47,600
Siding (East Elev)	\$ 31,232
Masonry Re-Pointing (West Elev)	\$ 54,000
Windows & Doors	\$ 59,800
Exterior Painting	\$ 15,000
Masonry Repairs (upper rear wall)	\$ 20,000
Heritage Façade Restoration	\$ 140,000
Metal Fire Escape	\$ 25,000
<i>Interior</i>	
Plumbing System	\$ 330,000
Electrical System	\$ 210,000
Flooring	\$ 105,000
Painting	\$ 30,000
Drywall Repair	\$ 20,000
Structural Repairs	\$ 40,000
Sub Total	\$1,127,632
Soft Costs 15%	\$ 169,145
General Conditions 20%	\$ 225,526
Contignecy 10%	\$ 152,230
Projected Total Budget	\$1,674,534

Project Budget – Example

項目預算案例

Design, Engineering and Permitting Costs

Capital Budget	
Arch. Cont. Fees	25,000.00
Sturctural	8,000.00
Electrical	16,000.00
Mechanical	18,000.00
<i>Building Envelope</i>	12,000.00
<i>Code Consultant</i>	12,000.00
Dev / PM Fees	20,000.00
Dev. Cont. Disb.	4,000.00
Surveyor	2,000.00
Environmental Cont.	6,000.00
Fire Safety Plan	2,000.00
Project Contingency	100,000.00
Development Subtotal	\$ 225,000.00

Project Budget – Example

項目預算案例

General Conditions Costs

General Conditions	Budget
MOBILIZATION/DEMobilIZATION	\$ 20,000
PROJECT STAFF	\$ 80,000
GENERAL LABOUR	\$ 40,000
SITE COSTS	\$ 10,000
CLEAN UP	\$ 10,000
UTILITIES	\$ 5,000
SCAFFOLDING	\$ 50,000
INSURANCE - OWNER CONTROLLED	\$ 6,000
EXCAVATION	\$ 6,000
MATERIALS (Concrete / Lumber etc.)	\$ 25,000
ASBESTOS REMOVAL	\$ 40,000
Total	\$ 292,000

Project Budget Template

項目預算模板

Organization Name
Project Budget

Building Condition Report Fee	
Construction Costs	
Structural repairs	
Foundation	
Core building supports	
Asbestos removal	
Earthquake requirements	
Exterior repairs	
Roof	
Facade (heritage)	
Windows	
Interior building system upgrades	
Plumbing	
Electrical	
Heating	
Interior finishing	
Walls	
Painting	
Flooring	
Total Construction Costs	
Design & Engineering	
General Site costs	
Construction contingency (10%)	
Total Project Budget	

Financial Planning – Capital Plan

財務規劃：資本計劃

- ▶ Considers the total amount of money needed to complete the project
- ▶ Identifies where the funding will come from
- ▶ Sources and Uses of Capital chart (template provided)
- ▶ Note: upcoming workshop – Financing & Fundraising (July 23, 2016)



Financial Planning – Capital Plan

財務規劃：資本計劃

Possible sources of Capital include:

- Organization savings or reserve account
- Fundraising activities
- Government grants
- Private donations
- Community Bond
- Debt – mortgage or long term loan



Sources & Uses of Capital - Template

資金來源及用途：模板

Organization Name

Sources & Uses of Capital

Sources of Funds		Uses of Funds	
Society savings account	<input type="text"/>	Building condition assesement	<input type="text"/>
Building reserve account	<input type="text"/>	Construction Costs	<input type="text"/>
Project donations	<input type="text"/>	Design, Engineering and Admin	<input type="text"/>
Grant - City of Vancouver	<input type="text"/>	General site costs	<input type="text"/>
Grant - other	<input type="text"/>	Contingency	<input type="text"/>
Bank Mortgage	<input type="text"/>		<input type="text"/>
Community Bond	<input type="text"/>		<input type="text"/>
	<input type="text"/>		<input type="text"/>
Total Sources of Funds	<input type="text"/>	Total Uses of Funds	<input type="text"/>

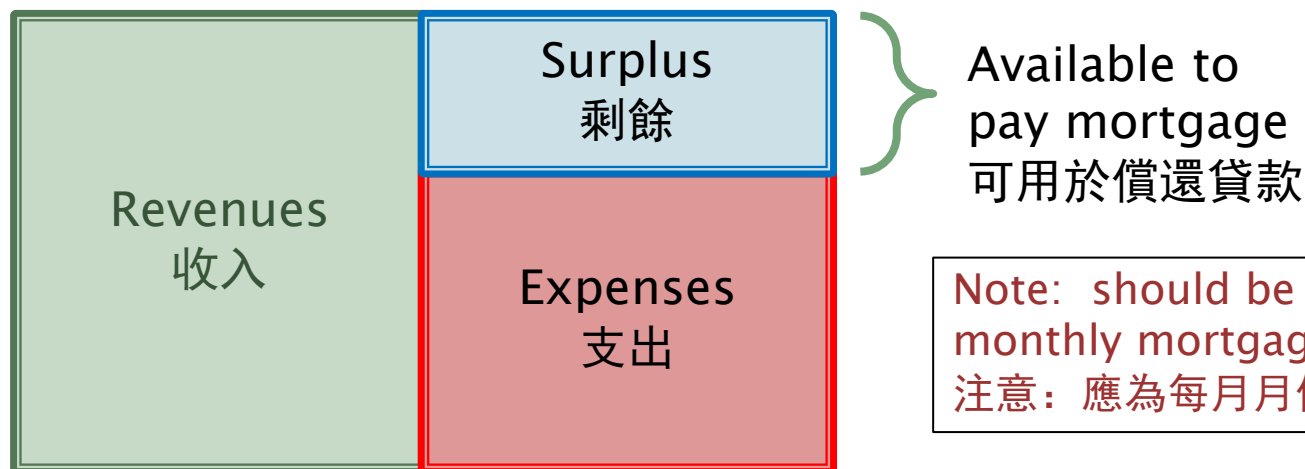


Financial Planning – Operating Budget

財務規劃：執行預算

Once the building renovation is complete:

- ▶ Establish the sources of revenue
- ▶ Determine the costs of operating the building
- ▶ Set out any staffing or management costs to operate the building
- ▶ Demonstrate that there will be sufficient cash flow to make required loan payments (template provided)
- ▶ Clearly state your assumptions



Note: should be 1.20 times the monthly mortgage payment
注意：應為每月月供額度的1.20倍

Project Risks & Implementation

項目風險以及實施方案

- ▶ Society project management structure
- ▶ Identify the most important risks (financial and for success of the project)
- ▶ Indicate how you will manage each risk or reduce its impact
- ▶ Create a plan with action steps to complete the project
 - Demonstrate that you have a solid understanding of what is needed to bring about this successful renovation project
- ▶ Develop a project timeline



How You Will Use Your Business Plan 如何使用商業計劃



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Using Your Business Plan

運用你的商業計劃

- ▶ Creating the Business Plan requires decision makers to think through the project from beginning to end
- ▶ Your Business Plan will help everyone in the organization to have the same understanding of what you are going to do
- ▶ The Business Plan describes the project to others – banker, construction manager, grant funders
- ▶ The Business Plan provides confidence and important information to government, donors, grant providers and lenders



Questions?

提問時間



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