

NAIOP Development Class
Session One – The Basics
Presented by Rick Woodruff, Rincon Development, Inc.

- Development Typically transpires in two ways
 - A use looking for a site
 - Fed Ex – Discussion of process Fed Ex uses for site selection
 - UPS - Same as Fed Ex
 - King Soopers – How they determine where to locate a store
 - Customer shopping patterns
 - McDonalds – How they determine where to locate a store
 - Highway
 - Neighborhood
 - Lunch
 - Liquor Store
 - Go home side
 - A site looking for a Use
 - Discussion of Waterview Property in Boulder
 - Industrial
 - Single Family Residential
 - Apartments
 - Redevelopment is typically a site looking for a different use
 - The Boulder Daily Camera Buildings
 - Value Add is a type of development that has the same basic use but renovations are used to increase the value of the property
 - 1919 14th Street
- The Developer's role in Development
 - Think of it like the hub of the wheel and then all the spokes that emanate from that center
 - Architecture
 - Finance
 - Engineering
 - City Constraints
 - Boulders Blue Line
 - Denver Neighborhoods View Corridor
 - Easements and Deed Restrictions
 - Building Codes vs. City Constraints
 - Etc.
 - Based on all the input from the spokes it is then the Developers job to take and mold the site to meet all the requirements
 - Like a piece of putty that is constantly reshaped
 - 55th Street Development Example

- Types of Development
 - Multi-Family
 - Office
 - Retail
 - Industrial
 - Hotel and Leisure
 - Etc.
 - What is hot and what is not
 - And how this changes
- Construction Contracts and when they are used
 - Cost Plus
 - Design - Bid - Build
 - Design with GC P&O fixed - Bid subs - Build
 - Architecture
 - Change Orders -
 - Cost Ramifications
 - How they are used by contractors
- Risk/Reward equation to consider in development
 - Up Front Costs
 - Time to completion
 - Market acceptance
 - City Involvement
 - Not their job to see that you make money
 - They are there to protect the public interest
 - Depending on where you develop this can be a significant financial impediment to reaching a viable project
 - Corum in Westminster
 - Daily Camera Building in Boulder
- Good resources for educating yourself about development
 - The Last Harvest
 - Good Read and more of a novel than a textbook
 - ULI Guide to Professional Real Estate Development
 - Textbook prepared by Harvard Professors
 - Quarterly NAIOP Development Magazine
 - ULI Monthly Magazine