

WHITE PAPER

Rejuvenating the Mahoning Valley

Burgan Friedkin Commercial Group's Lisa Resnick explains how traditional neighborhood solutions can be the answer to rejuvenating the Mahoning Valley.

BURGAN FRIEDKIN
COMMERCIAL GROUP



REJUVENATING THE REGION

Lisa Resnick



INTRODUCTION

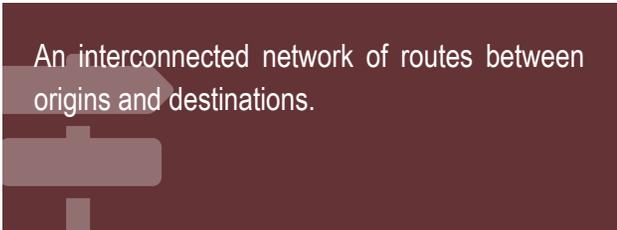
Working on mixed-use development projects and redevelopment projects in Washington DC, like CityVista and Century Center, was a phenomenal and educational experience. That was the beginning stages of my career in real estate, and what made me stray away from a life in politics, a decision I never regretted. I still had the opportunity to sit in on City Council meetings, still lobbied and advocated for project proposals, and still was able to celebrate wins after receiving public support.

It was invigorating! Here in the Mahoning Valley, developers and building owners have been working to invigorate and/or rejuvenate areas throughout the region. Traditional Neighborhood Developments (TNDs) have had their barriers like everywhere else, such as zoning and other government agencies. The demand for more walkable communities, reduced commute times and retail growth are not only growing, but also have become a major factor for determining location.

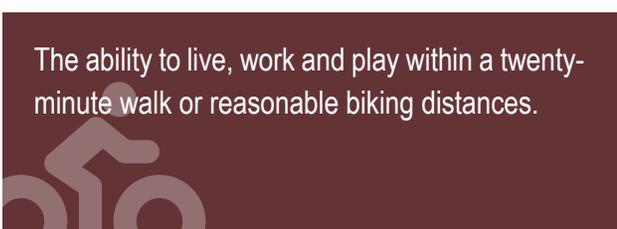
TNDs are constantly shifting to the influence of their consumer. However, the following are a few basic characteristics that define a TND:



Various housing types, such as condos, townhomes, and single family, that offer a variety price points allowing them to create socioeconomic mix.



An interconnected network of routes between origins and destinations.



The ability to live, work and play within a twenty-minute walk or reasonable biking distances.



Availability of public gathering space such as a town center or a green.

ASSEMBLE A TEAM

We as the consumer get to enjoy all the amenities previously listed. Before TNDs are developed, a significant amount of research and planning must be done to ensure the development is planned correctly to present itself as a desirable place for people to relocate and is seen as an overall success. It is only then that the consumer can continually enjoy an area with all the amenities listed above. To get to this point, assembling the right team is a critical first step.

Depending on the complexity of the project you are considering (ie: development or redevelopment, large-scale or small-scale), the following players should be part of your team:



Licensed Real Estate Agent



Finance Strategist



Accountants



Lawyers and Land-Use Specialist



Project Managers



Architect



Engineers



Building Contractors



Marketing Specialists

Another critical factor is ensuring that you develop relationships and a consistent presence with the municipality's Planning/Zoning and Economic Development departments and other relevant stakeholders. This allows a regular flow of communication and can build enthusiastic allies for your project.

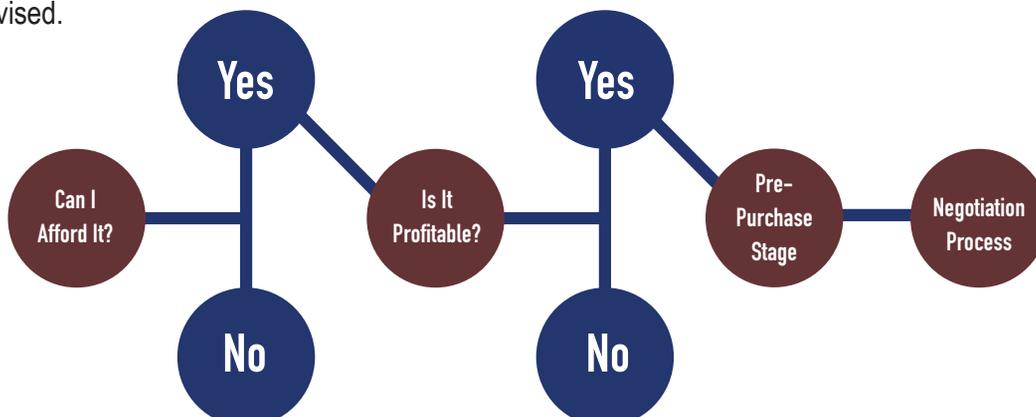
DETERMINE THE PROFITABILITY

The most important piece is determining whether the cost of the project meets what you desire in its profitability. Here is where many dreams, and new neighborhoods, are broken. It is extremely vital to ask yourself, "Can I afford to take on this project and is it worth it?"

Commercial loans are more complex than those in residential real estate. This is especially true if it is your first venture. You need to establish yourself and your people. If approved, lenders typically only lend 70-80% of the total hard costs of the development, not the end value. Soft costs, like architects and consultants, are typically not included in the lending process. The bottom line is that seeking counsel from a commercial lender before diving into any project is highly advised.

After you have answered the question of whether or not you can afford this project and it has shown it's worth, you can move onto the pre-purchase stage. Determine what you want included in your feasibility period and begin to create relationships with the city/town planner.

Next is the negotiating process. When negotiating the contract purchase, it is best left up to the buyer's agent who understands your project and costs to help negotiate your price. The cost of a buyer agent is well worth it. An agent that has familiarity with the commercial development process is also advised. They are more likely to negotiate a fair price than the buyer solely working with the seller's agent directly.



FINAL STEPS

Once the deal is complete is when the *real* fun starts. Now you can begin to aggressively meet with your team and gather as much information about the land or building as possible. All the potential team members listed begin to hit the ground running and preparing all the documentation needed in order to receive the necessary government approvals. As long as the appropriate due diligence is done at the beginning, you could find yourself owning and developing the next great TND in the Mahoning Valley.

Everything about being part of the development is exciting, specifically the fact that you and your team are playing an important role in defining a community. I learned how I could help serve the community and have an impact at the ground level. Other things that I have learned from experience is to stay rational. There is no need to make rash decisions that you may later regret. It is 100% okay to say, "Let me think about it". Take the time needed to assess whatever problem your project is facing. Always communicate even when you have nothing to say. And my favorite saying from one of my favorite lenders, "Don't react; always respond".

GATHER
INFOMATION



PREPARE
DOCUMENTATION



CONDUCT
DUE DILIGENCE



SOURCES

<https://retipster.com/truthaboutlandinvesting/>

<https://www.landhub.com/land-news/4-tips-for-selling-land-to-developers/>

<https://propertyupdate.com.au/how-to-get-started-in-property-development-article/>

<https://www.fortunebuilders.com/raw-land-investing/>

<https://www.fortunebuilders.com/mixed-use-developments-on-the-rise/>

<https://www.reonomy.com/blog/post/mixed-use-development-a-look-at-whats-driving-the-trend-in-cities-and-suburbs-alike>

<https://irei.com/publications/article/invest-mixed-use-real-estate-projects/>

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3718394/>



ABOUT THE AUTHOR

Mahoning Valley native and Youngstown State University graduate, Resnick began her real estate career in Washington D.C.. After years of success, Lisa and her family moved back to the Mahoning Valley. In 2018 she joined Burgan Real Estate and in 2020 she became a Burgan Friedkin Commercial Group agent. She works diligently to advocate for her home town through social work, volunteering and releasing podcasts.

ABOUT BURGAN FRIEDKIN

In March 2020, two of the Mahoning Valley's most trusted names in real estate announced a partnership forming a new company, Burgan Friedkin Commercial Group, becoming the premier commercial property group in the area. With offices located on Belmont Avenue in Youngstown, Burgan Friedkin Commercial Group brings over 80 years of combined real estate experience to one location.

A large, stylized white icon of a building with multiple windows, positioned on the left side of the page. The building is composed of several vertical lines and horizontal bars, creating a modern architectural look.

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