

# tenant improvement checklist

created by:

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## 1. **Space Plan Drawing**

- A one-page architectural drawing used by the contractor, client, broker, etc. (Typical formats are 18"x24" and 24"x36")
- Allows contractors to develop an initial budget estimate
- Includes a floor plan, electrical layout, preliminary lighting layout, general notes and keynotes discussing the millwork general finish types

**Typically, two or three weeks are required to draw up an initial space plan. allow two to four weeks for revisions and finalization of space plan.**

## 2. **General Contractor (GC) provides**

- Approximate budget numbers

**Note: This is not a final figure.**

## 3. **Client Obtains a Preliminary Bank Loan**

## 4. **Construction Drawing Document Development (CDs)**

- A set of documents (Typical format is @ 24"x36") that includes a...
  - Floor Plan
  - Demolition Plan
  - Furniture Plan
  - Reflected Ceiling (Lighting) Plan
  - Details
  - Sections
  - Cabinetry Drawings
  - Finish Schedule & Legend (Identifies location of specific finish applications)
  - Door/Window Schedule
  - Mechanical, Electrical and Plumbing Drawings
  - Fire Sprinkler Drawing
- To create CDs, the architectural designer needs Property Management (PM) to provide drawings of the complex and building plus zoning information, parking layout, etc.
- Fire Sprinkler Drawings are provided by Fire Sprinkler sub-contractors (specialists). The architectural designer is responsible for providing background drawings to the GC's fire sprinkler sub-contractor.

**Typically, 4 to 8 weeks are required to complete a set of CDs.**

## 5. **Upon Completion of CDs**

- The GC can prepare a final budget schedule (contract amount). Budget development may require a couple of weeks to complete
- **When reviewing construction bids, please note that...**
  - Each contractor prices projects differently. It can be difficult to analyze the cost differences between contracts.
  - Some contracts may include items (such as termite inspections) that others don't.
  - Warranties on materials and construction should be carefully reviewed.
  - We strongly recommend establishing a project contingency fund to cover unforeseeable items and costs. Discuss the appropriate amount with the GC.
  - Permit fees are not included in the GC's budget, including the...
    - Initial building review fee
    - Final building review fee
    - Signage review fee
  - Other costs not included in the GC's budget may include...
    - Termite inspection and treatments
    - Plot Surveys
    - Water and sewage hook-ups
    - Archeological and endangered species surveys
    - Removal of previously unidentified, site-specific toxic materials
  - During construction contract negotiations, the client must inform the GC of any special needs or requirements that might affect the construction process. If applicable, specify...
    - Constraints on working hours or days
    - Any specific deadlines and schedules that may apply
    - Whether business will be conducted on-site during construction and request appropriate construction process management
    - In some cases, construction/remodeling may be scheduled in defined phases or based on other schedules to accommodate an on-going business
  - Special needs and requirements may affect the schedule and the construction bid/proposal

## 6. **CD Submittal to City/Municipality (C/M) for Review and Approval**

- Typically requires one or more re-submittals before all necessary city/municipality (C/M) requirements are met.
- There is no typical time frame for C/M review. Review schedules vary depending upon the scope of work and the C/M planning and zoning staff's workload.
- In most cases, metropolitan Phoenix C/M planning and zoning approvals are based on International Building Code (IBC) specifications, although these can vary year by year.
- IBC codes specify structural, engineering, plumbing, electrical, exiting and parking requirements, among other things.
- At submittal, an initial building review fee must be paid to the City/Municipality. The timeline for submittal of fire sprinkler drawings varies by City/Municipality.
- In some cities, the Fire Sprinkler Drawing must accompany the other CDs upon submittal. In other C/Ms, it may be submitted later.

### **7. GC's Services are Secured**

- The Property Manager is responsible for providing the GC with keys to the riser and electrical rooms.
- Note: The GC may request a demolition permit before the CDs have been reviewed or submitted. A demolition permit allows the GC to begin the demolition process.

### **8. Client is responsible for contacting the City / Municipality (C/M), Health Department and any other governmental boards (as necessary) See Item #5**

- For example, among others, owners of...
  - Restaurants
  - Aesthetician offices
  - Health clubs
  - Medical offices
  - Are typically responsible for obtaining project-specific governmental approvals

### **9. Client Obtains More Complete Bank Loan (as necessary)**

### **10. Payment of a second and final building review fee is required following City/ Municipality (C/M) approval of the CDs**

- This fee (also called the final permit fee) is due when the approved CDs are picked up from the C/M by a contractor or client.

## **11. Construction Begins**

- During construction, the client (or tenant) is responsible for..
  - SRP or APS account set up
  - Gas line account set up
  - Submitting signage drawings to the City/Municipality (C/M) and payment of a signage review fee. Signage drawings and actual signage are typically provided by a signage sub-contractor and are submitted to a City/Municipality signage department that is generally separate from the planning and zoning department(s).
  - Supplying equipment and associated specifications to the GC and architectural designer
  - Coordinating equipment delivery with the GC
  - Phone company account set up
  - Selection of a phone system vendor and approval of the specified system
    - Phone system plans must be completed and provided to the GC before framing is completed
  - Selection of an alarm system vendor and approval of the specified system
    - Alarm system plans must be completed and provided to the GC before framing is completed
  - Coordinating inclusion and installation of any (other) special equipment with the GC and architectural designer

## **12. During Construction...**

- Shop drawings (drawings prepared by a cabinet maker) and other miscellaneous documents are prepared by the GC's sub-contractors and submitted to the architectural designer for review.
- City/Municipality planning, building and zoning officials can be expected to inspect the construction site in person – approximately 10 times during various phases of the construction process.
  - Each phase of construction is subject to C/M approval (permitting) before the GC can initiate the next phase

## **13. Upon Completion of the Project...**

- The GC and client conduct a final, on-site walk-through of the project to verify that all aspects of construction and any installations have been completed and are in good working order. They will, among other things, verify that..
  - All electrical outlets and light fixtures are functioning
  - All painted surfaces are smooth without marks
  - Carpet and flooring are installed properly
  - Cabinetry is finished and in good working order
- The Client (or tenant) assumes responsibility for..
  - Replacing all locks to exterior doors of the building or suite
  - Coordinating distribution of the Knox box key to the Fire Department
  - Installing hours of business signage
  - Procuring any final certifications from the appropriate governmental boards such as the Health Department – or other entities
- The GC must turn over keys to the project to the client.

## 14. Contractor Payment

- It may be necessary to fund certain initial expenditures at the start the project.
- A series of draws (partial payments to the GC) are typically made during construction.
  - Draws are generally due upon satisfactory completion of specific stages of construction per the agreement between the GC and client.

### General Notes

- GCs submit their respective bids for the project with an estimated construction schedule, including a start and finish date.
- Material costs can fluctuate. If the project is delayed by the client, additional cost may be incurred during construction.
  - We strongly recommend establishing a project contingency fund during the planning phase to cover unforeseeable items and costs. Discuss the appropriate amount with the GC. This fund would cover...
    - Costs associated with client requests (change orders) not included in the agreed upon construction plan or budget
    - Other, unexpected expenditures
- Although permit fees constitute the majority of disbursements to the City/ Municipality , other small fees may be imposed that cannot be anticipated.

### Commonly Used Terms and Their Definitions

**CDs, Construction Drawings** - These generally refer to large drawings ( 24" x 36") that include (a)...

- Floor Plan
- Demolition Plan
- Furniture Plan
- Reflected Ceiling (Lighting) Plan
- Details
- Sections
- Cabinetry Drawings
- Finish Schedule & Legend (ID's location of specific finish applications)
- Door/Window Schedule
- Mechanical, Electrical and Plumbing Drawing
- Fire Sprinkler Drawing

**Change Order** - A revision to construction that may or may not require additional payment to the general contractor. Change Orders should be reviewed and approved by the client prior to implementation by the general contractor.

**Cut sheets, shop drawings of equipment or materials** - are used in the project, i.e. submittals made by the general contractor to verify the design or location of a sink, toilet, carpet, etc.

**Draw down** - Page-sized pieces of cardboard or paper that have been painted with a specified color associated with the project. Contractors are frequently required to submit draw downs to the City / Municipality or to the client, for approval.

**G.C.-** General contractor

**HVAC-** Heating, Ventilation and Air Conditioning. As in HVAC contractor.

**MPE-** Mechanical, plumbing and electrical shop drawings. These are drawings submitted to the GC by sub-consultants. For example, a cabinetmaker may be required to submit a drawing that verifies all elevations and cabinetry details.

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