



WOMEN'S | HÉBERGEMENT  
SHELTERS | FEMMES  
CANADA | CANADA

# Introduction to the Development Process Webinar Series

## Part 3: Construction & Operations

June 13, 2024

**Kyla Tanner**

Development Project  
Manager, WSC

**Amanda Owens**

Executive Director,  
'Ksan Society

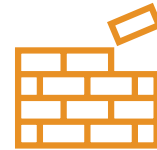
**Megan Golfetto**

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 3: Construction & Operations

## Table of Contents

**01** Feasibility Recap

**02** Design & Development Recap

**03** Phase 3: Construction

**04** Q&A

**05** Phase 4: Operations

**06** Q&A

**07** 'Ksan Society

FEASIBILITY RECAP

DESIGN &  
DEVELOPMENT RECAP

CONSTRUCTION

Q&A

OPERATIONS

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 RECAP

CONSTRUCTION

Q&A

OPERATIONS

Q&A

'KSAN SOCIETY

Q&A

# DESIGN & DEVELOPMENT RECAP



# 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



FEASIBILITY RECAP

DESIGN &  
DEVELOPMENT RECAP

CONSTRUCTION

Q&A

OPERATIONS

Q&A

'KSAN SOCIETY

Q&A

# CONSTRUCTION

# Phase 3: Construction

## Overview

### 01

#### Purpose

- Successfully complete the building
- Prepare to rent the units



### 02

#### Activities & Components

- Construction administration
- Schedule and budget monitoring
- Funding advances
- Prepare to operate
- Construction wrap-up



### 03

#### Outputs

- Completed building
- Successful draws of grant funding
- Residents are ready to move in

# Phase 3: Construction

## Timeline

- Depending on the size and location of the project
  - Short timeline: 8-12 months
  - Realistic/average timeline: 12-24 months
  - Some cases: 24+ months

## Construction Administration

- The Builder will conduct bi-weekly site meetings
  - The Architect, Project Manager, and Owner should all be in attendance
- The quality of work will be reviewed by the Architect
- The costs will be reviewed by the Quantity Surveyor
- **Change Orders** will be identified by the Builder, Architect, or Owner. They will be reviewed by the Architect, Project Manager, and Owner. The Owner will approve the change order
  - A change order is a change to the work, price, schedule, or other terms of the contract
  - Often, it will be to change an aspect of the work due to a change in material, design, or cost, from what was originally anticipated
- Funders may require reporting on progress



# Phase 3: Construction

## Schedule & Budget Monitoring

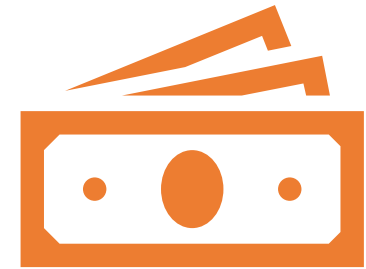
- The Project Manager can create a monthly report for the Owner to update the Board with the general status of the project and any highlights from the bi-weekly meetings
- The project schedule will be updated by the Builder as needed
- The Builder will provide monthly progress billing and invoices to the owner. The Project Manager can review these
- It is important for the Project Manager to monitor the contingency use
- Monthly invoices from the Builder will be very large. Depending on the project size, they could be more than \$1 million in one month



# Phase 3: Construction

## Funding Advances

- Depending on the funding agreement, payment may be received in multiple ways:
  - Upfront as a lump sum payment
  - In milestone payments tied to progress of construction
  - Requesting funding based on invoices received
- CMHC funding is advanced only once all conditions are met
  - You may be in construction already when you are able to draw on the funding
  - CMHC may require all equity to be spent before advancing funds
- CMHC funding must be requested after invoices have been received
  - Set up a monthly schedule with your entire team to ensure invoices are received quickly and turnaround to CMHC is expedited



# Phase 3: Construction

## Funding Advances

- CMHC requires:
  - Payment certification from the architect and/or Quantity Surveyor
  - Construction schedule
  - Drawdown schedule
  - All invoices
  - A Quantity Surveyor report
- The Owner and Project Manager will work closely to reconcile all costs to ensure no invoices are missed in the draw submission
- Tax reimbursement will also need to be coordinated

Monday	Tuesday	Wednesday	Thursday	Friday
February 27, 2023	February 28, 2023	March 1, 2023	March 2, 2023	March 3, 2023
		Construction Manager issues Draft of Progress Claim		
March 6, 2023	March 7, 2023	March 8, 2023	March 9, 2023	March 10, 2023
			Construction Manager to issue the following Deliverables: • Final Progress Claim • Stat Dec • WSIB Certificate • Updated Schedule • Updated Cashflow	Architect to issue the following Deliverables: • Payment Certificate • Conformance Letter • Invoices for HP • Site Visit Report
March 13, 2023	March 14, 2023	March 15, 2023	March 16, 2023	March 17, 2023
Housing Provider Finance department to issue the following Deliverables: • Summary of Monthly Expenses • Summary of HST • Copies of all invoices for Client		Project Manager prepares list of expenses and invoices to send to Quantity Surveyor *Draw Package sent to Quantity Surveyor to review with enough time to submit by the DRAW/REPORT SUBMISSION DEADLINE		
March 20, 2023	March 21, 2023	March 22, 2023	March 23, 2023	March 24, 2023
	Housing Provider signs forms and submits to Project Monitor	QUANTITY SURVEYOR DEADLINE FOR DRAW REPORT PACKAGE SUBMISSION TO FUNDER	<b><u>1 day</u></b>	<b><u>2 days</u></b>
March 27, 2023	March 28, 2023	March 29, 2023	March 30, 2023	March 31, 2023
<b><u>3 days</u></b>	<b><u>4 days</u></b>	<b><u>5 days</u></b>	<b><u>6 days</u></b>	<b><u>7 days</u></b>
April 3, 2023	April 4, 2023	April 5, 2023	April 6, 2023	April 7, 2023
<b><u>8 days</u></b>	<b><u>9 days</u></b>	<b><u>10 days</u></b>	1ST THURSDAY OF THE MONTH CMHC Draw Date Housing Provider pays invoices ASAP *Project Manager follows-up to confirm receipt of Draw and payment of invoices by Housing Provider*	Statutory Holiday (Good Friday)

# Phase 3: Construction

## Prepare to Operate

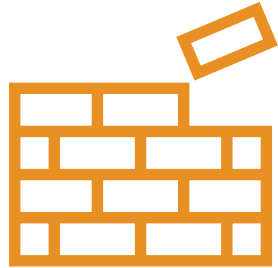
- Many activities related to operation will need to be conducted during construction (6 months before occupancy)
  - Agreement preparation
  - Policies and procedures for occupancy
  - Move-in schedule
  - First year operating budget
- If you are not doing the property management yourself, coordinate with the Property Manager





## Construction Wrap-Up

- ✓ If applicable, third-party commissioning
- ✓ Substantial completion
  - The building reaches a point where it can be occupied or utilized for its intended purpose
- ✓ Defects and deficiencies check
  - Examination of the building to identify any defects, deficiencies, or incomplete work that may still need attention
- ✓ Handover of keys or “Ready-for-Takeover”
  - Owner takes possession of the building and begins to use it
- ✓ Obtain Occupancy Permit
- ✓ Coordinate release of holdback to Builder 60 days after substantial completion
- ✓ Builder will provide operating / maintenance / instructions / manuals
- ✓ Coordinate training of Property Manager
- ✓ 6 month operating review
- ✓ 1 year warranty review



# Construction Takeaways

- The Owner and Project Manager will monitor the schedule and budget of the project
- The Owner will approve any change orders
- Funding advances will take place at different moments in the project. Ensure that you know when you will receive funding to pay invoices
- You likely cannot cashflow the project yourself, so a monthly schedule is important
- The Owner should be preparing for operation during the construction phase
- Any defects or deficiencies should be documented before move-in and over the first year of operation to ensure the Builder fixes any issues

FEASIBILITY RECAP

DESIGN &  
DEVELOPMENT RECAP

CONSTRUCTION

Q&A

OPERATIONS

Q&A

'KSAN SOCIETY

Q&A

# QUESTIONS?

FEASIBILITY RECAP

DESIGN &  
DEVELOPMENT RECAP

CONSTRUCTION

Q&A

OPERATIONS

Q&A

'KSAN SOCIETY

Q&A

# OPERATIONS

# Phase 4: Operations

## Overview

### 01

#### Purpose

- Move-in residents
- Operate the building
- Service and support to residents



### 02

#### Activities & Components

- Plan for services
- Resident move-in
- Funding wrap-up
- Ongoing property management



### 03

#### Outputs

- Residents have moved in
- The building is being operated and managed

# Phase 4: Operations

## Timeline

- Duration of the building! 99+ years

# Phase 4: Operations

## Plan for Services

- Fire safety plan and life safety systems are in place. You may hire a professional consultant to prepare the fire safety plan
  - Elevator phone line
  - Fire alarm phone line
  - Sprinkler system inspections (if applicable)
  - Smoke detector inspections
- Utilities are in Owner's name
- Property insurance and liability insurance
- Mail delivery
- Garbage and recycling
- Snow removal
- Support services (programming)



# Phase 4: Operations

## Resident Move-In

- Sign rental agreements (if applicable)
- Set up property management office and amenity space prior to resident move-in, if possible
- Conduct unit inspections with residents prior to move-in
- Coordinate resident move-ins
- Train residents on fire and emergency plans
- Create a welcoming environment for the very first residents of your brand new building! This may involve a Grand Opening ceremony to celebrate





# Phase 4: Operations

## Funding Wrap-Up

- Prepare final funding request to funder once construction contract work is complete
- Prepare capital cost audit
- Prepare tax rebate
  - You will want to work closely with the accountant



## Ongoing Property Management

- Prepare maintenance plan
- Arrange for one-year warranty
- Property Manager responsibilities include:
  - Resident relations
  - Rent collection
  - Control of operating expenses
  - Financial reporting / record keeping
  - Maintenance of property
  - Repairs as needed
  - Planning capital expenditures





# Operations Takeaways

- Consider all of the services that will be needed for the building. It's easy for something to slip through the cracks
- Prepare residents for move-in, ensuring that it's a comfortable experience
- Take the time to celebrate – organize a Grand Opening and invite the team, community, partners, funders, etc.
- Plan to operate the building long-term

- The development process will take many years. Some shelters work on a project for 10+ years before residents move in.
- The process is never exactly as imagined. Every project will be different and run into challenges and barriers to overcome.
- Hire a team that believes in the project and compliments your strengths. If you do not have development experience, hire a consultant that does.
- Your Board must be willing to take some risk.
- Involve your operations team in the design decisions.
- Cash reserves are important. Even if you secure a lot of grants and fundraising, available cash will be necessary to progress.
- Balance the ideal design of your building with cost considerations.
- Celebrate your milestones! Building new spaces for women and children is a huge accomplishment.



## Wrap-Up

FEASIBILITY RECAP

DESIGN &  
DEVELOPMENT RECAP

CONSTRUCTION

Q&A

OPERATIONS

Q&A

'KSAN SOCIETY

Q&A

# QUESTIONS?

FEASIBILITY RECAP

DESIGN &  
DEVELOPMENT RECAP

CONSTRUCTION

Q&A

OPERATIONS

Q&A

'KSAN SOCIETY

Q&A



# Amanda Owens

Executive Director  
'Ksan Society

# Introduction to the Development Process

## Webinar Series

### 01 Feasibility

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

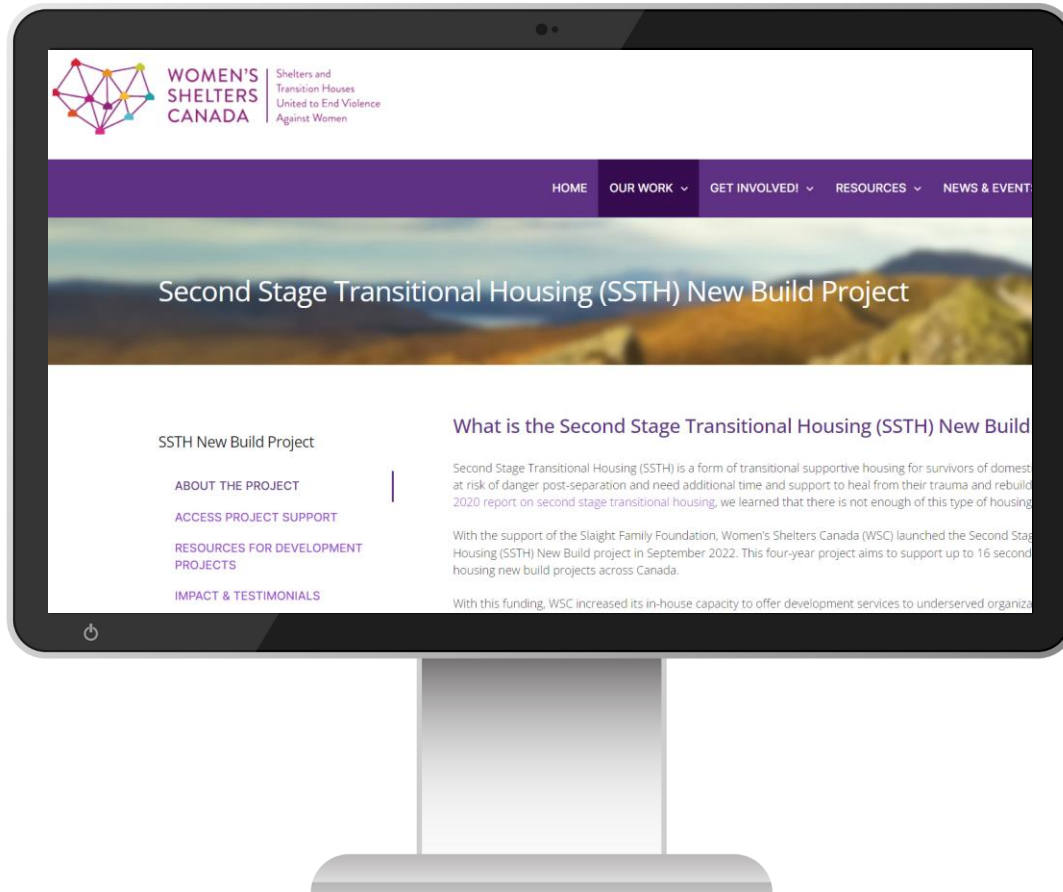
### 02 Design & Development

- Thurs. May 30, 2024 at 1:00-2:30pm ET
- <https://endvaw.ca/previous-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 a purple border. It features a central icon of two houses inside a circle, set against a background of teal, purple, and orange geometric shapes. The text is in both English and French. At the bottom, there is a purple button with white text.

Interested in building **Second Stage Transitional Housing?**

Vous souhaitez construire des **maisons d'hébergement de deuxième étape?**

**JOIN OUR MAILING LIST**  
**ABONNEZ-VOUS À NOTRE LISTE DE DIFFUSION**





WOMEN'S  
SHELTERS  
CANADA | HÉBERGEMENT  
FEMMES  
CANADA

# Thank You!

Kyla Tanner

Development Project  
Manager, WSC

[ktanner@endvaw.ca](mailto:ktanner@endvaw.ca)

Amanda Owens

Executive Director,  
'Ksan Society

Megan Golfetto

Project Coordinator,  
WSC

[mgolfetto@endvaw.ca](mailto:mgolfetto@endvaw.ca)