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## PRESIDENT'S MESSAGE



Summer is in full swing and the BOMA Golf Classic is around the corner on August 19<sup>th</sup> at Northview Golf and Country Club. The tournament sold out in record time. If you are not golfing but would like to participate as a volunteer, please contact the BOMA office.

Paul LaBranche (BOMA's Executive Director) and I recently attended the International BOMA Conference in Toronto, where all the BOMA federated chapters met to discuss various national initiatives in their constituencies. The BOMA GO GREEN initiative was the hot topic on our agenda. Given how timely and successful BC's launch has been to date, all the other chapters are eager to get their programs going. This environmental best practices program is being widely accepted at the highest level of government and I would encourage all who haven't examined the benefits to do so. Go to [www.boma.bc.ca/gogreen](http://www.boma.bc.ca/gogreen) for more details.

On other fronts, I am very encouraged about the upcoming year, as we have an experienced board of directors who are committed to giving their time and energy to BOMA. We have many great committees that are staffed with local industry experts and an executive director who is very dedicated to the organization. Together we are going to make 2004/2005 a productive and fun year.

The next BOMA luncheon is in September. Until then, enjoy the rest of your summer!

Sincerely,

Jon Wellman  
BOMA BC President

## BOMA Gets an ACE Award



(Photo: Brad Kasselmann, Coast Mountain Photography)

At the recent awards ceremony in Vancouver for the Canadian Society of Association Executives, BOMA BC was honoured by receiving an **ACE** award in the 'Best New Program' category. The new BOMA GO GREEN program was submitted as our entry for the competition. The award goes to, in part, the best *“new program that is innovative, unique and likely to be adopted by others in your industry”*. Executive Director Paul LaBranche (in photo, on the right) received the award on behalf of the BOMA membership.

## Safe Streets Legislation Close

BOMA BC has been active in pushing the provincial government to move on proposed legislation for safe streets and a new **Trespass Act**. A combination of the two pieces of legislation are needed in order to curb aggressive panhandling and to enable building managers to effectively protect their private property.

BOMA, as part of a concerted effort with a Safe Streets Coalition of over 45 organizations, has written the Premier, Attorney General and others calling for action. In a recent survey conducted by the DVBIA, over 70% of the respondents supported the proposed new laws. It's clear that the BC public has had enough of disorderly behavior in their neighborhoods and on the streets. Building owners want to protect their tenants by deterring disorderly intruders and have the ability to proactively deal with recurring aggressive behavior from those individuals guilty of repeated infractions and deliberate non-compliance.

BOMA members are encouraged to speak to their local MLAs in support of this initiative.

## **Telecom Building Access**

It is not clear whether much has changed in the building access process for Telecommunications Service Providers (TSPs). BOMA Canada has participated in the CRTC Interconnection Steering Committee (CISC) in an effort to help resolve some of the differences between landlords and carriers.

The attempt to create a template access agreement is a noble one, but potentially dangerous. While there may be several issues on which both parties can agree on, it is clear there are several major issues remaining. Both industries hope to continue some form of meaningful discussion, however, there are three major obstacles which need to be cleared first:

### **The Competition Bureau**

Several landlords in the downtown Toronto core were subjected to an investigation by the Competition Bureau in the summer and fall of 2003, which alleged that landlords had colluded to escalate access fees. During the proceedings it was noted that several landlords used the same law firm and their agreements were very similar forms. There is considerable reservation in working on a template agreement unless both parties have competition counsel present. Another concern is the discussion of recoverable costs. Merely describing the method of recovery and types of costs that can be recovered could be construed as collusion. In order for discussions to continue, landlords will need assurances from the Competition Bureau as to what can/can't be discussed.

### **BOMA /CIPPREC Appeal of CRTC's Section 42 Powers**

In decision 2003-45, the CRTC referenced Section 42 of the Telecommunications Act whereby it has the power to grant forced access for telecommunications equipment.

Typically this clause has been reserved to gain access to public property such as municipal rights of way or utility poles. If Section 42 is used to force access to private property, this will set a dangerous precedent. BOMA Canada and the Canadian Institute of Public and Private Real Estate Companies have expressed concern over the erosion of private property rights and are appealing elements of the ruling. The Appeal is expected to be heard in the fall and a decision might be available before the end of the year. Meetings would need to be held without prejudice to the Appeal and outside of the formal CISC process, so that they would not be seen as an endorsement.

### **Availability of Forms**

Some members of CIPPREC and BOMA are not sold on the benefits of yet another agreement form. Given the CRTC's decision to post documents on each carrier's web site, there are many readily available documents that have been executed to date between landlords and telecommunications carriers. Also, BOMA has participated with CIPPREC to create a template document, which has been available for several years. After 2003-45, this document was updated to be compliant with the new decision.

Even with the above hurdles, it is important to keep the communication lines open between the landlords and carriers. Both parties have incentives to ensure that access to buildings is happening in a fair and reasonable manner since the carrier's customers are the landlord's tenants.

Changes in technology continue to happen much faster than the regulatory bodies can move. Time will tell whether Voice Over IP wireless networks and other technologies will change the telecommunications landscape once again.

*Article by the BOMA Canada Telecommunications Task Force Chair, Eric Yapp, of O&Y Enterprise*

# GREEN BUILDINGS GALA

Two hundred and thirty BOMA members attended the Green Buildings Gala on June 10<sup>th</sup>. The main focus of the event was to celebrate the first 22 buildings in Canada to receive GO GREEN certification, and to present trophies to the EARTH Award winners.

To kick-start the event there was a tabletop showcase for our members to display their environmentally friendly products and services.

Next year we will be back with our full awards program, which is currently being revamped. If you have ideas on how we can improve our annual Awards Gala we would appreciate hearing them, including whether you prefer a lunch or dinner format.



Jon Wellman, President of BOMA BC, handed out plaques to the GO GREEN recipients



Speaker: Deputy Minister Sheila Wynn, Ministry of Energy and Mines



# EARTH AWARD WINNERS

## **EARTH New Building Category:**

### **401 Burrard Street**

Owned by Public Works and Government Services Canada and managed by BLJC



## **EARTH Existing Building Category:**

### **Terasen Centre**

Owned by TA Properties Canada Ltd. and managed by TA Management Services Ltd.



## **Combating Crime**

*Lunch review: Velvet Cates, Canstar Restorations and BOMA Contact Committee*

In his usual enthused and forthright manner, Honourable Rich Coleman, Solicitor General and Minister of Public Safety presented his proactive approach to combating crime. The highlight of his speech was when he stated that his government was going to move on a safe streets strategy.

PRIME (Police Records Information Management Environment), a shared police records management system, was also a key point of his presentation. This standardized real time information management system allows an immediate street-side report across BC thus removing the barriers between jurisdictions that can potentially allow a criminal to slip through the system. PRIME will be up and running next year.

Minister Coleman also spoke about the BAIT CAR program, which has shown a 6% reduction in auto theft in BC. The reduction of crime in one area has proven to have positive residual effects in other areas of BC.



*Honourable Rich Coleman*

Marijuana growing operations in the Fraser Valley total nearly 4,000 annually; use \$50 million worth of power, and present an ever-increasing danger to our communities. Whatcom County in the state of Washington reports fewer than 10 grow-ops annually. In Whatcom County the possession of 500 plants results in three years of jail time and asset seizure. In BC there is no asset seizure, no jail time, and no mention of previous convictions. One kg of BC marijuana nets \$6,000 in Las Angeles. Money laundering ensures cash flow and continuous funding of the drug trade.

Federal support is a critical tool in combating the larger organized drug trade. Alternative solutions must be explored and found at different levels. The three levels of the Criminal Justice Branches must cooperate and work together, and our communities must speak up and be heard.

## **City Appoints BOMA Executive Director to Foundation**

The City of Vancouver has announced the appointment of BOMA Executive Director Paul LaBranche to the Vancouver Heritage Foundation. The Foundation was created in 1992 to assist with the conservation of Vancouver's heritage buildings. The term is for one year.

## **GO Green Water Audit On-Line**

In response to concerns from property managers about the difficulty in finding a consultant to carry out the water audit requirement of the GO GREEN standard, BOMA has created a new self-assessment audit form. For buildings pulling together their applications, the water audit form in pdf format can be downloaded at [www.boma.bc.ca/gogreen](http://www.boma.bc.ca/gogreen). Special thanks to Canada Place Corporation and the GVRD for their assistance.

## **BOMA Leaders See Economy Slowly Gaining Stability**

Leaders from BOMA say the commercial real estate industry is making positive gains, despite several years of economic downturn that will continue to present challenges. BOMA International Chairman and CEO John P. Kelly, and BOMA Canada President Hugh Gorman, delivered the annual State of the Industry addresses at BOMA's North American Commercial Real Estate Congress and The Office Building Show.

Gorman reported that the Canadian commercial real estate market has largely survived the last few years of economic hardship and is poised for gains in the near term. "Most markets in Canada have stabilized and will improve over the next two to three years, even without dramatic increases in overall economic activity. The results of the technology meltdown have been realized and factored into the market, so there is not so much in the way of shadow inventory that could surface and affect the current trend. I am pleased to attest that the overall condition of key Canadian markets is healthy, with all indicators showing stable or positive signs in virtually every market."

Citing data from Statistics Canada, Gorman commented that the two main risks to the Canadian economic outlook are the uncertainty surrounding the impact of the rise of the Canadian dollar, and the sustainability of the U.S. economy.

"The gains made thus far in 2004 suggest a Bank of Canada rate hike is likely in the fall, to keep inflation at the midpoint of the targeted one to three percent range," he said. "The non-residential sector continues to be affected by these mixed economic indicators, although there are notes of optimism throughout many sectors of our economy at present."

Gorman also identified a change in the buyer profile in

Canada. An analysis of transactions over \$50 million in 2002 and 2003 confirms that the profile of investors has changed significantly. "We are now seeing less money coming from traditional sources such as pension funds and government, and more coming from offshore investors," he said.

"In addition to our job situation improving and continuing signs that our economy is growing, our industry is getting back on track, too," said Kelly, who concluded his one-year term as chairman in June. "Granted, it will be a slow process. The real estate industry typically runs a step behind the economy, and office markets lag behind the rest of the industry by as much as 12 to 18 months."

Kelly cited several months of job growth and stable unemployment figures as positive signs for the future. He also addressed concern caused by the offshoring of jobs, explaining that there are two schools of thought on the subject. One says that the estimated 3.3 million white collar jobs that are expected to go overseas over the next 15 years will result in a loss of 500 to 600 million square feet of office space demand in the U.S. The other line of thinking is that 3.3 million jobs over 15 years represents a tiny fraction - only about 2.5% - of the United States' current employment of 138 million.

Another indicator pointing to greater prosperity is the fact that future construction has dropped off considerably. "With no new space in the pipeline and economic growth starting to fuel demand, we've likely seen office hit its peak vacancy, meaning positive lease absorption is near," Kelly said.

The commercial real estate market is likely to be affected by members of the Baby Boomer generation who will begin retiring in the next few years.

*Continued on Page 8*

## Welcome New Members!

BOMA is pleased to welcome the following new members to our association:

- ◆ Scott Reid, **Austeville Properties Ltd.**
- ◆ David Bodkin, **Data Plus Inc.**
- ◆ Ken Huffman, **Tonko Realty Advisors (BC) Ltd.**
- ◆ Brian Meakin, **Turner Meakin Management Company Ltd.**
- ◆ Dan Coulombe, **Wesclean Equipment & Cleaning Supplies Ltd.**

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## Scandinavian is Now SerVantage

After forty years of being 'SBM', Scandinavian Building Maintenance Ltd. changed their name to SerVantage to reflect the changes within the organization. The people are the same, but they have improved their systems, methods and technology to better serve their clients. SerVantage provides janitorial services to the commercial real estate industry.

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“The difference between the Baby Boomers retiring at age 65 or delaying retirement could mean the difference between developing upwards of 40 million square feet of office space per year if they do step aside, or almost 80 million per year if they stay in the workforce until 2020,” explained Kelly.

*Kelly Gorman Report on the State of the Industry in the U.S. and Canada*

## BOMA EVENTS CALENDAR 2004

### JULY

9

Victoria Golf Classic, Royal Oak Golf Club

### AUGUST

19

BOMA Golf Classic, Northview

### SEPTEMBER

23

BOMA Luncheon: Hyatt Regency Hotel

### OCTOBER

21

BOMA Luncheon: Hyatt Regency Hotel

### DECEMBER

10

BOMA Holiday Luncheon: Hyatt Regency

*For up-to-date events and education info or to register for luncheons: [www.boma.bc.ca](http://www.boma.bc.ca)*

## e-Seminars are Fast and Free

Try the new e-seminars on BOMA's website - they take less than ten minutes each to complete.

### The Growing Concern of Mould:

- What is mould?
- Chemicals produced
- Preventing mould

### Remediation & Your Property:

- Investigating for mould
- Guidelines
- Remediation process

Go to: [www.boma.bc.ca/careers.php](http://www.boma.bc.ca/careers.php)

