

Chinese Family Clan and Benevolent Societies Facilities Management Workshop

華裔宗親或會館組織
設施管理研討會

September 10, 2016

Presenters:

Karen Wan-Gauthier, d.WG Design Studio

Helen Ma, City of Vancouver

Brian Mackenzie, Colliers International

David Pollock, SpaceChangers Inc.

Sources of Revenue 收入來源

Organization Name 組織名稱
Cash Flow Worksheet 現金流量表

	Opening (起始)	Year 1	Year 2	Year 3	Year 4	Year 5
Operating Budget 執行預算						
Revenue 收入						
Residential rent 住宅租金						
Commercial rent 商業租金						
deduct Vacancy Allowance 減除空置津貼		0	0	0	0	0
Operating cost recovery (commercial) 商業營運成本回收						
Grants 補貼						
Other revenues 其他收入						
Total Revenue 總收入	0	0	0	0	0	0
Expenses 支出						
Salaries & Wages 薪酬						
General & Administration 日常及行政支出						
Marketing costs 營銷支出						
Building Expenses 建築物支出						
Property Management expense 物業管理費用						
Utilities 水電費						
Insurance 保險						
Property Taxes 地稅						
Maintenance & Repairs 維護及維修						
Cleaning/Janitorial 清潔衛生						
Security 保安						
Garbage/Recycling 垃圾處理及環保回收						
Fire Safety system/inspections 防火安全系統, 房屋檢驗						
Other building expenses 其他建築物支出						
Replacement Reserve 重置儲備金						
Total Expenses 總支出	0	0	0	0	0	0
Excess of Revenue over Expenses 收入超過支出的部分	0	0	0	0	0	0
Financing costs 財務支出						
Mortgage Payments 按揭供款	5.00%	0	0	0	0	0
Community Bond Interest 社區債券利息						
Community Bond Principal 社區債券本金						
Total Financing costs 總財務支出	0	0	0	0	0	0
Increase (decrease) in net cash flow 增加(減少)的現金流量淨額	(0)	0	0	0	0	0
Opening cash position 起始現金狀況(頭寸)	0	(0)	(0)	(0)	(0)	(0)
Closing cash position 結算現金狀況(頭寸)	(0)	(0)	(0)	(0)	(0)	(0)

Debt Service Coverage Ratio 債務償還比率:

#DIV/0! #DIV/0! #DIV/0! #DIV/0! #DIV/0!

Chinatown Neighbourhood Plan's Vision

華埠社區計劃願景

“A place that tells the history with its physical environment, a place that serves the needs of residents, youth and visitors, and a hub of commercial, social and cultural activities.”

“一個用環境訴說歷史的社區；一個滿足本地居民、年輕人、以及遊客需求的社區；一個商業、社會、以及文化活動的中心樞紐。”



熱點
ANCHOR



EATING
吃



住
LIVING



MAKING
手工藝

CULTURAL PRECINCT
文化區



購物
SHOPPING



學習
LEARNING



玩樂
PLAYING



工作
WORKING

Activity

Category

Chinatown

Society Building



Cultural
History
Architectural

Sun Yat Sen Gardens
Chinese Cultural Centre
Chinese Canadian
Military Museum

All - Historic Tours



Restaurants
Bakeries
Coffee Shops

Newtown Bakery
Goldstone Bakery
Bao Bei Brasserie
Ba Le Sandwich Shop
Phnom Penh

Chin Wing Chun Tong (Sai Woo)
Mah Society (Jade Dynasty)



Grocery Stores
Chinese Medicine
Wellness
Tourist
Fashion

Herbal Shops
Acupuncture
Ming Wo
Dragon Martial Arts
Supplies

Lung Kung Kong Shaw
(Bamboo Village)

Activity

Category

Chinatown

Society Building



Senior Housing
Intergenerational Housing
Guest Houses
Condos
SRA Hotels
Hotels

SUCCESS

Mah Society
Shon Yee (May Wah)



Creative Offices
Professional Offices
Services
(Travel agents, post office)

Doctors, Accountants,
Coworking
Creative Firms

Yue Shan
Cheng Wing Yeong Tong
Chinese Benevolent Society



Tofu Making
Tea Processing
Distillery
Clothing
Furniture Studio
Print Shop

Blim
Erin Templeton

Lim Sai Hor (live/work)
Yee Fung Toy
(gallery, studio, print shop)

Activity

Category

Chinatown

Society Building



Asian Canadian Art
Chinese Language Classes
Social Services
Yoga Studio

Centre A
Chinese Cultural Centre
Vancouver Asian
Canadian Theatre

Wong's Benevolent



Seasonal
Daily/Weekly

New Year's Parade
Music Groups (e.g. Cantonese Opera)
Athletic Groups

All - Event Space
All-Film Sets
All - Social clubs
(music, Sports)





Brian Mackenzie
Vice President
Vancouver, BC

Professional Summary 個人簡介

I joined Colliers leasing division straight out of UBC after earning a Bachelor of Commerce in Urban Land Economics in 1987.

I have been leasing buildings for 28 years.

I have negotiated over 1500 individual commercial lease transactions.

I have an excellent knowledge of what leases and what does not lease and how tenants think and how deals are done.



Summary of Workshop 內容提要

- Goals of leasing 租賃的目標
- Improving the space to find tenants 改善空間以出租
- What Leases / What does not lease 什麼容易出租
- Net Leases 淨租賃
- Deal Structure 交易結構
- Marketing for tenants 營銷



The Basics of Commercial Leasing

商業租賃的基礎知識

1. A lease is a rental contract concerning property
2. The lease stays with the property no matter who the owner is.
3. The deal is whatever is agreed to in writing
4. There is no statute protecting tenants on commercial leases
5. Every deal is unique, there is no standard agreement, no standard form, no standard terms.



The Basics of Commercial Leasing

商業租賃的基礎知識

1. The goal is to find a quality tenant and a good use which is compatible with the building
2. Secure a Net Lease where the tenant pays rent plus all building costs
3. Secure a long term lease (3, 5 or 10 years)
4. Secure a use which is compatible with the building and the city bylaws.
5. Call the City's Development Enquiry Centre (604-873-7611) to check
6. Check the Financial Strength and Track Record of the Tenant

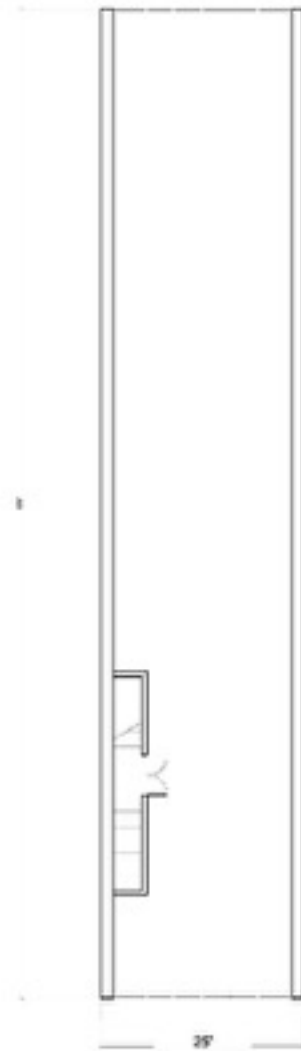


Main Floor
首層



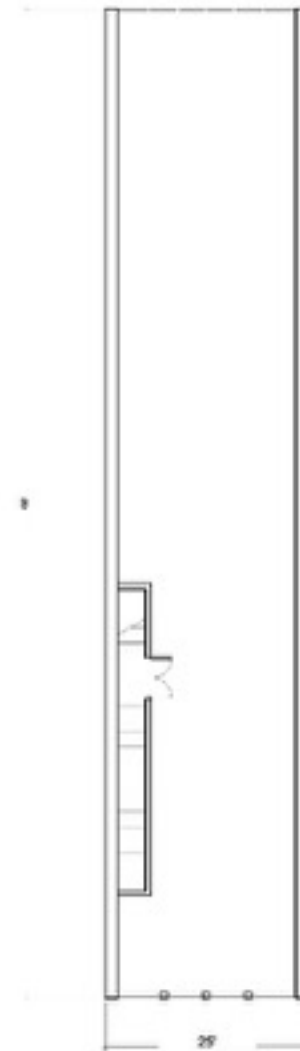
Restaurant or
Retail:
Leasable
餐飲或商鋪用
途，可出租

Second Floor
二樓



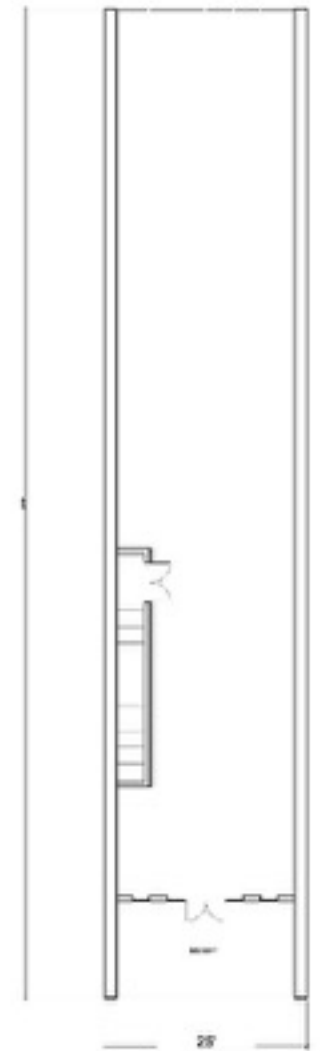
Office Uses:
Leasable
寫字樓用途，
可出租

Third Floor
三樓



Office Uses or
Meeting Rooms
Difficult to Lease
寫字樓或會議室
用途，難出租

Fourth Floor
四樓



Very difficult to lease
without an Elevator
如無電梯將十分難租



Improving the Retail Space to Leasable Standards (Main Floor)

提升鋪面空間至可出租標準（首層）

- > Just basic improvements
- > Modern heating ventilation and air-conditioning system
- > New electrical panel with 100 to 200 amps service (400 amps and venting for a restaurant space)
- > Four finished walls
- > Two finished washrooms and flooring
- > Clean open plan space
- > The retail tenant will finish the store or restaurant at their own cost.



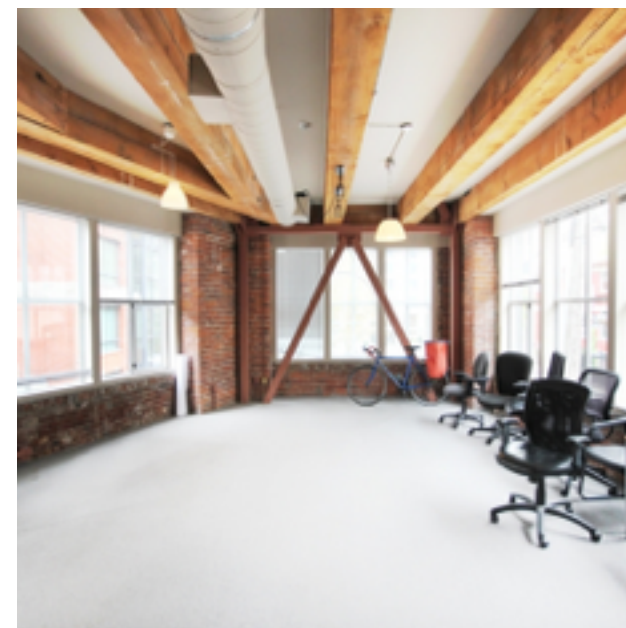
Improving the Office Space to Leasable Standards (Second or Third Floors)

提升寫字樓空間到可出租標準（二，三樓）

- > Finished space based on an open plan
- > Modern heating ventilation and air-conditioning system
- > New electrical panel with 100 to 200 amps service
- > Four finished walls, two finished washrooms
- > Install ceilings, lighting, carpeting. (ideally a meeting room and a private office)
- > **Office tenants will not spend their money finishing your building**
- > **Third or Fourth Floor Walkup is very difficult to lease without an elevator**



What Leases 什麼容易出租

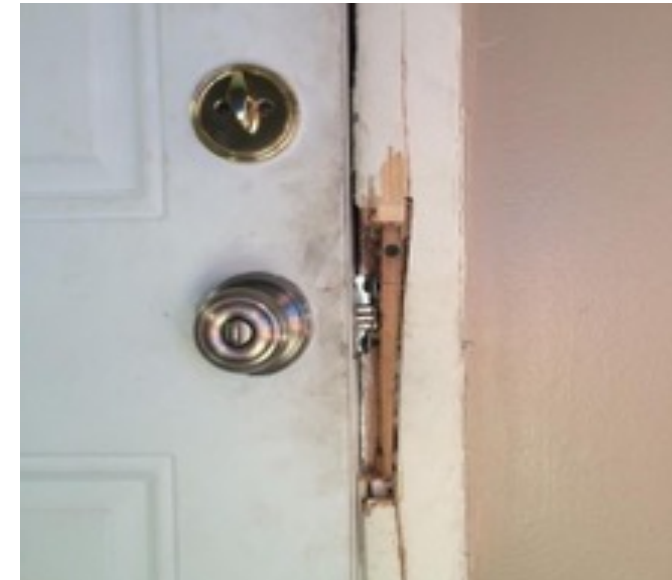




What Doesn't Lease 什麼不容易出租



Clutter / Storage




Evidence of Break-ins



Distractions




Evidence of Leaks



Retail Deal Structure (main floor)

商鋪交易結構 (首層)

- > Five year plus a renewal option
- > Tenant requires a fixturing period 60 days
- > Improvement Allowance say \$15 per SF paid by the landlord to the tenant. The tenant pays the rest of the cost
- > No rent during permit and construction (90 to 120 days).
- > Tenant pays rent plus all operating costs and property taxes for its portion of the building.
- > Walk by, drive by, signage, building image, access to transit and parking are very important



Office Deal Structure (second floor)

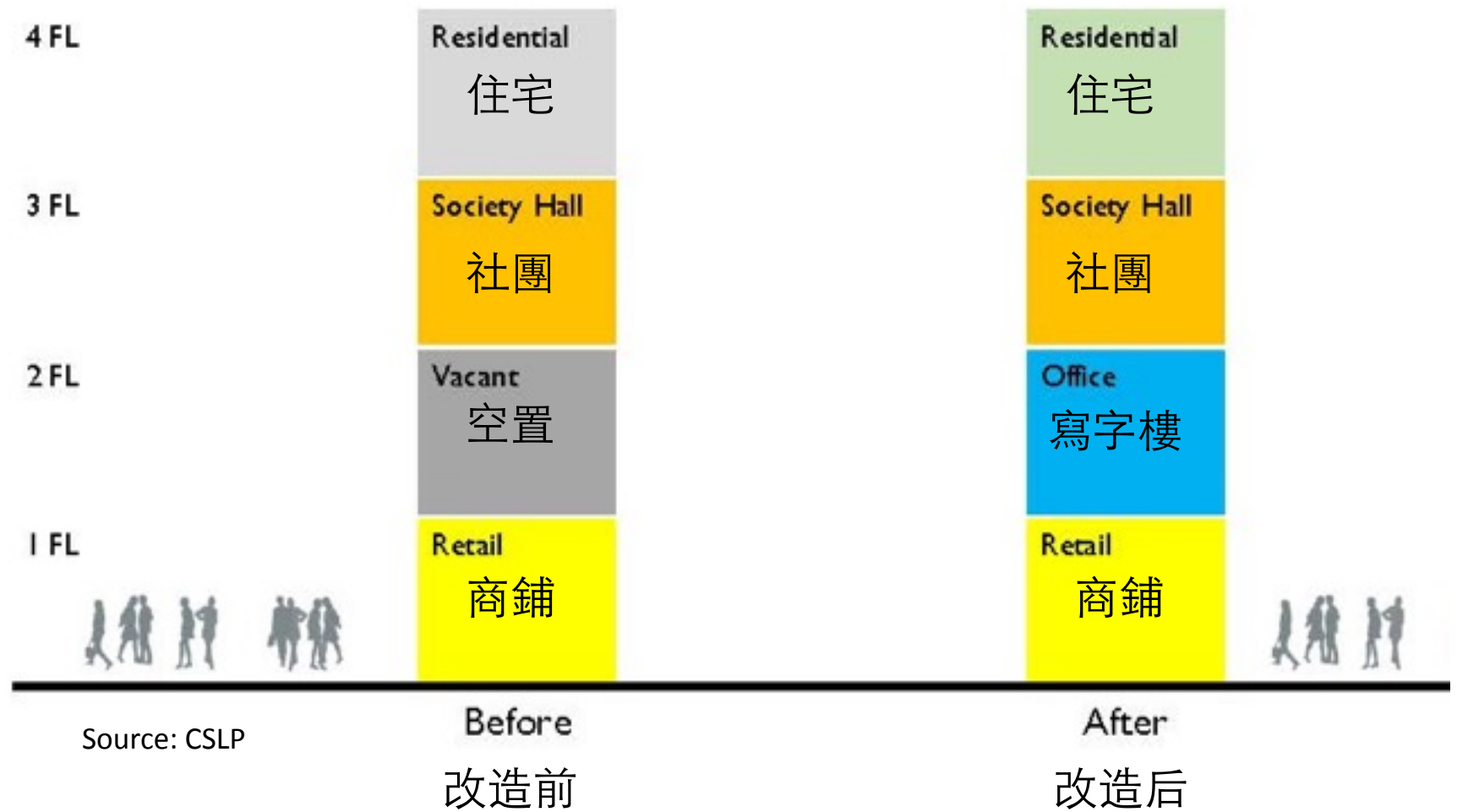
寫字樓交易結構 (二樓)

- > Office tenant requires carpet, paint, a meeting room, a coffee room, finished ceiling with lights
- > No rent during permits and construction (60 to 90 days)
- > Three to five year term
- > Tenant pays in the \$15 to \$18 per SF per annum range
- > Tenant pays all operating costs and property taxes for its portion of the building
- > Natural light, views, building image is very important



Typical building, 25' wide with 4 floors

典型樓宇，4層樓，25尺寬



Net Lease 淨租賃:

Tenants pay rent plus all building costs
租戶支付租金加上其他建築物運營成本

Net rent (rate per SF per annum)

Property taxes 25%*of the total property tax bill

Insurance 25%*of the insurance bill

Property Management 25%*

Tenant pays all their own electricity, gas, cleaning and garbage

**assuming the tenant occupies 25% of the building*



Marketing for Tenants

租賃營銷

- > Leasing Agent vs on your own
- > Agent has Tenant relationships
- > Agent has market information
- > Advertising
- > Signage
- > Negotiations
- > Documentation
- > Agent can check Tenant Credit
- > Leasing Fees: two months rent or \$1 per SF per annum



How much rent to charge? 如何定租金

- > Retail rents are a function of walk by, drive by, access to transit, signage, parking, image, and demographics of the people walking by and driving by
- > Office rents are easier
- > Office tenants pay in the \$15 to \$18 per SF per annum range net
- > Tenant pays all operating costs and property taxes for its portion of the building



Mistakes to Avoid

常見錯誤

- > Unfinished space, forcing the tenant to fix your building
- > Clutter, locked rooms, stored items, evidence of leaks or break-ins
- > Taking too long to respond to offers, 48 hours is normal
- > Accepting a new tenant or a bad tenant for a long term
- > It is better to wait for the right tenant.
- > Not obtaining deal where the tenants pay their fair costs
- > Building unusual improvements that will not work for any other tenant (spa or clinic improvements that need to be removed to re-leased)
- > Walkup space is very hard to lease, wheelchair accessibility is very important.

THANK YOU
感謝各位





個人簡介

David Pollock

Principal and Project Manager

David has been in the construction business since 1989 and is the principal of PWI Space Changers. Space Changers has built over 500,000 square feet of commercial interior space including office, dental, medical, retail and hospitality spaces, and has done extensive exterior and interior base building work. His facility management and administration skills combined with his years of experience in construction project management provide a valuable insight into the client's requirements. His recognition of the eminent value of components such as the understanding of budgets, timelines, quality of service and the use of established trades, consistently leads to meeting or exceeding his client's expectations.

LANDLORD IMPROVEMENTS FOR LEASABLE RETAIL SPACE

業主改善商鋪租賃空間



Landlord requirements for leasable retail space – 2500 sq.ft

Cost of Project \$30/sq.ft.

業主要求改善商鋪空間：2500平方尺，造價 \$ 30每平方尺

- Four finished walls
- Two finished washrooms
- Flooring
- Heating/cooling and ventilation
- New electrical panel with 100-200amps service (400amps for restaurant)
- Kitchen ventilation supplied by tenant

Example: 2500 Sq. Ft. Estimate Landlord improvements for leasing retail space
案例：業主商鋪改造預算，2500平方尺

Landlords Work for 2500 Sq. Ft. Retail Space Ready for New Tenant	
Hard Costs	
Demolition @ 3.50 /sq. ft.	7,500.00
New Drywall on Demising Walls (approximately 300 linear ft of drywall.	19,500.00
Electrical Panel 100/200 Amps	5,000.00
Plumbing: 2 new handicap washrooms with hot water tank	9,500.00
Lighting and convenience outlets to code	400.00
HVAC Roof Top Units 7 Tons supplied and installed.	13,500.00
<i>Subtotal</i>	55,400.00
Soft Costs	
Permit Drawings	3,500.00
Engineer Costs	1,500.00
Cleanup Pre and Post Construction	1,200.00
Supervision	2,560.00
Contractor's Overhead & Profit	7,040.00
<i>Subtotal</i>	15,800.00
Total Cost of Landlords Work Retail Space of 2,500 Sq. Ft.	71,200.00
Cost per Sq. Ft.	28.48
Notes:	
Ceiling is open concept ready for the Tenant.	
New HVAC Roof Top Unit Installed. Tenant to run ducts.	



Retail Health Food Store 健康食品零售店

This project is 16000 Sq. Ft. and is an example of what could be built on a much smaller scale to compliment the Heritage Buildings and could be presented as an Upscale Asian Market

LANDLORD IMPROVEMENTS FOR LEASABLE OFFICE SPACE

業主改善寫字樓租賃空間



Open Area Project One Meeting Room - 1000 sq. ft.

Cost of project \$60/sq. Ft.

開放空間項目：會議室，1000平方尺，造價 \$ 60每平方尺

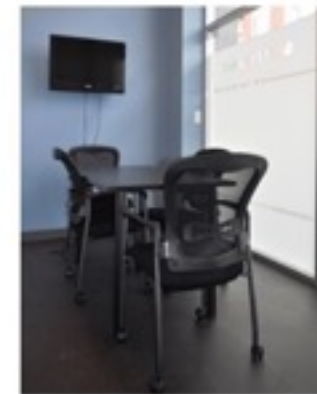
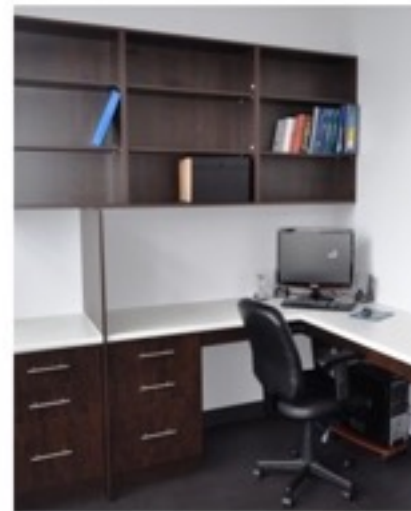
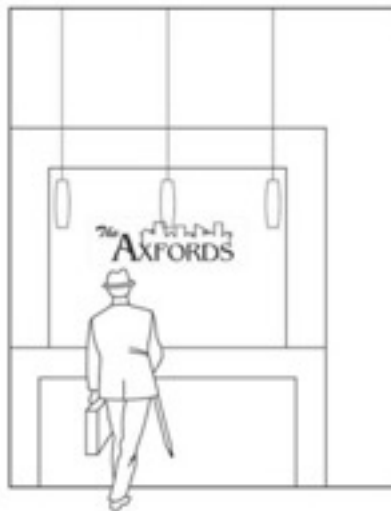
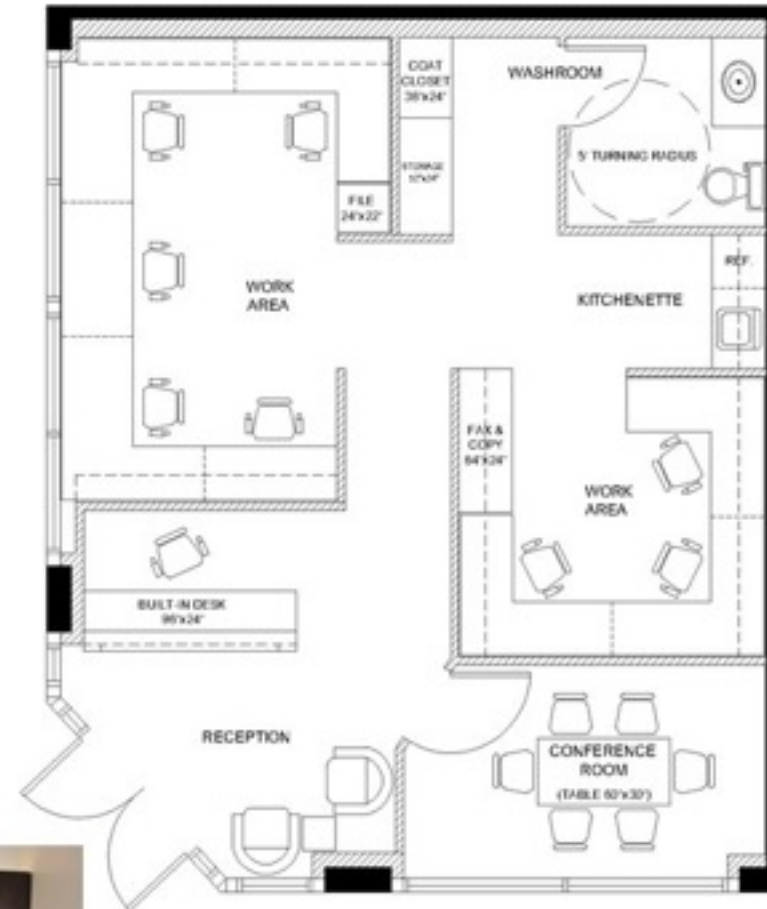
- Four finished walls
- New electrical panel with 100-200 amps service
- One finished washroom
- New Meeting room
- New private office
- T-Bar Ceiling/drop-ceiling panels
- HVAC(Heating Ventilation air conditioning) Main Ducts
- Sprinklers
- Lighting
- Electrical outlets to code
- Flooring
- Kitchen cabinets and sink



Example: 1000 Sq. Ft. Estimate Landlord improvements for leasing office space

案例：業主寫字樓改造預算，1000平方呎

Example of Landlords Costs for 1000 Sq. Ft. Office	
Hard Costs	
Four finished walls approximatley 140 linear Ft of Drywall	7,500.00
One finished washroom + accessories	4,250.00
New T-Bar Ceiling @ 4.50/sq.ft.	4,500.00
Electrical wiring/electrical outlets; exit/light fixtures/emergency lighting	6,400.00
ASHRAE requirements - light sensors in each room (3) \$130 each	390.00
HVAC Ductwork	5,000.00
Sprinklers turn down add and change 12 heads \$200 each	2,400.00
Plumbing: Handicap WC/Kitchen Sink/Plumbing lines/Hot water tank	4,400.00
Firestop Plumbing holes	600.00
Walls and doors for new private office and meeting room	3,500.00
Glass panels for each office	650.00
Painting	2,000.00
Flooring @ \$4.50/sq.ft	4,950.00
Millwork: Kitchen cabinets	2,400.00
<i>Subtotal</i>	48,940.00
Soft Costs	
Permit Drawings	2,400.00
Structural Engineer	1,200.00
Permit Fee	1,000.00
Clean up	950.00
Contractors Supervision/Overhead and Profit	7,273.50
<i>Subtotal</i>	12,823.50
Total Cost of Landlord's Work of 1000 Sq. Ft.	61,763.50
Cost per Sq. Ft	61.76



This Project is 1100 Sq. Ft. and cost \$50/sq. ft.
本項目1100平方尺，造價 \$ 50每平方尺



Tenant Improvement Rental of Individual Offices in Older Building –3500sq.Ft Cost to Build \$40/Sq.Ft.

租客改造舊樓成為多個獨立寫字樓空間
面積3500平方尺，造價 \$ 40每平方尺

- New Steel Stud and Drywall Walls
- Solid Core Doors
- Carpet
- Lighting
- New T-Bar Ceiling/drop-ceiling panels
- Carpet
- Kitchen Cabinets and Sink



Hallway View with simple finishes but yet very attractive and cost effective with existing open ceilings.

These are office that are rented individually to 9 different tenants rather than to one tenant. Depends on location but a building that is more difficult to lease can attract individual office users. Should be able to get better rent overall than just renting to 1 company.

Refer to workshop on Chinese Society Buildings Rehabilitation - 華裔社團建築物修復

Contractors Responsibilities 承包商的責任

PLANNING 規劃階段

- **Perform a key role in project planning, budgeting, and identification of resources needed to identify the elements of project design and construction that may raise future concerns.**
- **Provide a preliminary budget upon completion of the space plan.**
- Preparation of construction schedule.
- **Call of quotations from various sub trades once the constructions drawings are complete.**
- Evaluate quotations with the client and all team members.
- **Prepare contracts and negotiate revisions, changes and additions to contractual agreements with architects, consultants, clients, suppliers and subcontractors.**
- Ensure all trades have insurance and BC Work Safe coverage.
- Hire and coordinate required consultants.
- Work closely with the site superintendent to ensure that they have all of essential components to carry out their responsibilities.
- **Obtain all permits and licenses.**
- Review the project plans and specifications and comment on the building design, scheduling, possible cost savings measures and potential construction problems.

CONSTRUCTION 施工階段

- **Oversee the construction project from start to finish.**
- **Review the project plans and specifications and comment on the building design, scheduling, possible cost savings measures and potential construction problems.**
- Contact, schedule and coordinate all subcontractors, suppliers and utilities
- Monitor and maintain the project construction schedule on a weekly basis.
- Raise and discuss relevant issues at the job site meetings.
- Inform the Project Manager of any errors, discrepancies or omissions contained within the consultant's design drawings
- **Hold weekly site meetings with all team members in order to evaluate the project status to include evaluating cost savings and timelines. Circulate minutes of all construction meetings**
- Monitor and maintain the project construction schedule on a weekly basis.
- Raise and discuss relevant issues at the job site meetings.
- **Call for all inspections and coordinate with consulting professionals.**
- Maintain a safe job site.
- Maintain and enforce good construction standards and quality control.
- Maintain a neat and tidy site office and meeting room.
- Maintain control and responsibility for the safety, security and operation of equipment on the job site.
- Control and monitor labour, material and equipment expenses.

COMPLETION 竣工

- Ensure that “as-built” drawings are prepared on an ongoing basis by all trades during the construction period.
- Coordinate all required municipal inspections.
- Prepare and expedite project deficiency lists.
- Ensure that all deficiencies are completed in a timely manner.
- All savings on negotiated contracts accrue to the client’s account.

TIMELINES 時間表

The timelines associated with the construction buildout depends on the following:

1. Does the project require seismic upgrades, repair of the brick façade or new windows and roof. *(This may have already been done through the rehabilitation.)*
2. The new tenant needs to vacate their current space by a certain date, that impacts the construction schedule timelines.
3. Finishes are custom and unique. Delivery of these items can increase the timeline.
4. Processing of Permits from the different municipalities can take up to 10 weeks or more depending on the type of Tenant Improvement. For example, the City of Vancouver does not allow any tenant improvements to commence prior to the issuance of the building permit. In other municipalities there is some relaxation on what can be constructed prior to the permit being issued. **Note Societies are heritage buildings and permitting requires additional level of review*
5. Unforeseen issues that arise during construction.

Example of Construction Schedule for a Tenant Improvement - Office Space

例子：租客寫字樓改造施工進度表

China Town Societies	WKS D8-22	WKS D22-J3	WKS J5-17	WKS J19-31	WKS F2-14	WKS F16-28	WKS M2-14	WKS M16-28	WKS M30	
Permit Drawings	XXXXXXXXXXXXXXXXXX									
Permit Approval				XXXXXXXXXXXXXXXXXX						
Demolition		XXXXXX								
HVAC Rough In				XXX						
Plumbing				XXX						
Sprinkler Turn Dn				XXX						
Electrical Ceiling				XXX						
T-Bar Ceiling				XXXXX						
Steel Studs				XXX						
Voice/Data				XXXXX						
Inpections						X				
Boarding						XXX				
Taping and Sanding						XXXX				
Doors & Frames						X				
Sprinkler Finish						XXX				
HVAC Finish						XXX				
Electrical Finish				XXXXXXXXXXXXXXXXXXXX						
Glazing							X			
Painting						XXXX				
Flooring							XXXX			
Millwork							XXXX			
Ceiling Tile								XX		
Cleanup									X	
Final Inspections									XX	
Move-in									X XXXXX	

Estimated time: 12 weeks from permit application

- Budget time for planning and design

BUDGET 預算

- Budget is an amount of money available for spending that is based on a plan for how it will be spent.
- A budget should be established before the design process begins and prior to construction
- A preliminary estimate is drafted to ensure that the costs are within the budget.
- If the costs exceed the budget, then changes will be made accordingly.

SUCCESS 成功秘訣

- Most tenant improvements that are successful follow the criteria of collaboration between the client, designer, real estate professional and the contractor.
- The designer will be influenced by your suggestions as well as incorporating their own thoughts and the contractor will let everyone know if the concept will be within the budget.
- Collectively, everyone contributes and all have one common goal and that is to have the project succeed.

Deciding on Moving forward with the Renovations

決定進行裝修

The process of remodelling your building can be of great concern and worry!

- Work with the right contractor who is experienced with heritage buildings
- Consider a project manager
- Have your construction team take on the responsibilities for hiring, quality of materials, budgets, timelines.....

Thank you
感謝各位
Any questions?
歡迎提問

Workshops

Chinese Society Buildings Rehabilitation - 華裔社團建築物修復

Business Plan Development Workshop - 商業計劃制定研討會

Fundraising and Financing Workshop - 籌款及融資研討會

Facilities Management Workshop - 設施管理研討會

Thank you for your attendance.

*For more information, please contact Karen at dwgdesignstudio@mail.com
or vancouver.ca/chinatown (workshop presentations available under Documents - Chinese Society
building resources))*