

Leveraging Technology

Environmental Management for the Real Estate Sector

Tyler Barkhouse, P.Eng., CEA, CEAS
Canadian Environmental Auditing Association
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Challenges of Implementing Technology



Change = Uncertainty

- ✓ “ I don’t want to Change!”
- ✓ “ I don’t know how to use those gadgets!”
- ✓ “ Today’s technology is obsolete tomorrow!”
- ✓ “ Are the extra costs worth it!”
- ✓ “ If it ain’t broke, don’t fix it!”





Uncertainty

as Jim Collins says

“Good is the enemy of great!”





Overcoming Uncertainty

Vital actions for change management

- ✓ **Desire to improve**
- ✓ **Research & Understanding**
- ✓ **Communication**
- ✓ **Involvement**
- ✓ **Accountability**





What's in it for ME?





What's in it for ME?

Benefits of leveraging technology in property ownership and management

- ✓ **Efficiency**
- ✓ **Centralization**
- ✓ **Standardization**





Leveraging Technology for Standardization

Portfolio Data Collection and Entry



Efficiency

First Thoughts...

- ✓ Higher Profit Margins
- ✓ Increased Productivity

But What About:

- ✓ Higher Quality Product
- ✓ Lower Storage Needs
- ✓ Less 'Reactive' More 'Proactive'



Brakes on Efficiency

- ✓ **Requires Change**

and sometimes...

- ✓ **Requires Up-front Costs**
- ✓ **Requires New Skill Sets**





Efficiency Drivers

- ✓ **Solves Problem**
- ✓ **Decreases Risk**
- ✓ **Increases profits**



The Acquisition

- How can Technology help Expedite the Phase I Environmental Site Assessment Process during the Due Diligence period ?



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PROPERTY ASSESSMENT REPORTING

INCLUDING ASTM PHASE I ESAs and PCAs

Welcome to PARCEL!

The PARCEL Website allows users to generate a number of fully compliant engineering and environmental reports. Our most widely used modules allow for the data collection, management, and reporting of ASTM Phase I ESA and ASTM PCAs.

Other modules include:

- Canadian Standard Phase I ESA
- Phase I ESA Update
- Streamlined Phase II ESA
- Gas Station Compliance Inspections
- ASTM Transaction Screen
- And Others...

Sample PARCEL Phase I ESA Report

Done Internet





Site: 300 East Washing 1:37p ok

Project
Project Name: Devlin Acquisitions
Project Number: 14905

General Info
Hazardous Substances
Petroleum Products
USTs
ASTs
Other Containers
PCBs
Interior Storage
Discharge Pits, Ponds
Solid Waste
Stained Soil
Wells

Site: 300 East Washing 1:40p ok

Site Visit Findings
Underground Storage Tanks (USTs)
Building: The Store
Tank No: 2
Specific Location: Pad
UST Construction: Steel
Single walled
Content: Gasoline
Installation Year: 1979
Capacity (Gals.): 6,000

Site: 300 East Washing 1:42p ok

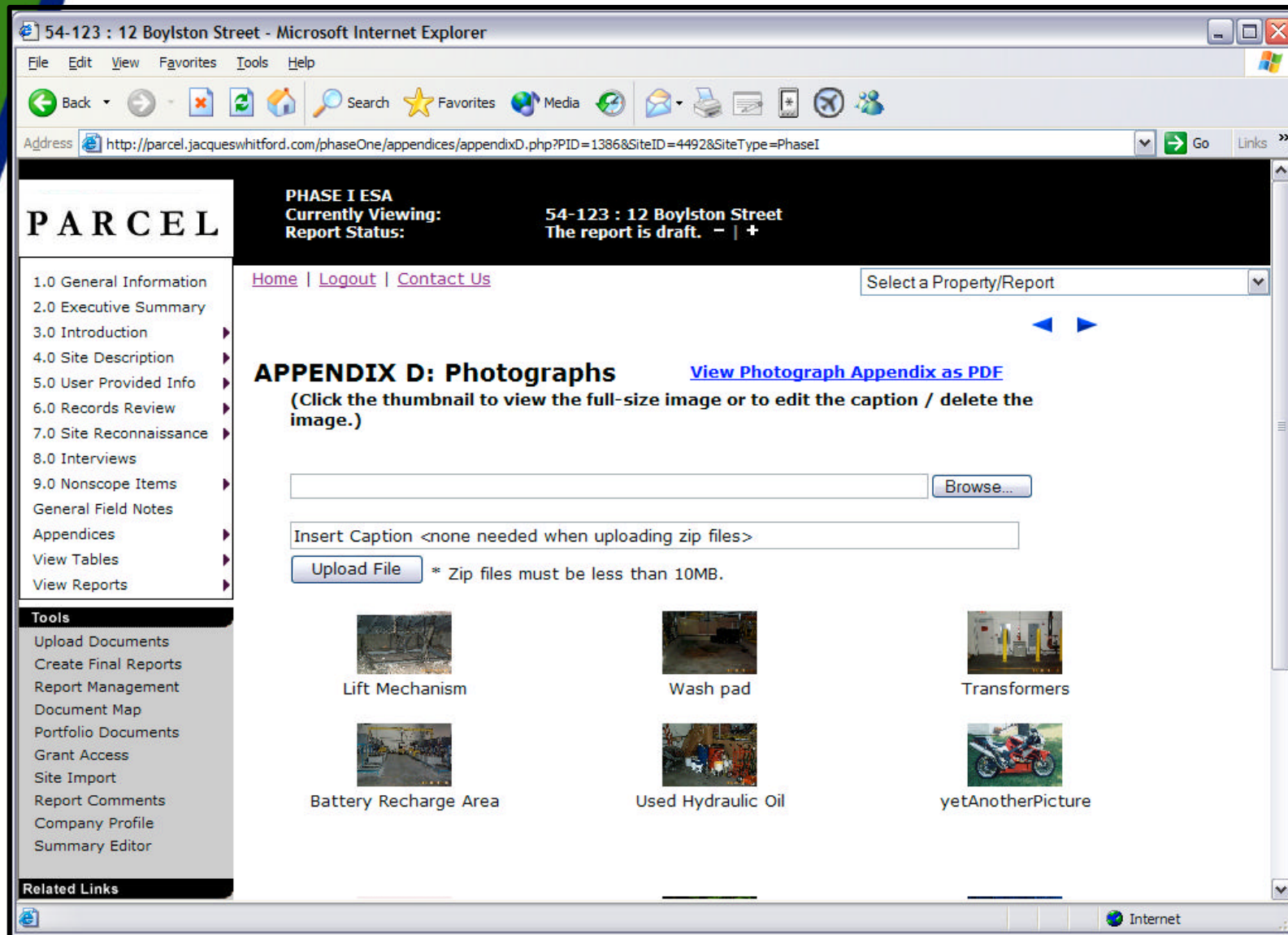
Data Deliverable Menu
Select the Sites to Include in the Data Deliverable
All
300 East Washington Street
415 Haynes Street
903 Benham St
I-55 & Highway 61

Select the Method Used to Transmit the Data Deliverable to the Web
Desktop File Transfer
Create PARCEL Phase I Upload File
Back to Main Menu

Site: 300 East Washing 1:41p ok

Site Description
Description of Structure
Building Name: The Store
Building Use: Gasoline Station/Convenience M
of Stories: 1 Footprint (sq. ft): 2,440
Heat Source: Unknown
General Construction
The site is improved with a one-story, 2,440 square foot building, one gasoline
Back to Building Selection
Navigate

PDA Data Acquisition



Site Photographs



54-123 : 12 Boylston Street - Microsoft Internet Explorer

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Address http://parcel.jacqueswhitford.com/phaseOne/recordsReview/databaseInformation.php?PID=1386&SiteID=4492&SiteType=PhaseI&summaryMessage=The%20summary Go Links

PARCEL

- 1.0 General Information
- 2.0 Executive Summary
- 3.0 Introduction
- 4.0 Site Description
- 5.0 User Provided Info
- 6.0 Records Review
- 7.0 Site Reconnaissance
- 8.0 Interviews
- 9.0 Nonscope Items
- General Field Notes
- Appendices
- View Tables
- View Reports

Tools

- Upload Documents
- Create Final Reports
- Report Management
- Document Map
- Portfolio Documents
- Grant Access
- Site Import
- Report Comments
- Company Profile
- Summary Editor

Related Links

- Jacques Whitford

PHASE I ESA
Currently Viewing: 54-123 : 12 Boylston Street
Report Status: The report is draft. - | +
Section Last Updated By: Johnston Huntress @ 03/12/2004 3:08:08 PM EST

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Select a Property/Report

Standard Environmental Records Sources [Default Language](#)

[Edit Summary](#)

The summary information has been updated.

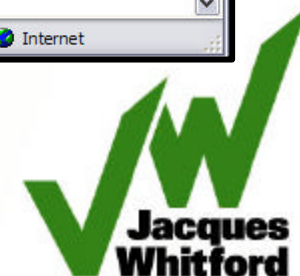
One Superfund and CORRACTS site was identified within one mile of the subject site. This site, the Motorola 52nd Street facility is located approximately one mile northeast of the subject site. The 90-acre Motorola facility was constructed in 1956. Between 1956 and 1983, Motorola disposed an estimated 200,000 gallons of chlorinated solvents at the paint including 116,000 gallons of TCE.

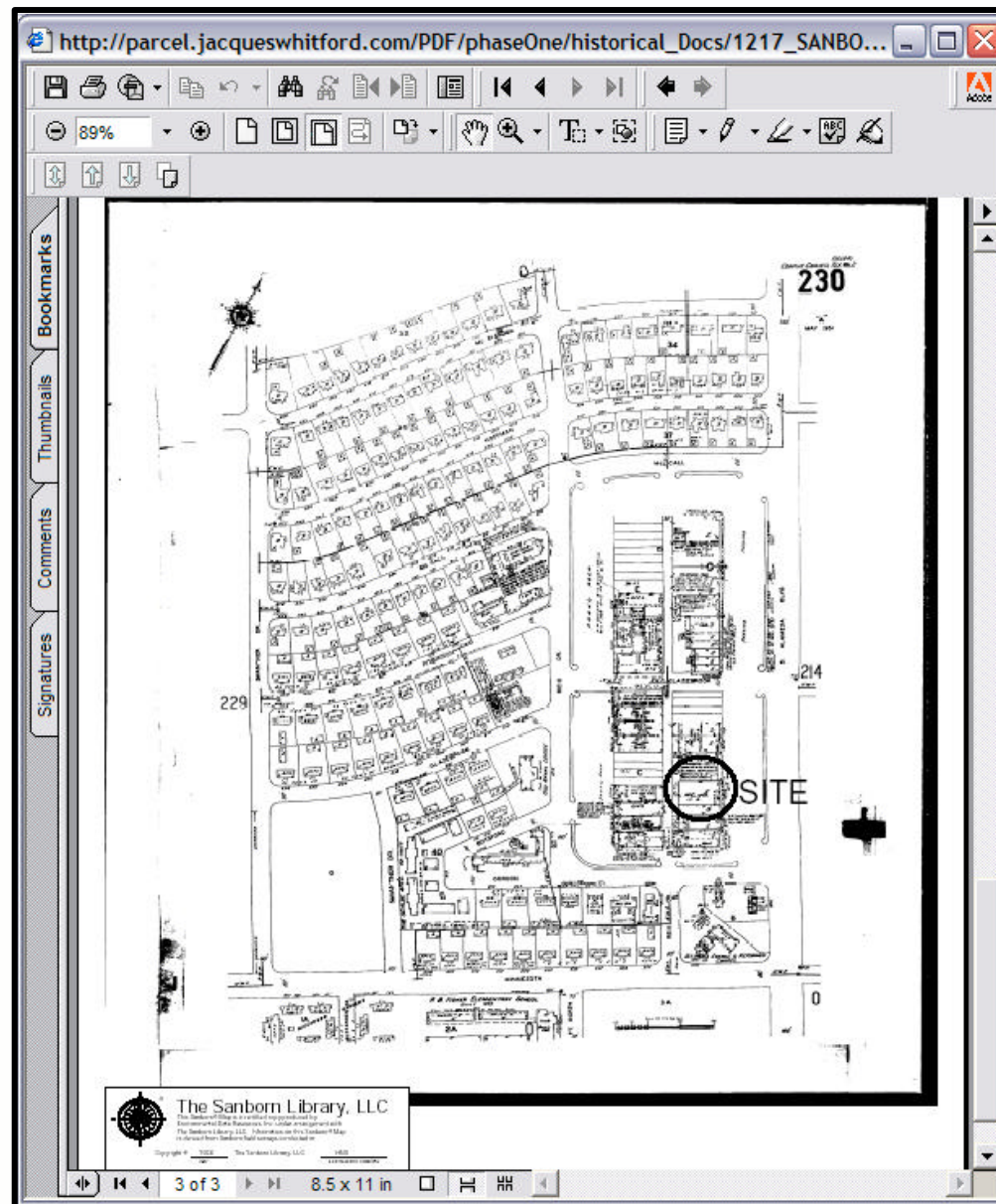
[Edit Detail](#)

	Target Property	Adjacent Property	# Other Sites
Federal NPL Sites (< 1 mile)	N	N	1
Federal CERCLIS Sites (< 0.5 mile)	Y	Y	5
Federal CERCLIS NFRAP Sites (Property & Adjoining)	N	N	N/A
RCRA CORRACTS Sites (< 1 mile)	N	N	1
RCRA TSD Facilities (< 0.5 mile)	N	N	0
RCRA SQG (Target & Adjacent)	N	N	N/A
RCRA LQG (Target & Adjacent)	N	N	N/A
Federal ERNS Sites (Target Property Only)	N	N/A	N/A
State HW Sites (< 1 mile)	N	N	16
State CERCLIS Sites (< 0.5 mile)	N	N	0

Internet

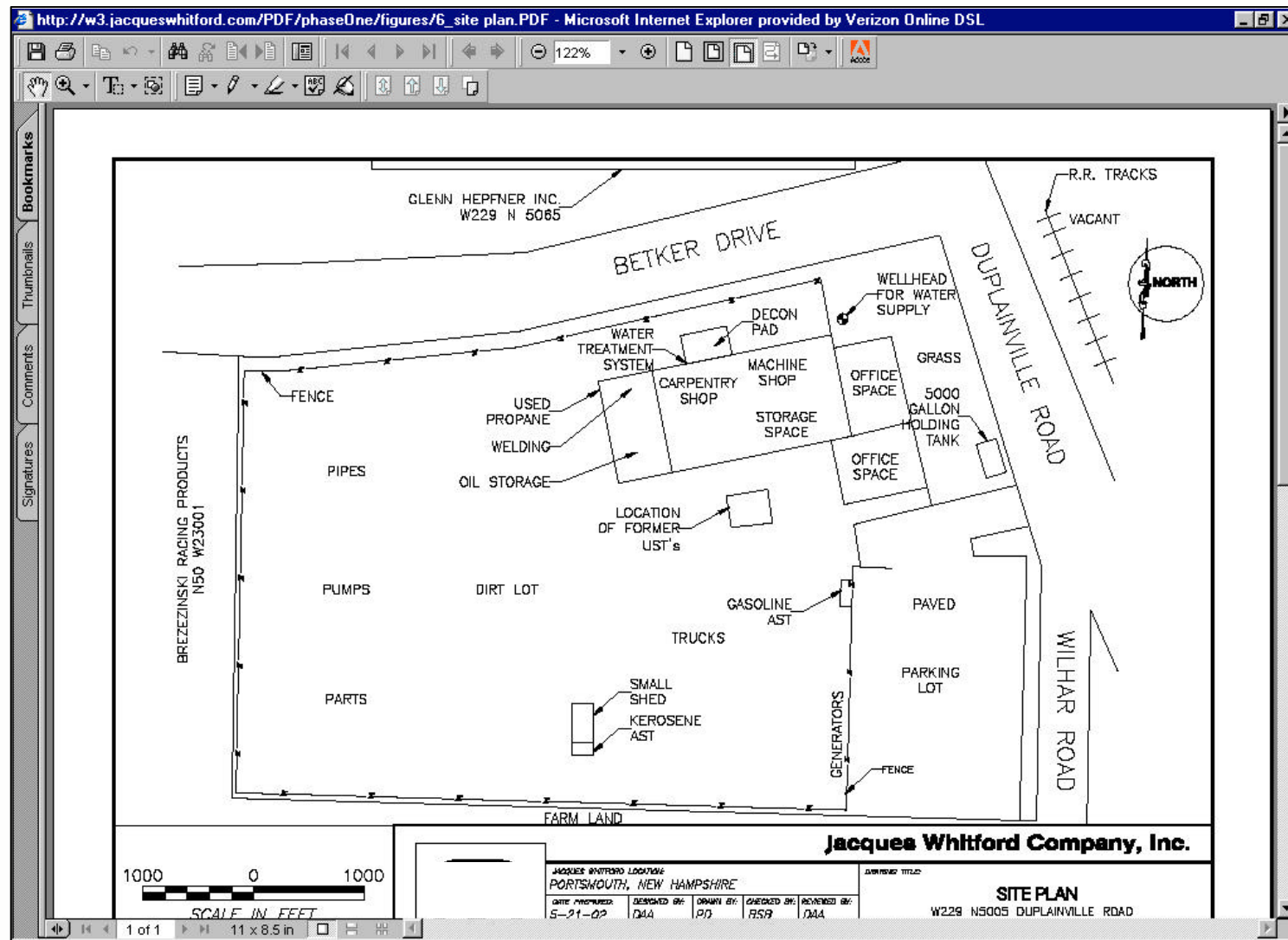
Web based data entry



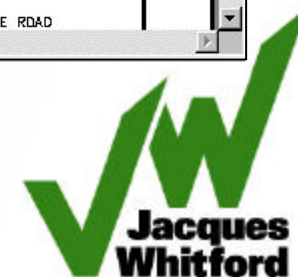


SANBORNS





SITE PLANS



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Address <http://parcel.jacqueswhitford.com/accounts/siteManager.php?referenceNumber=9999&siteAddress=Site+Address23456&SiteAssessor=SiteAss&finalDate=2003-03-018> Go Links

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Report Management

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PORTFOLIO STATUS REPORT

PORTFOLIO PROJECT DELTA
DUE DATE 12-May-04

PHASE I ESA

Prop. #	Address	Site Assessor	Order Database	Order Historical	Schedule Site Visit	Site Visit Complete	Site Plan Ordered	Qualifications	References	Figures	Photographs	Regulatory	Historical	Miscellaneous	Invoices	% Complete	REC / Phase II	Awaiting Information	Senior Review	Draft to Client	Final to Client	Hardcopy to Client
54-123	12 Boylston Street, Boston MA	Johnston J. Huntress	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2	3	3	16	4	2	5	2	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
8001-0000	100 Post Road, Southwick CT	George Bearpaw	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1	3	2	9	5	9	6	3	1	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
8001-1111	122 Main Street, Kemah TX	Johnston J. Huntress	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1	2	2	8	5	1	1	1	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Save All Changes Cancel All Changes

CLICK ON NAME TO EMAIL SITE ASSESSOR

GENERATED ON: MAY 1, 2004 AT 12:30PM

javascript:openwindow('./statusEmail.php?PID=1386&SiteID=1194','Invoice','600','500');

Internet



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Address <http://parcel.jacqueswhitford.com/reporting/deliverable.php?PID=1386&SiteID=4492&SiteType=PhaseI&sitePath=L38oYXNIT25L2dlbmVvYWxJbmZvcmlhdGlvbi5waHA/> Go Links

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Create Final Reports

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MAIN MENU

- Create Work Order
- Bidders' Area
- Upload Documents
- Portfolio Management
- Account Management
- Create Final Reports
- Company Profile
- Remote Data Acquisition

Assemble Deliverable in PDF Format [<< Return To Site](#)

Reports

- * Cover Page :: [view](#) | [edit](#)
- * Table of Contents
- ☐ Acronyms & Abbreviations
- ☐ Glossary
- ☐ Executive Summary
- ☐ Detail Report ☐ Portrait ☐ Landscape
- ☐ Project Summary Table

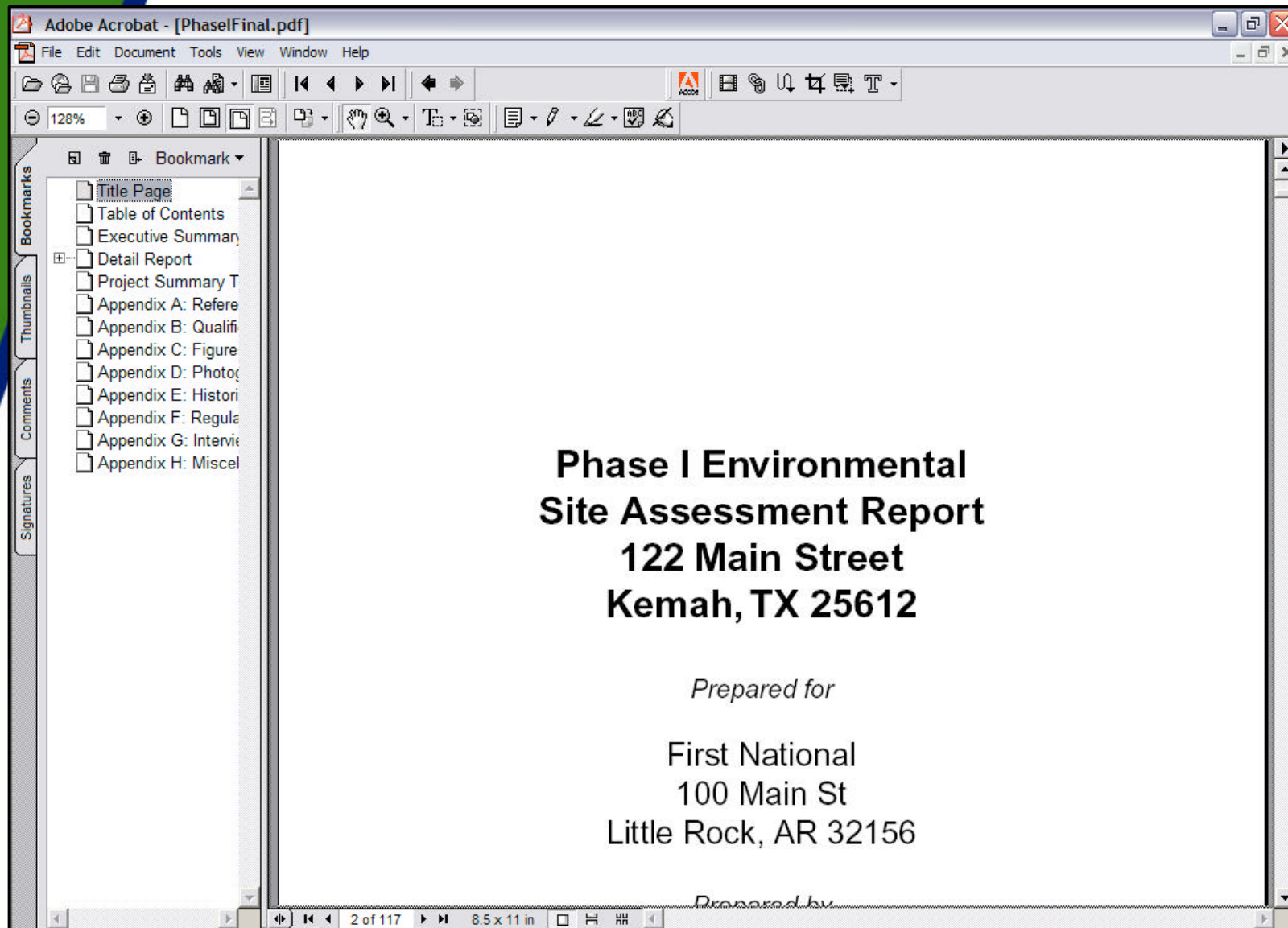
* Included by default.

Add Appendices	File Count	Total Size
<input type="checkbox"/> References	1	523.53KB
<input type="checkbox"/> Qualifications	2	163.69KB
<input type="checkbox"/> Figures	2	641.3KB
<input type="checkbox"/> Photographs		
<input type="checkbox"/> Historical Research Documentation	7	2.25MB
<input type="checkbox"/> Regulatory Records Documentation	2	548.11KB
<input type="checkbox"/> Interview Documentation	3	4.16KB
<input type="checkbox"/> Miscellaneous Information	1	81.18KB
<input type="checkbox"/> Invoices		

Internet

Two-click Final Report Generation





Phase I ESA





Leveraging Technology for Environmental Management in the Real Estate Sector

Environmental Management in the 21st Century

Summit REIT Portfolio



Who's Doing it Now!

- ✓ REITs
- ✓ Pension Funds
- ✓ Lending Companies
- ✓ Banks
- ✓ Property Managers
- ✓ Owners



How are they doing it?

- ✓ **Paper Based Systems**
- ✓ **Intranet Based Systems**
- ✓ **Internet Based Systems**



What Environmental Information needs to be Managed?

Outstanding Issues

- ✓ Phase I and II ESAs
- ✓ Remediation Reports
- ✓ Environmental Audit Reports
- ✓ Tenant Audit Reports



The Challenge!

Environmental Management

- ✓ Usually seen as a necessary evil

The Challenge of Daily Operations

- ✓ Too busy to take care of environmental stuff



The Summit REIT Solution

- ✓ Easy to use
- ✓ Quick
- ✓ No reporting duplication
- ✓ One step issue resolution and reporting
- ✓ Centralization of data
- ✓ Portfolio roll-up
- ✓ Customized external reporting





The Solution

Secure Centralized Data Management and Reporting

- ✓ **Property Managers**
- ✓ **Financial Institutions**
- ✓ **Environmental Insurance**
- ✓ **Lawyers**
- ✓ **Investors**





System Features

Ability to transpose environmental issues identified during due diligence immediately to property managers to deal with





System Features

PMs resolve issues and record resolution once.

Information immediately transferred to centralized reporting for immediate access by owner.





System Features

Owner can instantaneously

- ✓ access documents**
- ✓ track resolutions**
- ✓ roll up information for portfolio**
- ✓ prioritize budgeting for remediation work**
- ✓ use rating system consistent with industry**





System Features

- ✓ **pre-screen new tenants**
- ✓ **tenant exit inspections**
- ✓ **scheduled environmental inspections**
- ✓ **centralize information collection**



System Enablers

- ✓ pdf files for digital storage
- ✓ communication via internet
- ✓ protected web site
- ✓ different levels of access



The Result

- ✓ bang for time buck
- ✓ management of environmental issues
- ✓ more time to focus on core business
- ✓ cost savings in refinancing, selling and environmental insurance
- ✓ tangible environmental stewardship





Thank You

Questions?

