

Fundamentals of Land Development, Session V Commercial Development

April 25, 2017
Thomas Pilon

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Thomas Pilon, P.E.

SVP Development, St. John Properties, Inc.

- BS Civil Engineering, UMCP, 1990
- Experience
 - Consulting engineer - 7 years
 - Developer - 20 year
- Boards / Committees
 - NAIOP Board, former Director
 - NAIOP Legislative Committee, Chair
 - Trinity School Board of Trustees, Chair
 - Trinity School Facilities Committee, Chair
 - Member various County/State land use committees/workgroups
 - Anne Arundel County, Baltimore County, Carroll County, SHA, MDE

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St. John Properties, Inc.

Est .1971

- Ed St. John, Founder & Chairman
- Privately held, full service real estate investment company
- 17 million SF (flex/R&D, office, retail)
- 2,000 apartments
- 3,000 residential units in pipeline
- 7 states (MD, VA, PA, CO, LA, UT, WI)
- 6 regional offices (Baltimore, Frederick, CO, LA, UT, WI)

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Who are you?

- Developers
- Builders
- Contractors
- Engineers/Surveyors
- Attorneys
- Others

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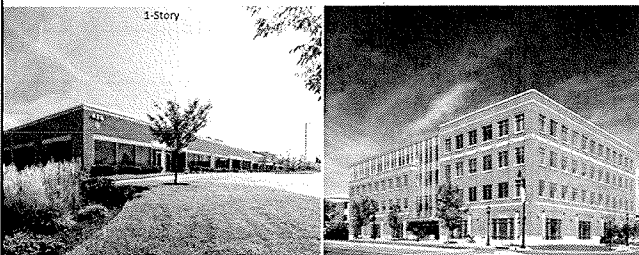
Commercial Development

- Office (1-story / low-rise / mid-rise / high-rise)
- Flex/R&D
- Industrial
- Warehouse (bulk / storage / self-storage)
- Apartments

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Office



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Flex/R&D



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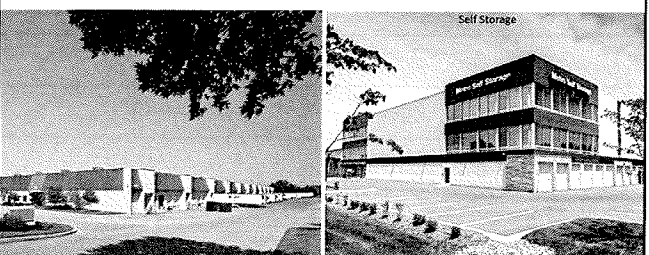
Industrial



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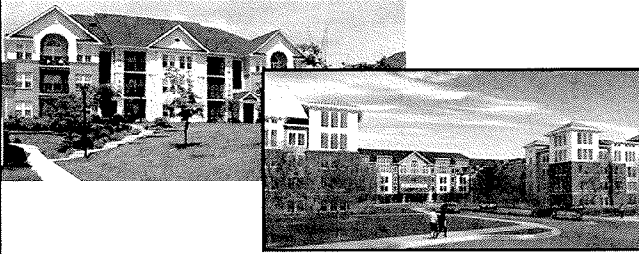
Warehouse



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Apartments



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Commercial vs. Residential

• Similarities

- Development & Subdivision rules/regulations
 - Timeframes
 - Public process
 - SWM / Grading / Erosion & Sediment Control
 - Forest Conservation / Floodplain / Wetlands
 - PWA / UA / RA
- Pro-forma / financing
- Zoning – variances / process

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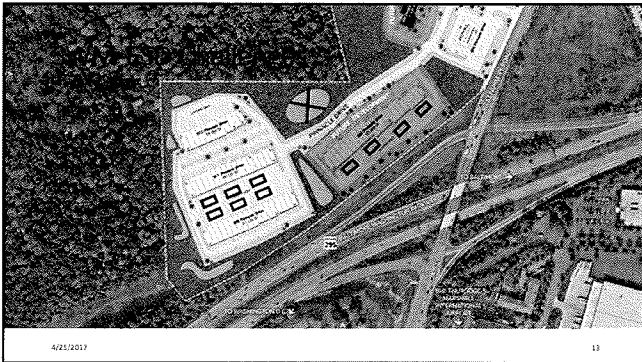
Commercial vs. Residential

• Contrasts

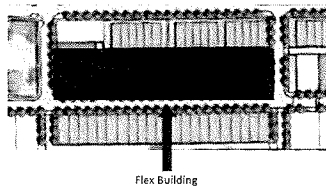
- No school issues!
- Landlord / tenant
- Public perception
- ADA
- Zoning – variety of uses
- SWM - ESD challenges
- Grading - large pad site
- Government services
- Location sensitivity

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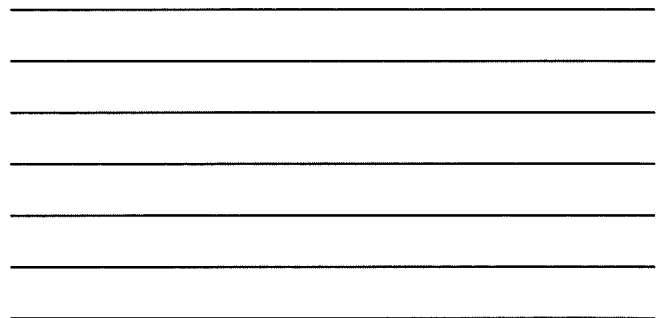
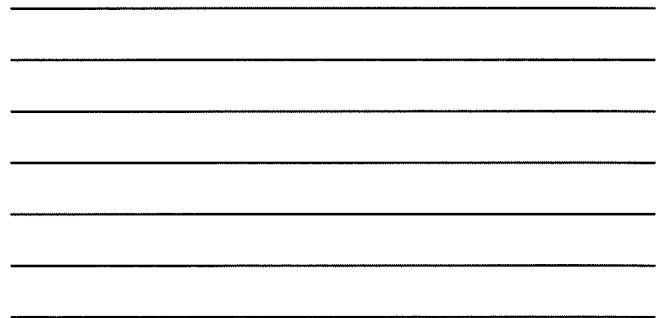


Grading – large pad site



Location, Location, Location!

- BRAC(ish)
 - APG
 - Inside the gate
 - Outside the gate
 - Aberdeen
 - Ft. Meade
 - National Business Park
 - Arundel Preserve
 - Annapolis Junction



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Life Cycle

- Renew/refresh
- Reposition
- Rezone
- Acquisition – existing buildings

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Renew/refresh



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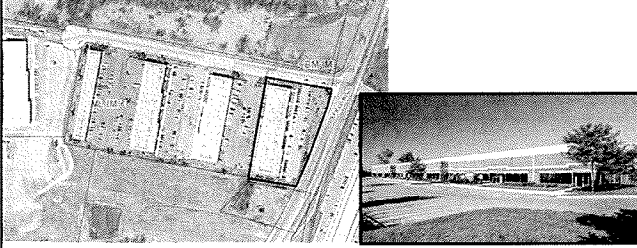
Reposition



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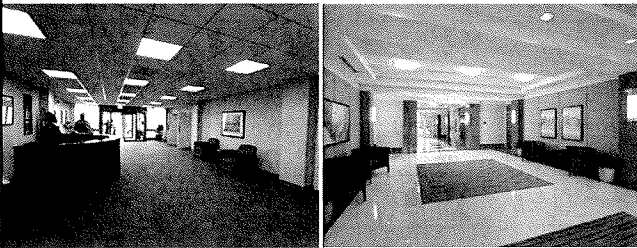
Rezone



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Acquisition – existing buildings



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Developer

- Traditional definition
 - Acquisition → Stabilization
 - 2-3 projects
- SJP definition
 - Entitlement
 - 10-15 projects
 - 40 active "named" projects
 - Support
 - Government Relations
 - Tenant needs
 - Institutional knowledge ("portfolio building")
- Fee vs. Owner

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Ownership

- Tenant relations
 - Evolving needs / wants of tenants
 - Park / eat
 - Look / feel
 - Size of space
 - Type of space
 - New vs. retention
- Product evolution / range
 - Flex – garages to professional offices
 - Flex to multi-story
- Lease
 - Space
 - Land

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Acquisition / Due diligence

- The normal stuff
 - Process
 - Fees
 - Building / site costs
 - Site constraints
- Extraordinary stuff
 - VCP
 - Off-sites
 - Access
 - Zoning (rezoning, PUD)

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Entitlement

- Value add
- Relationships
 - County / State / Federal
 - Ground floor to C-suite
 - Community
 - Political
- Process
 - Know it
 - Shape it
- You, not the consultant

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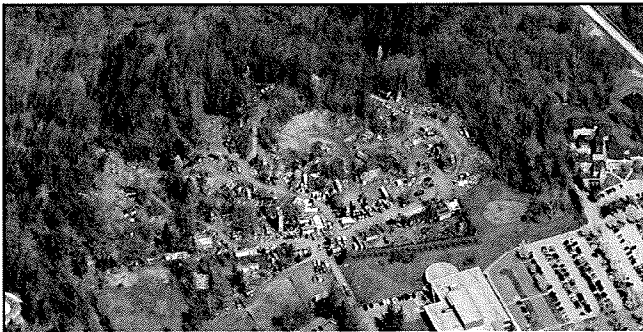
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Annapolis Corporate Park

- What it was supposed to be.
- What it was.
- Whose issue was it?
- What it has become.
- What it took.
 - VCP
 - Rezoning
 - Stream restoration
 - Community relations
 - BOE / Administration / Council / AAMS / SRF / SHA / MTA / MDE / USACOE / BPW

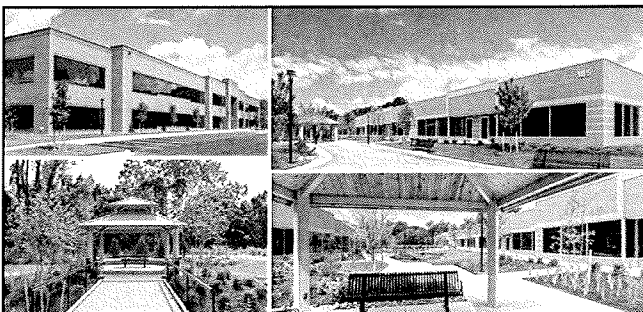
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Get involved, stay involved

- MBIA / NAIOP / MMHA
- Legislative Committees
- Transition Teams
- Land Use Committees / Workgroups

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Questions?

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