

Ask the Developers

The Three R's of Attracting Developers to Your Project

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The Three R's of Attracting Developers to Your Project

- Return on my Time
- Return on my Capital
- Reduction of my Risk

Return on my Time – Make the RFP Process Worthwhile

- Know what you want – and be realistic
- Assemble all of the information that can be known
- Disclose the evaluation criteria
- Do what you say you are going to do
- Create the opportunity for high ROE (return on effort)

Return on my Time – Make the RFP Process Worthwhile

- Know what you want – and be realistic
 - What uses do you want?
 - What is the relative mix?
 - Is this compatible with the existing area?
 - Is this use supported by the community?
 - Is this use supported by elected officials?
 - Will this work with remediation plan?
 - Does it pencil?

Return on my Time – Make the RFP Process Worthwhile

- Assemble all of the information that can be known
 - Entitlements
 - Results of environmental site assessment
 - Status of infrastructure
 - Community group info

Return on my Time – Make the RFP Process Worthwhile

- Disclose the evaluation criteria
 - Developer criteria
 - Project development plan
 - Desired format of response
 - Practice transparency

Return on my Time – Make the RFP Process Worthwhile

- Know what you want – and be realistic
- Assemble all of the information that can be known
- Disclose the evaluation criteria
- **Do what you say you are going to do**
- **Create the opportunity for high ROE (return on effort)**



Reduction of my Risk

- Knowledge is power
- Development Agreement
- Help us secure entitlements
- Help us reduce timeframe



Reduction of my Risk

- Development Agreement
 - Protection for all constituents
 - Provides for a certainty of outcome
 - Flexible development plan based on remediation plan



Reduction of my Risk

- Knowledge is power
- Development Agreement
- **Help us secure entitlements**
- Help us reduce timeframe



Reduction of my Risk

- Help us reduce timeframe
 - Environmental
 - Entitlements
 - Infrastructure



Return on my Capital

- There are multiple elements to the required project return
- Lowering risk can lower required return threshold
- Use creative structuring to reduce upfront capital



Return on my Capital

- There are multiple elements to the required project return
 - Risk
 - Size of project / return (return on effort)
 - Profit
 - Return to project capital investors
 - Return to developer



Return on my Capital

- There are multiple elements to the required project return
- **Lowering risk can lower required return threshold**
- **Use creative structuring to reduce upfront capital**



Summary

- The Three R's
 - Return on my Time
 - Return on my Capital
 - Reduction of my Risk