

Gotcha! Issues to Watch for During Redevelopment Projects

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Maybe it is because one or more anchor stores have closed or a new one has arrived. It could also be the result of the Mall being outdated and in significant need of substantial remodeling. Whatever the reason, and there are many possible reasons, it is no secret that Mall redevelopment has significantly increased in the last couple of years.

Landlords and Tenants that are involved in redevelopment situations must make sure that they keep a comprehensive list of issues to address during the process. Some of the issues that should be considered during the redevelopment process include:

- **Tenant Mix:** which includes analyzing existing exclusive use provisions, co-tenancy obligations, and prohibited use restrictions.
- **Zoning Approvals:** what do the local zoning ordinances require and what is the likely timing of the approval process, if any.
- **Reciprocal Easement Agreement restrictions:** will often contain relevant restrictions on the redevelopment.
- **Construction issues** including dust, asbestos removal, safety concerns, noise and access issues.

Most of the foregoing issues are well-known to the landlords and tenants involved in the redevelopment. However, there are many items that often are not as easily identified at the beginning of the redevelopment process but can have a significant effect on the details and timing of the project. As you will see, many of these items have a very distinct local flavor:

- **Neighborhood Associations:** In many locations the Neighborhood Associations carry quasi-government authority and the Association's opinion of the project can carry significant weight. It is often important to meet early and often with the Neighborhood Association to identify and attempt to address their concerns.
- **Signage:** Local ordinances and the Reciprocal Easement Agreement may contain restrictions on the location and amount of signage. Practical issues such as which tenants want space and the location of the signage must also be considered.
- **Tenant and Media Communication:** What is the message and story that will be told to the current tenants and the local media? Will the story resonate with the current tenants, prospective tenants, and local officials and consumers?
- **Design Issues:** Can vary widely by jurisdiction including parking, landscaping, trash enclosures, and general facade requirements.

It is important to have a comprehensive list of issues to address during a redevelopment project. In particular, it is important to make sure that the list includes items to be addressed based on local ordinances in order to avoid delays in the project.

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