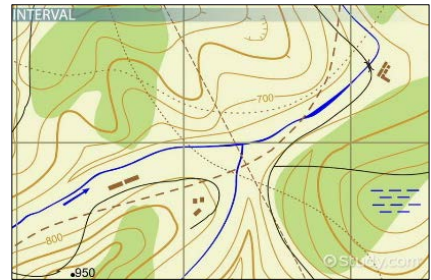




## Typical Development Process

*A basic overview of the steps involved in the identification, due diligence, evaluation, acquisition and development of real estate*



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## Development Process - Gantt Chart

This Gantt Chart shows an approximation of the sequencing of major steps in the development process.  
The length of time to complete each item can vary significantly with the type and scale of project. (8 months shown)

#	Item	1	2	3	4	5	6	7	8
1	<b>Site Search / Due Diligence</b>								
2	<b>Site Identification</b>					The Site Search / Due Diligence phase can be much longer			
3	Site Requirements								
4	Price Range								
5	Broker Engagement								
6	<b>Preliminary Feasibility</b>								
7	Political receptivity								
8	Market Analysis - Preliminary								
9	Location Analysis								
10	<b>Contracting</b>								
11	Letter of Intent (LOI)								
12	Due Diligence Period								
13	<b>Due Diligence</b>								
14	Level I Environmental								
15	Environmental Mitigation								
16	Deed Restrictions Search								
17	Easement Restrictions								
18	Survey								
19	Topography								
20	Drainage-Floodplain-Floodway								
21	Water Distribution								
22	Sanitary Sewer								
23	Streets / Access								
24	Adequate Truck Routes								
25	Traffic Impact Analysis (TIA)								
26	TxDOT Restrictions / Access								
27	ROW Dedications								
28	Rail Access								
29	Soils Analysis								
30	Utilities: Gas, electric, Internet								
31	Existing Zoning								
32	Future Land Use Plan (FLUP)								
33	Development Process								
34	<b>Financial Analysis / Feasibility</b>								
35	Cost Identification								
36	Preliminary Engineering Costs								
37	Incentive negotiations								
38	Funding Source Identification								
39	Market Analysis - Detailed								
40	Fee Identification								
41	Pro-Forma Financial Plan								
42	Go / No-Go Decision								

#	Item	1	2	3	4	5	6	7	8
43	<b>Entitlements</b>								
44	<b>Staff Review</b>					Entitlements are sometimes required before someone will close on a property.			
45	Pre-Submittal Mtgs w Staff								
46	Development Review Com.								
47	<b>Zoning Change</b>								
48	Property Owner Notices					This can be considerably longer depending on the frequency of mtgs			
49	P&Z Hearing								
50	CC Hearing(s)								
51	<b>Preliminary Plat</b>								
52	Property Owner Notices								
53	Preliminary engineering plans								
54	P&Z Hearing								
55	CC Hearing								
56	<b>Final Plat</b>								
57	P&Z Action								
58	<b>Site Plan Approval</b>								
59	P&Z Hearing								
60	CC Hearing								
61	<b>Plan Review / Permitting</b>								
62	<b>Building Construction Plans</b>								
63	Pre-Submittal w Staff								
64	Plan Preparation								
65	Submittal / Staff review								
66	Permit Issued								
67	<b>Public Works Construction Plans</b>								
68	Pre-Submittal w Staff								
69	Preparation								
70	Submittal / Staff review								
71	Developer's Agreement - CC								
72	Notice to Proceed								
73	<b>Land Acquisition / Closing</b>								
74	<b>Purchase</b>								
75	Contract Development								
76	Title Work								
77	Closing								
78	<b>Construction</b>								
79	<b>Mobilization</b>								
80	<b>Clearing &amp; Grubbing</b>								
81	Earth Disturbance Permit								
82	Erosion Control								
83	Tree Preservation								
84	<b>Site Grading</b>								
85	<b>Public Works Construction</b>								
86	Utilities (Water / Sewer)								
87	Drainage / Streets / Driveways								
88	<b>Site Development</b>								
89	Utility services								
90	Hardscape								
91	Building								
92	Landscape								
93	<b>Certificate of Occupancy</b>								

## Development Process - Item Descriptions

#	Item	Description	Notes
1	<b>Site Search / Due Diligence</b>		
2	<b>Site Identification</b>		
3	Site Requirements	Create a list of all site requirements, in prioritized order, with "knock-out" factors identified	Knock-out factors are typically those that you cannot change much (location, topo, drainage)
4	Price Range	How much are you willing to pay in total, and per acre or square foot	
5	Broker Engagement	Hiring a broker to search for an identify sites, contact owner / representative, begin negotiations	Would typically require a commission
6	<b>Preliminary Feasibility</b>		
7	Political receptivity	Meetings with Mayor, Councilmembers, P&Z Chair	Also good way to establish a relationship with community leaders
8	Market Analysis - Preliminary	Quick look at occupancy rates, competition, market growth	
9	Location Analysis	Supply / distribution analysis, road / rail availability, preliminary workforce	
10	<b>Contracting</b>		
11	Letter of Intent (LOI)	A letter describing the intent of both selling and purchasing parties	
12	Due Diligence Period	Include a period of time for you to perform your due diligence w/o them marketing the property	Include right to extend if needed Often this can require the purchase of an "Option"
13	<b>Due Diligence</b>		
14	Level I Environmental	Fairly high-level analysis, identifies need for Level II analysis or potential issues, archeological, endangered species, etc.	A 'must have' before purchasing TCEQ can help with Level I
15	Environmental Mitigation	Has there been any mitigation in past, any required to move forward	This is not the actual mitigation, just an understanding of what has been done
16	Deed Restrictions Search	Any deed restrictions that might prohibit the desired use	
17	Easement Restrictions	Identify any easements that may restrict the development of the land	
18	Survey	Typically would include acquiring an ALTA survey which is very detailed and comprehensive	ALTA / ACSM stands for American Land Title Association / American Congress on Surveying and Mapping
19	Topography	Evaluate extent of slopes, drainage patterns, extent of grading needed	
20	Drainage-Floodplain-Floodway	Evaluate the extent that floodplain reduces useable acreage, drainage patterns through the property, etc.	Use FEMA / FIRM maps
21	Water Distribution	Does it currently exist, right size, if not, what does it take to get it there	
22	Sanitary Sewer	Does it currently exist, right size, if not, what does it take to get it there	Contact City regarding capacity, long-term plan
23	Streets / Access	Are there restrictions to drive locations, proximity to intersections, on/off ramps	
24	Adequate Truck Routes	Are there designated truck routes, are they accessible from this site	

#	Item	Description	Notes
25	Traffic Impact Analysis (TIA)	Frequently a TIA is required by a City if there is likely negative impacts resulting from a development	
26	TxDOT Restrictions / Access	Are adjacent roadways TxDOT, are there access restrictions for driveways	Ask local TxDOT engineer Usually shown on ROW maps
27	ROW Dedications	Does Master Thoroughfare Plan (MTP) show increased width on adjacent roads	Determine extent of required ROW dedication
28	Rail Access	Is rail in close proximity, is access allowed / desired	Discuss with Area Rail Manager
29	Soils Analysis	Is the soil stable, depth to bedrock, water table	Can refer to USGS maps preliminarily
30	Utilities: Gas, electric, Internet	Does it currently exist, right size, if not, what does it take to get it there	Get utility providers to summarize availability and costs to provide
31	Existing Zoning	Is it currently zoned appropriately	Ask Planning Dept. to confirm required zoning based on your desired use
32	Future Land Use Plan (FLUP)	Is the desired future land use support a rezoning to the required zoning	FLUP shows the long-term desired land uses for all land in a City
33	Development Process	How long is the full process, application costs, political whims	Typically the City Planning Dept. will have a good overview of this
34	<b>Financial Analysis / Feasibility</b>		
35	Cost Identification	Identify all non-engineering costs	e.g. Marketing, financing,
36	Preliminary Engineering Costs	Estimate all public works costs	Water, sewer, streets, drainage
37	Incentive negotiations	Determine availability of incentives	Typically developer would request this as part of their feasibility
38	Funding Source Identification	Determine source of funds for project	Banks, grants, reserves, etc.
39	Market Analysis - Detailed	Identify competing properties, costs, absorption rates, fine tune product design	
40	Fee identification	City Entitlement fees, environmental permits, consultant costs, etc.	Incentives may include reductions to some fees
41	Pro-Forma Financial Plan	Financial analysis of all costs and revenues over a time period	
42	Go / No-Go Decision	Decision to proceed or drop project	
43	<b>Entitlements</b>		
44	<b>Staff Review</b>		
45	Pre-Submittal Mtgs w Staff	Informal meeting, typically w Planning	Explains submittal, checklists, etc.
46	Development Review Com.	A mtg of all departments to review the development before formal submittal	Always consult with Fire Marshall re access, hydrants, fire lanes, etc.
47	<b>Zoning Change</b>		
48	Property Owner Notices	Typically everyone within 200'	
49	P&Z Hearing	Public consideration by P&Z	Owners sometimes requiring purchase before finalizing zoning
50	CC Hearing(s)	Public consideration by Council	Typically two separate hearings
51	<b>Preliminary Plat</b>		
52	Property Owner Notices	Typically everyone within 200'	
53	Preliminary engineering plans	Prelim. water, sewer, streets, drainage	
54	P&Z Hearing	Public consideration by P&Z	
55	CC Hearing	Public consideration by Council	
56	<b>Final Plat</b>		
57	P&Z Action	Final approval by P&Z	May have to go to CC also
58	<b>Site Plan Approval</b>		
59	P&Z Hearing	Public consideration by P&Z	
60	CC Hearing	Public consideration by Council	

#	Item	Description	Notes
61	<b>Plan Review / Permitting</b>		
62	<b>Building Construction Plans</b>		
63	Pre-Submittal w Staff	Informal meeting w Building Inspector	Understand codes, submittal reqmts
64	Plan Preparation	Architectural plans prepared	
65	Submittal / Staff review	Formal submittal, fees, review	Can take longer if sent to third party
66	Permit Issued	Permission to move forward	Can sometimes get 'staged' permitting to allow quicker start
67	<b>Public Works Construction Plans</b>		
68	Pre-Submittal w Staff	Informal mtg to understand reqmts	
69	Preparation	Civil Engineer to prepare plans	
70	Submittal / Staff review	Submit for compliance with engineering standards	
71	Developer's Agreement - CC	Bonding, insurance, cost participation	Usually reqd prior to construction
72	Notice to Proceed	Permission to move forward	
73	<b>Land Acquisition / Closing</b>		
74	<b>Purchase</b>		
75	Contract Development	Finalize contract for purchase	
76	Title Work	Title company research and closing document preparation	
77	Closing	Consumates the sale of property	
78	<b>Construction</b>		
79	<b>Mobilization</b>	Bringing all equipment to the site	
80	<b>Clearing &amp; Grubbing</b>		
81	Earth Disturbance Permit	Allows clean up, tree removal	
82	Erosion Control	Plan, install perimeter erosion control	
83	Tree Preservation	Protection of trees to be saved	
84	<b>Site Grading</b>	Grading in accordance with grading plan prepared by Civil Engineers	
85	<b>Public Works Construction</b>		
86	Utilities (Water / Sewer)	Underground utilities typically are first	
87	Drainage / Streets / Driveways	Culverts, streets, drives	Provides access to property
88	<b>Site Development</b>		
89	Utility services	Brings utilities from public ROW or easements to the buildings	
90	Hardscape	Sidewalks, drives, parking,	Make sure Fire Marshall is engaged
91	Building	Vertical construction	
92	Landscape	Irrigation, landscape, sod	
93	<b>Certificate of Occupancy</b>	Issuance of a C.O. allows occupancy of any buildings	