

HIRC

The High-Risers Club

3.12.2024 – Land Development Session 2

Coach Jeff Wright

Welcome

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Does anyone have anything great to share personally or professionally?



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Podcast

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- **Last Week: Land Entitlement. Similarities and Differences Between Residential and Commercial Zoning.**
- **This Week: Why Some Land Development Deals Fail or Do Not Achieve the Profit the Developer Anticipated**

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Land Development

Land Entitlement

Land entitlement is a legal process in which a landowner, a real estate developer or a contract purchaser obtain approval from the local governing body for their development plan.

Entitlements are a legal agreement between the applicant and the government municipality to allow for a specific type of development. It details the specific function, density and setback requirements for the project approval.

The land entitlement process is a very important part of the commercial real estate world as anything that gets built has gone through some process to allow for the property to be built on.

The process has similar steps throughout the U.S. However, those steps may be labeled differently and occur in other sequences with different requirements than noted in this course.

A property with entitlements is worth significantly more than a property without them.

Timing

Varies by project type and scope

The size of the project, whether it needs city, county, and/or state approvals, the backlog of applications and the size of the government agency staff dictate how long the approval or denial takes.

If the existing regulations allow the use that is being applied for, and there are no variances required, the process will be quicker, and the planning office should be able to guide you as to the timing.

Cost

Projects are almost always more expensive, complicated and lengthy than applicants expect

Hire a Team of Professionals

It is important to hire a team of professionals who have a good reputation and expertise with the local land entitlement process.

This local expert team consists of:

- Developer
- Land Use Attorney
- Civil Engineer
- Surveyor
- Environmental Consultant
- Traffic Consultant
- Architect
- Landscape Architect
- Lender
- Commercial REALTOR® with product and market experience

Hire a Team of Professionals

Developer

The developer initiates the land entitlement process by identifying opportunities for development, coordinating with various professionals, navigating legal requirements, and overseeing the project's implementation.

Hire a Team of Professionals

Land Use Attorney

The land use attorney assists the developer in understanding and complying with zoning laws, regulations, and other legal aspects related to the entitlement process, including representing or working with the developer in negotiations with local authorities.

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Civil Engineer

The civil engineer assesses and designs the site's infrastructure, including grading, drainage, utilities, and roadways, to ensure compliance with regulatory requirements and feasibility of the development plan.

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Surveyor

The surveyor conducts land surveys to determine property boundaries, topographic features, and existing conditions, providing accurate data essential for the design and development process.

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Environmental Consultant

The environmental consultant assesses the site for environmental issues, conducts impact assessments, and guides the developer in complying with environmental regulations and mitigating potential risks.

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Traffic Consultant

The traffic consultant analyzes traffic patterns, assesses the impact of the proposed development on traffic flow, and recommends traffic mitigation measures to address transportation-related issues.

Hire a Team of Professionals

Architect

The architect collaborates with the developer to design the project, ensuring that the proposed structures meet zoning requirements, building codes, and aesthetic considerations while integrating functionality and sustainability.

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Landscape Architect

The landscape architect designs outdoor spaces and amenities, incorporating sustainable landscaping practices, aesthetic elements, and functionality to enhance the overall appeal and value of the development.

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Lender

The lender provides financing for the development project, evaluating the feasibility of the project based on entitlement approvals, financial projections, and risk assessments to determine the terms of financing.

Hire a Team of Professionals

Residential or Commercial Realtor

The residential or commercial realtor provides market insights, assesses property value, and advises the developer on real estate trends, helping to inform decision-making related to property acquisition, development potential, and market positioning.

Three primary steps to the entitlement process

- A. Planning
- B. Engineering
- C. Building and Safety

Three primary steps to the entitlement process

A. Planning: The planning phase of the entitlement process involves determining the land's best use based on local zoning regulations, community needs, and market demands. This step includes land use analysis, site plan development, public hearings with the local planning department, and obtaining necessary approvals such as zoning changes or conditional use permits.

Three primary steps to the entitlement process

B. Engineering: The engineering phase focuses on the technical aspects of developing the land, including site design, infrastructure planning, and compliance with engineering standards for utilities, grading, drainage, and access. This step involves collaboration with civil engineers, surveyors, and other technical experts to create detailed site plans and construction drawings that meet regulatory requirements.

Three primary steps to the entitlement process

C. Building and Safety: The building and safety phase involves obtaining building permits and ensuring compliance with building codes and regulations. This step includes submitting construction plans for review, addressing any corrections or revisions required by the building department, and securing final approvals to begin construction. Inspections are conducted during construction to ensure that the project meets safety standards and code requirements.

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Next Session

Next Session: Land Development Session 3

Tuesday, March 19th, 2024
@ Noon Eastern

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