



Developers knocking on your door?

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With the economic state of the country – and the Midwest in particular – being as vibrant as it is, many developers are ready to take action and initiate projects. Interest rates are low, housing and business space needs are high, so developers have a strong market. Sooner or later they will be knocking on your door with an idea to develop some property that lies within your community. After you've determined that the proposed project is good for the community, you need to decide on a course of action. By following this four step process, you can plan a successful project.

Your project can turn sour quickly if the developer is inexperienced and is a poor manager. Ask the developer for examples of past projects and references from other communities. You should also inquire about the engineer that prepared the plans and the contractor that will construct the project. Contact organizations such as the Better Business Bureau, to learn if there have been any past complaints against the developer, engineer, or contractor.

A fair amount of planning should be done to make sure this project is right for your community. Make sure that the proposed project is compatible with an existing land use plan.



You should ask many questions while planning: How does this project affect surrounding properties? What types of businesses or housing will be located within this development? What impacts will this project have on your utilities, such as water and sewer? How will storm water be handled? Will the development be aesthetically pleasing when it is completed?



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If you are still interested in working with the developer and the project makes sense for your community, then it is time to enter into an agreement between the community and the developer.

It will detail the responsibilities of each party and discuss items such as: the scope of work, the schedule, maintenance, utility connections, community acceptance, financial obligations, insurance, building permits, plat approvals, and inspection. You should have this agreement reviewed by your attorney and engineer.

Before construction starts, the plans and specifications should be reviewed by your engineer. Once it has been determined that these plans and specifications meet the requirements of applicable ordinances and are compatible with the developer's agreement, construction can begin. Your engineer should inspect the construction phase to make sure the project is constructed in accordance with the plans, specifications, and community ordinances. Construction of items such as utilities, streets, lighting, and storm water drainage should be observed. Erosion control during construction will be enforced and testing of materials and utilities will be conducted. Your engineer may also assist the developer in preparing as-built drawings.

Once construction of the streets and utilities is completed, the developer will most likely begin selling lots to builders of homes and/or businesses. The new residents of this development will hopefully improve your tax base.

Because you followed the four simple steps outlined above it should be done rather painlessly. Remember to use these four steps when that developer comes knocking on your door, and you should realize a very successful project.