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Keep busy and get prepared during the down time: Land development in 2009

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2009 will be one of the most challenging years most of us have ever had to work through. But as the saying goes, when the going gets tough, the tough get going. Let's get going; we all know at some point there will be a recovery so we need to keep busy and be prepared for it. Here are some thoughts to productively use downtime and get prepared for what is coming.

Spend the necessary time on your business plan.

In good times the basic business plan has taken a back seat to other more pressing issues such as growth, recruitment, mergers, acquisitions, and the like. Everything just seems to fall in place regardless of the plan. Well now we have the time, so get serious, do the research. Which sectors will be heating up and which ones will remain dormant for a while? At least one knowledgeable A/E and environmental consultant, Mark Zweig, is predicting housing to recover faster than thought. Low interest rates and substantially reduced prices add up to affordability and will make this an attractive market for many. What are other experts saying about housing and other market sectors? Do the research to produce the roadmap to follow for the next several years. Be sure to build in flexibility; things will change.

Schedule the training.

There is no better productive use of downtime than training. Put into motion those ideas you have been kicking around about having the AutoCAD specialists come out and get your office up to speed with the latest releases. Train your PM's on your latest accounting software, get additional training on the many recent regulation updates and so forth. Get prepared for the next wave.

Get involved, maybe write your legislator.

Nothing stunts new development and real estate opportunities more than new government regulations which attempt to address all possible situations. As real estate professionals and consultants, we know that each site is unique and comes with a different set of opportunities and constraints. Historically, the developer and their design professionals have been challenged to develop a design to address both. The new 2008 stormwater regulations in Mass. have tied all our hands by attempting to create a cookbook method to be implemented for all sites, with little or no relief for site specific conditions. When you add in the incremental costs for design and construction to comply with these new regulations, the project can't handle it, they go dormant.

Now in January, they're proposing even more regulations for stormwater which will affect existing developments as well. Many organizations like NAIOP MA and Associated Industries of Mass. are opposing these regulations as they are deeply concerned over the economic impact.

Any impact in this economy can be a deal killer. Write your legislator; you now have some time to do this.

For updated info on legislators for your area, go to www.mass.gov/legis/city_town.htm, for further information on the NAIOP and AIM initiative go to www.NAIOPMA.org and www.AIMNET.org. Get involved and help shape the recovery; do not stand by and watch it. Perhaps we can get some beneficial modifications or a delay in implementation dates until the economy can bear the additional costs. Keep in mind these new regulations in and of themselves are not a bad thing, on the contrary they are good for the environment and the regulators mean well, it's just bad timing.

Step up recruitment efforts.

It's been proven the best time to recruit is in a down economy. Plenty of well-qualified people are out of work for no fault of their own. Respond to references and resumes you receive, start dialogues now; you may not have the open position available at the moment, but you better be prepared with a list of good talent when things start rolling again.

Get the Office in Shape.

All those files which you haven't touched in years are just dead weight; do something with them. Depending on your legal obligations, throw them away, or properly archive them, and if possible, move them to an off-site storage facility. You'll pay for less per s/f for this space, and you might even be able to reduce your necessary leasable area.

Paint the office and fix it up. Any landlord will tell you paint and polish is cheap compared to a new build out. Have everyone come in prepared with work clothes on several pre-designated days and hand them a paint brush, a dust mop or a vacuum. They'll feel productive and you get a new, clean office look.

I could go on, just writing this article I thought of several more items to keep busy and get prepared.

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