



WOMEN'S SHELTERS CANADA | HÉBERGEMENT FEMMES CANADA



Introduction to the Development Process Webinar Series



Part 2: Design & Development



May 30, 2024

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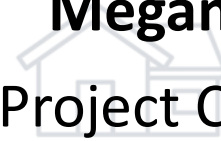
Development Project Manager, WSC

Amanda Owens



Executive Director, 'Ksan Society

Megan Golfetto



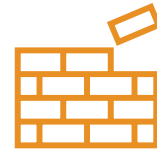
Project Coordinator, WSC



Webinar Series Learning Objectives



Learn the basics of the development process



Understand the steps to building a new building (or renovating)



Explore who is involved in the process and associated roles

Webinar Series Overview

INTRODUCTION

FEASIBILITY

DESIGN &
DEVELOPMENT

CONSTRUCTION

OPERATIONS

01  Part 1: Feasibility

02  Part 2: Design & Development

03  Part 3: Construction & Operations

Part 2: Design & Development

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FEASIBILITY RECAP

DESIGN &
DEVELOPMENT PT1

Q&A

DESIGN &
DEVELOPMENT PT2

Q&A

'KSAN SOCIETY

Q&A

FEASIBILITY RECAP



Feasibility Takeaways

- This process could take many years
- You will need a single person as a champion of the project
- You need dedicated staff time spent on the process
- You may want to hire a Project Manager to facilitate the process
- You may need to hire other team members, such as an architect, to assist with early concept design
- At the end of this phase, you must have a financially viable project before moving into Phase 2: Design & Development
- The work conducted in this phase can be packaged into Business Case or Feasibility Study
- The work can be used to apply for pre-construction funding

FEASIBILITY RECAP

DESIGN &
DEVELOPMENT PT1

Q&A

DESIGN &
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Q&A

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DESIGN & DEVELOPMENT

Phase 2: Design & Development

Overview

01

Purpose

- Create a feasible design for the project
- Secure the funding to build and operate the project
- Secure approvals from municipality / local government



02

Activities & Components

- Hire project team
- Acquire the site
- Conduct site studies
- Design the building
- Refine proforma and finalize budgets
- Secure financial sources
- Engage the community
- Complete the planning approvals process



03

Outputs

- Design team in place
- Land secured
- Completed site studies
- Architectural designs
- Commitments from funders
- Site plan agreement (or equivalent)
- Signed construction contract
- Building permit

Phase 2: Design & Development

Timeline

Timelines depend on the amount of time and resources you can dedicate to undertake the activities and size and scope of the project.

- Short timeline: ~6 months
- Realistic / average timeline: ~12 months
- Some cases: 1+ years

Phase 2: Design & Development

Core Project Team Members

- Your organization – Project Owner
- Project Manager
- Architect
 - Sub-engineers: mechanical and electrical, structural, civil
 - Landscape architect
- Construction Manager / General Contractor / Builder (optional)
 - Assist with some preliminary cost estimating
 - Assist with concept development



Project
Owner



Project
Manager



Architect



Builder

Phase 2: Design & Development

Other Possible Consultants

- Planning consultant
- Lawyer (site purchase, funding agreement review, contract review)
- Realtor
- Appraiser
- Energy consultant

- Land surveyor
- Environmental engineer (Environmental Site Assessment, geotechnical study)
- Quantity Surveyor
- Site Study consultants (transportation, noise)
- Commissioning agent

Steps to Hire Team Members

The Project Manager can assist with the following steps to take when hiring the architect and builder:

- ✓ Prepare Request for Proposals (RFP)
- ✓ Establish evaluation criteria
- ✓ Identify list of firms to participate and send RFP
- ✓ Option to request references
- ✓ Receive and review submissions
- ✓ Prepare shortlist of firms to interview
- ✓ Prepare interview questions
- ✓ Conduct interviews
- ✓ Select firm
- ✓ Enter into contract

Steps to Hire Other Consultants

Hiring consultants will depend on your organization's procurement policy. There may be a requirement to receive at least 3 bids.

- ✓ Prepare scope of work and expected timeline for completion
- ✓ Identify list of firms to participate and send scope of work asking for a fee for service / quote for the work and timeline
- ✓ Receive and review submissions
- ✓ Select firm

You will likely want to choose the lowest bidder, but consider the timeline for completion of work and choose which to prioritize.

Phase 2: Design & Development

Acquire the Site

- Hire a lawyer with experience in real estate law
- Your lawyer will assist with the land purchase or lease agreement
- You will need to acquire the site to be eligible to apply for many funding programs, proceed with planning approvals (if needed), and proceed with design drawings, as there will be site-specific details to the building
- Purchase the site before proceeding too far with design drawings



Phase 2: Design & Development

Site Studies

- **A new building will require:**
 - Environmental Site Assessment (ESA)
 - Geotechnical report (soil study)
 - Land survey
- **A retrofit will require:**
 - Designated Substance Survey (DSS)
 - Building Condition Assessment (BCA)
- **Other studies may be required depending on the site context:**
 - Noise study
 - Transportation study
 - Topographical survey
 - Tree conservation report



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QUESTIONS?

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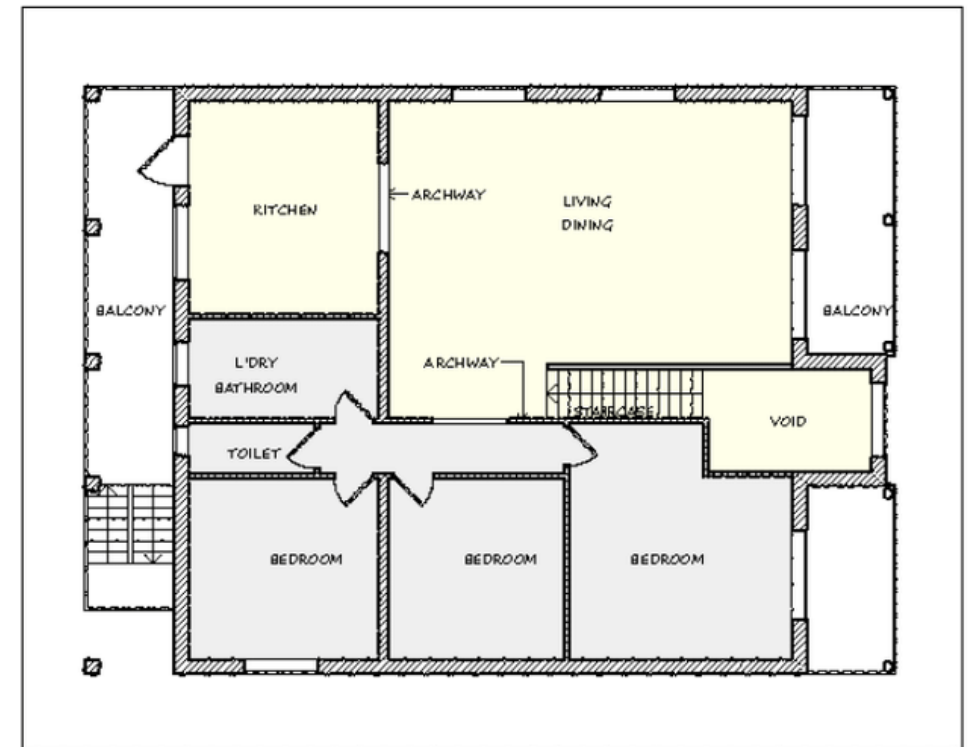
DESIGN & DEVELOPMENT

Phase 2: Design & Development

Design the Building

The Architect and sub-consultants (engineers) will continue the design drawings.

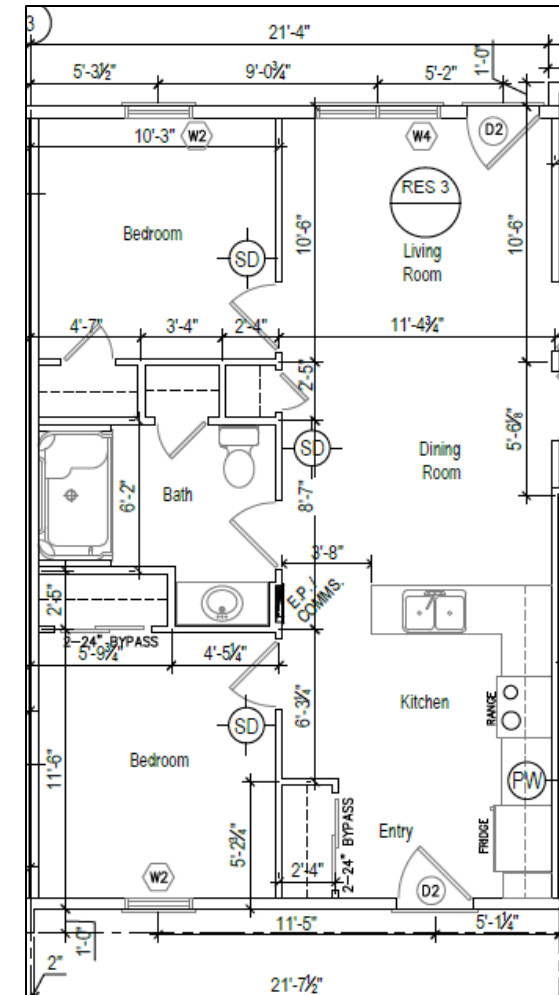
- You should have Concept drawings from Phase 1: Feasibility
 - Schematic Design drawings
 - Issued for Permit drawings
 - Issued for Tender drawings
 - Issued for Construction drawings
- Architectural firms may use different language for the sequential set of drawings (e.g. 33%, 66%, 99%)
 - Drawings are used for costing exercises
 - The Architect will likely lead bi-weekly meetings with the development team during this phase (Owner, Project Manager, Builder)



Phase 2: Design & Development

Design the Building

- It is important that the Owner reviews the drawings in detail
 - The Board, staff, and/or Development Committee can review the drawings to ensure it meets the vision of the organization
 - It is highly recommended to include staff that will operate the building in the review of the drawings – both programs and building maintenance
 - Provide the most feedback early in the process. It will cost the organization money to make late adjustments to designs



Phase 2: Design & Development

Design the Building

The designs will meet municipal requirements, Building Code, and government funding criteria (accessibility and energy efficiency standards).



You will be balancing the design considerations with cost throughout this stage. **When changes are made, ask the Architect and Builder what the cost implications are before you approve them.**

Phase 2: Design & Development

Refine Proforma and Finalize Budgets

- The initial proforma modelling is refined as designs progress
- The Project Manager is responsible for preparing and refining the proforma with input from the other team members
 - Cost estimates from the Builder and/or Quantity Surveyor (QS) incorporated into the proforma.
- As the drawings and cost estimates progress, less contingency will be carried in the budget
 - Contingency will be set at a percentage of the costs
 - At the early stages of a project, contingency may range from 15-25%
 - When construction is ready to begin, contingency may be closer to 5-10%

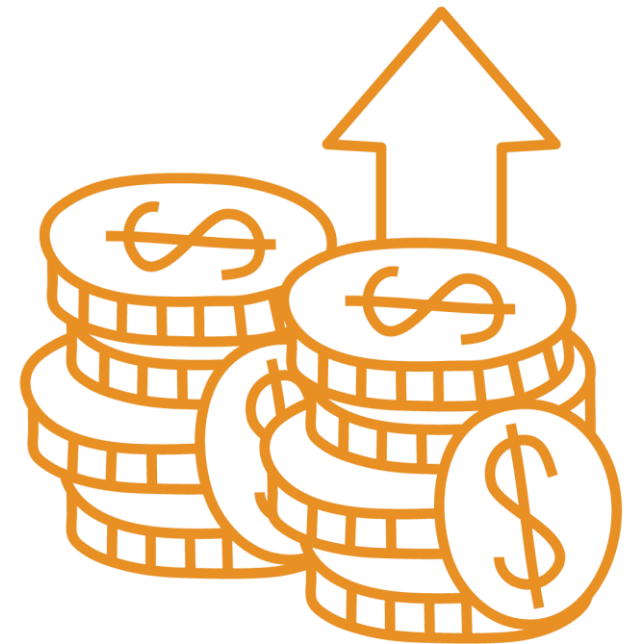


Phase 2: Design & Development

Secure Financial Sources

The big question: How will you pay for your project?

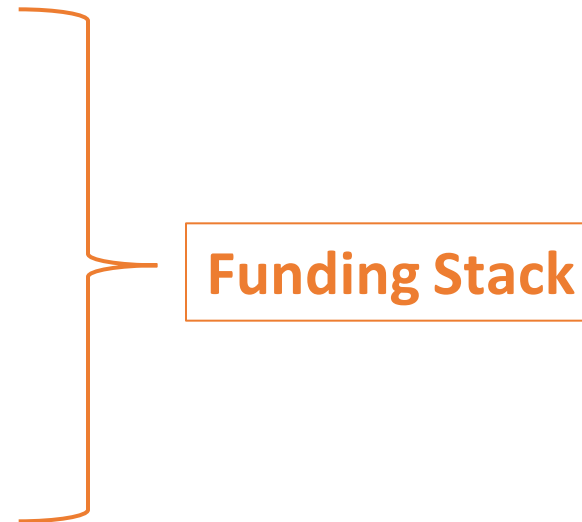
- Before securing a multi-million-dollar grant, you need to purchase land, go through the planning process, do site studies, progress the drawings, etc.
 - This can cost \$500,000+, depending on your context
- Apply for “pre-construction” funding as early as **Phase 1: Feasibility**
 - City / local government
 - Province
 - Federation of Canadian Municipalities (FCM)
 - CMHC Seed
 - Other: In Ontario, Enbridge has a Savings by Design program



Secure Financial Sources

Total project sources can come from:

- **Government grants**
 - CMHC is a common funder of affordable housing
 - Province
 - Local government
- **Partnerships**
- **Equity**
 - Fundraised
 - Surplus revenue
 - Assets (land)
- **Financing (mortgage)**
 - Likely to come from CMHC with favorable rates



You can only afford financing if you can pay an annual financing cost. You must have enough rent revenue or operational subsidies to support this.

Phase 2: Design & Development

Secure Financial Sources

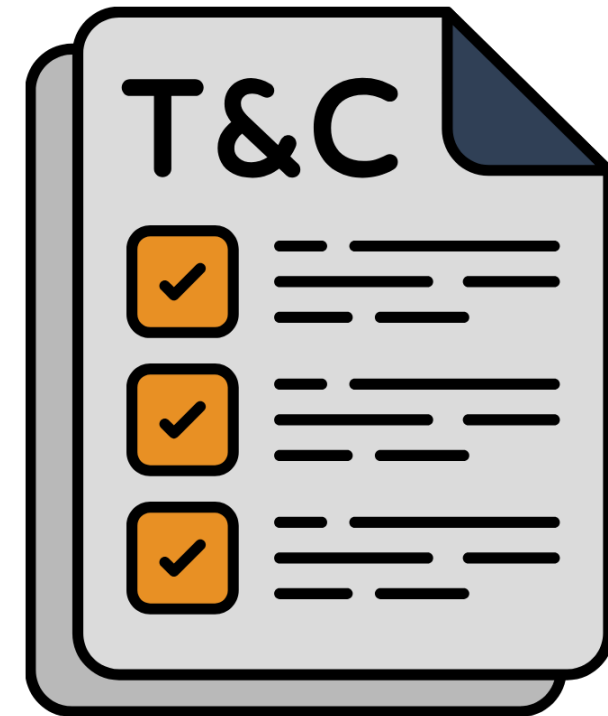
- Depending on the funding program, there may be set windows to apply
 - CMHC Women and Children Shelter and Transitional Housing Initiative (WCSTHI)
 - CMHC Rapid Housing Initiative (RHI)
- Or it may be an open window to apply
 - CMHC Affordable Housing Fund (previously National Housing Co-Investment Fund)
 - FCM Sustainable Affordable Housing
- It could take many months for the application to be reviewed and up to a year to be approved



Phase 2: Design & Development

Secure Financial Sources

- Once you're successful, funding agreements can be onerous to review
 - Recommend hiring a lawyer to review
- CMHC funding is provided to the organization only once all conditions are met
 - Construction will likely begin before you can draw CMHC funding
 - It is common to spend \$500,000 to \$1 million before receiving CMHC funding
 - Reserve funds are needed to progress the project



Phase 2: Design & Development

Secure Financial Sources

- You want to secure as much grant funding (free money) as you can
- You will very likely need to contribute equity to secure grant funding
- Some projects will have a dozen sources of capital funding

Funding Sources	Amount
CMHC Grant	\$ 6,000,000
Equity Contribution	\$ 1,000,000
FCM Planning Grant	\$ 20,000
FCM Study Grant	\$ 150,000
City Land Donation	\$ 500,000
Provincial Grant	\$ 500,000
Donation from Corporation	\$ 200,000
Anonymous Donation	\$ 100,000
Financing	\$ 1,530,000
TOTAL	\$ 10,000,000

Phase 2: Design & Development

Engage the Community

- You will need to build upon the community engagement initiated in **Phase 1: Feasibility**
- Some consultation may be required by the municipality / local government
- Understanding neighbours' concerns is important, especially if that will play a part in planning approvals
- The Planning Consultant, Project Manager, and Architect can assist with engagement and consultation



Phase 2: Design & Development

Planning Approvals Process

- Consider engaging a planning consultant early in the process
- Meet with City staff to know what approvals are needed
- There may be restrictions on the site (zoning, parking, setbacks)
- You may need to submit a site plan for approval
- You will need a Building Permit before construction begins and an Occupancy Permit before residents move in



Design & Development Takeaways

- You want a strong team that you trust and understands the vision for the project
- It costs money to hire consultants and do activities in this phase, likely before securing much funding for the project. Prepare your Board to approve spending of funds
- Ensure you have staff reviewing the architectural drawings early in the process
- Balance the ideal design with cost considerations
- Many steps will happen simultaneously, and some are iterative
- Have reserve funds available to spend to progress to construction

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Introduction to the Development Process

Webinar Series

01 Feasibility

- Thurs. May 16, 2024 at 1:00-2:30pm ET
- <https://endvaw.ca/previous-webinars/>

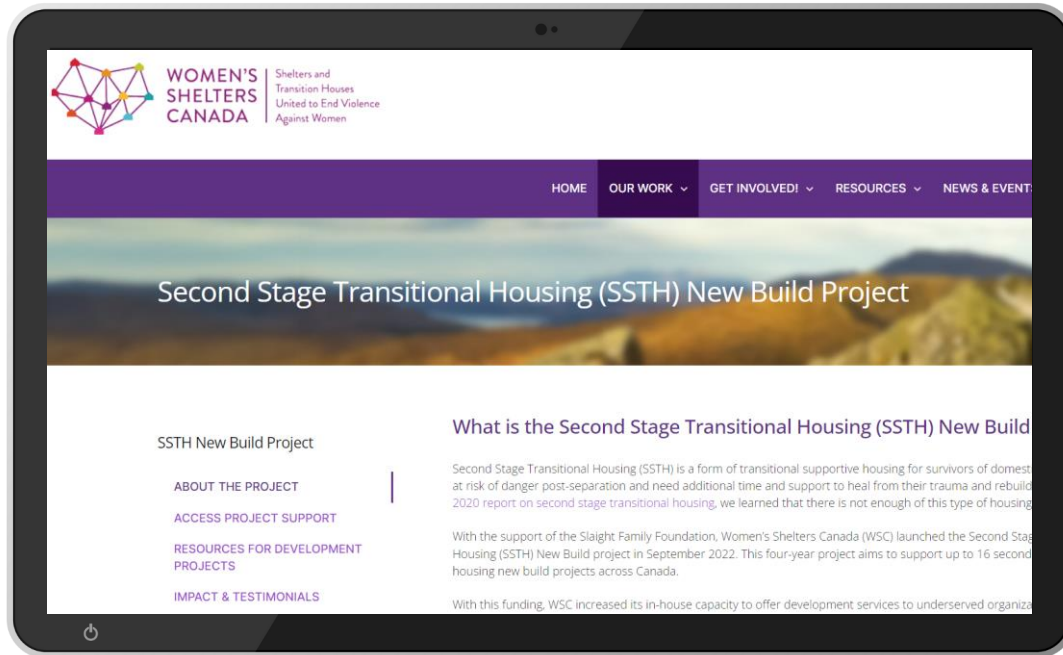
03 Construction & Operations

- Thurs. June 13, 2024 at 1:00-2:30pm ET
- <http://endvaw.ca/webinars/>

Further Resources

Check out our [webpage](#) for resources.

If you have any ideas for resources that would be helpful for your project, please connect with us!



Join our Second Stage Transitional Housing (SSTH) Development [Mailing List](#)!

A graphic with a white background and colorful geometric shapes (teal, purple, orange) in the corners. In the center is a circular icon containing a black silhouette of two houses. To the left of the icon, the text reads: "Interested in building **Second Stage Transitional Housing?**". To the right of the icon, the text reads: "Vous souhaitez construire des **maisons d'hébergement de deuxième étape?**". At the bottom, a purple rounded rectangle contains the text: "JOIN OUR MAILING LIST" and "ABONNEZ-VOUS À NOTRE LISTE DE DIFFUSION".



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Thank You!



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