

You, Your Site and Reality

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There are many good or even great potential FEC sites in most regions. Unfortunately, some may have hidden attributes which could diminish their potential. This article is intended to help assure developers that they are clearing away the unknown in advance of making what for many will be their largest investment in time and money, both precious commodities. Time cannot be regained and replacing money poorly spent may not be a realistic option.

Before you can begin the planning and development of your project there are a series of reality checks you should undertake at the very beginning to avoid many potential pitfalls and agency minefields that could drastically impact your ultimate project. These include but are not limited to governmental regulations, political realities, bureaucracies, physical site realities and a wide range of potential localized issues. These issues cover a broad range of elements, any one of which could create serious problems in achieving a successful project.

In determining whether or not that building or outdoor site is really that ideal location for your planned project, there are a number of things, you or someone on your project team (legal, financial, real estate, architect or professional engineer) should be checking out to avoid possible serious problems. *{Note: we make reference to your "team," as no one is an expert at everything. Your individual "team" may not have a specific formation, or consist of, or require all of the members identified above; but you better have the ones that shore up your lesser areas of expertise}.*

Take the time to do-it-right the first time. Make certain you are not risking everything by skipping over what should be obvious. Reality is a hard task master for the unwary. Taking the time to do the following may add time to the project, but failing to do so may well result in the loss of far more time and money. The adage "failing to plan is planning to fail" has never been more true.

This article assumes you have already made a determination to obtain a site and move forward with your initial concept. Therefore we will address the realities you face at that moment in time.

Make Certain the Site Meets your Needs

In seeking a site on/or in which you plan to locate your proposed facility it is important to be certain it can address the physical requirements of the facility itself, but even more importantly, to be a location that best enables your target market to reach it. This involves ease of approach (a good network of direct routes) a clear and safe entrance into an out of the parking lot and an easily defined address. Beyond the above, there is also the need for public utilities such as electricity, natural gas, water, sewers and a flood free site.

This article will concern itself with the mundane but important elements that must be resolved prior to the final decision to acquire the site. If you already possess the property, it is still important to review all of the following and resolve any issues that may remain.

Identify all Agencies Having Jurisdiction over the Proposed Site

Every site in the U.S. has some involvement with, and jurisdiction under some agency, bureau or tribe. Some may only require a proof of ownership or legal lease. Others may have very simplistic, loose and almost undefined regulations concerning development of a project such as you propose. Then there are the vastly more prevalent locations having wide ranging rules and regulations, often multi-jurisdictions and resulting challenges to successful project approvals.

Our observations, comments, cautions and recommendations come as a result of many years of exposure to, and dealing with the various bureaus, agencies, tribes and communities that make up our great country as they applied to the family entertainment facility industry. These were all supposedly developed with the intent to assure that people are following rules and guidelines intended for the greater public good.

Unfortunately, some of these rules and guidelines were established with little realistic consideration for reality or even in some cases beyond the realm of reality. By knowing the rules and the technology required to making certain a given project did indeed meet the legal definitions, we able to overcome many initial rejections and bring the individual projects to successful completion.

All of us are subject to the realities of being far from perfect. This is true of almost, if not all participants involved in disagreements in interpreting the intent of ordinances and empirical rules and regulations. Having the team approach is a great step forward in being able to maintain clarity and assuring resolution of most if not all areas of disagreement.

When you know you are completely wrong, admit it and move on. Often, second thoughts and revisions can turn wrongs into rights.

In some jurisdictions, mineral rights, shoreline right of way and private bridges over waterways may come into play in the final site planning process.

State, County and Local Restrictions

These range from required front, side and rear yard setback requirements for buildings, parking lots attractions and miscellaneous structures, to noise, lighting and hours of operation. They include stormwater management, traffic flow and impact on neighbors

Many communities have specific Zoning Ordinances regulating the types of businesses that are permitted uses and special use conditions that can have a big impact on what, where and how you operate your business.

There may be specific limitations concerning access and location of access to public right of way, including location, size and number of driveways permitted. Some agencies add line-of-sight requirements and other local restrictions. Others place restrictions concerning drainage flow, floodplain usage.

Don't forget the Environmental Protection Agency, Department of Natural Resources, Army Corps of Engineers and other organizations that may come into play and have an impact on your final plan.

Natural (Physical) Site Considerations

The site itself may have potential problems that could have long term ramifications. Flood plain, floodway and physical access to the site are several of the more obvious ones. Recent events around the country have brought the reality of the damage flooding can cause to the forefront. Many people were impacted in areas not shown on flood insurance maps. Flood insurance may cover physical losses, but it can't replace long term revenue losses. Building within flood plains or adjacent to them may make short term sense because of appealing real estate prices, but may in some circumstances prove to be the opposite. Flood plain boundaries are based on the projected limits of flooding based on 100 year recurrence. While this enables the community to understand the potential for flooding based on statistics within a given area, Mother Nature has her own time table. Local areas may experience design year storms several time within a 5 to 10 year period and others never experience design year floods.

The decision to purchase a site that may have a portion within a floodplain is not necessarily a bad one if the remainder is sufficient for development of your project and the location and price justify it. Certain attraction elements can be designed within a flood plain, providing local ordinances and regulations are complied with.

Many communities have established somewhat rigid regulations concerning the removal of existing trees. In some circumstances this could impose some serious restrictions as to how a given site is developed.

In some regions unsuitable soils can result in greatly increased construction costs. Other regions may contain endangered species or plant habitats that could in some situations result in development complications.

While some attractions can be adapted to less than ideal existing soil conditions, many require solid foundations. Buildings, tall structures and even pavements are in need of solid supporting soils. For sites that appear to have questionable soils, a geotechnical study by a professional, should be undertaken.

Underground and Overhead Utilities and Their Easement Restrictions

There are a wide variety of public and private utility easements that may occur on your proposed site. They range from overhead electric power, telephone, cable television and major power transmission lines, to underground water mains storm and sanitary sewers, natural gas, telephone and cable television, as well as in some cases, major crude oil, gasoline, natural gas and other transmission lines. Where this occur it is important to be fully aware of their restrictions with respect to their impact on your specific concept. In some situations the specific restrictions may reduce available space to a point where certain attractions and/or amenities cannot fit on the property.

Each of the above must be reviewed in terms of the specific attractions to be placed on the site. A wise evaluation of each attraction in terms of what issues may have a negative impact on their performance, revenue wise. This may include height restrictions near overhead easements and surface loading restrictions for elements crossing over underground easements. Overhead power transmission lines and major underground pipe lines often traverse across sites at inconvenient (for site development) locations. A clarification as to what be constructed within the limits of these easements prior to purchase is extremely important.

Know the Neighbors

Certain neighbors may have the power to impact on a given site's final composition. Being located in rundown neighborhoods, older industrial areas, next to "adult" retail facilities can impact on potential attendance. These are obvious. Others such as schools, churches and residential neighborhoods may prove to be great neighbors or not. There is no one size fits all solution.

It may be a wise decision to sound out the local community planners to see if there may be negative concerns that would have to be addressed. In this writer's personal experience, the three most common issues raised include traffic, noise and light spill. In most situations establishing a relationship with these groups can diffuse some of the issues just by giving them a clear understanding as to what you are planning. Rumors and a fear of the unknown, if not addressed early can become a serious problem. Traffic, noise and light can be present with specific references to allay all but the most closed minded, if done early. It is important to convey the image that you will be a good neighbor, respecting their concerns and creating a facility that will be a credit to their community, supporting family values and becoming a positive force in its growth.

Future Expansion Capability

While it may not be a pressing consideration in terms of your current planning, this potential is worth reviewing. Success may modify your current plans. Another element to consider is the future marketability of the site in the event you determine at some later date to sell or merge. A potential purchaser may have thoughts of expansion.

Having a site larger than required for your planned program offers the option of subdividing excess land for later sale, or in some cases to recover a portion of the initial real estate costs.

Any purchase of real estate should be considered carefully. The price, strategic location and your financial capabilities may be conducive to purchasing excess acreage. Under such circumstance it can prove to be a wise investment. For most situations wisdom dictates a thorough consideration of the future implications the added investment could place on your flexibility to make improvements on your initial facility.

Should your desires conflict with current fiscal constraints, one potential solution could be obtaining a "right of first refusal," as a way of at least giving you a chance to gain the added space at a later date, in the event the property owner were to decide to sell the adjacent parcel of land. This would enable you to match any existing offer at that time. It doesn't guarantee that you can match a competitive offer, only that you will have the right to do so.

The specifics of such an agreement can vary greatly. Anyone would be wise to rely on sound professional advice (financial, legal and real estate) before entering into such an agreement.

Conclusion

Every situation is unique in terms of time, location, opportunities and capabilities. The above elements of consideration may have different implications, validity and bearing on any given set of circumstances. Some will have little or no impact in some situations and possibly big ones in others. They are not meant to create a negative atmosphere in terms of people entering into the industry but rather offering items to consider in order assuring success.

Being aware of them, hopefully makes one more confident that any decision made, is being made with the best preparation possible.

Good luck! It's a great industry for those that to the time to be prepared.

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These projects have spanned initial concepts, feasibility studies, assistance in developing business plans, final design and preparation of contract plans and specifications, construction layout and related services for both new projects and existing facility renovations and modifications.

He has made presentations at a wide range of industry seminars, including the annual International Associations of Amusement Parks and Attractions annual Attractions Expo, Fun Expo, Leisure Expo, Kart Expo, The State of Ohio bi-annual Kart Safety Seminars and 43 sessions of Foundations Entertainment University Seminars. In addition he has written numerous articles for industry magazines and internet magazines and news letter. He also is a member and active participant in many engineering and entertainment industry associations. You can see his web page at fecdesigners.com or reach him at 847-561-7013 or peteolesen@yahoo.com.

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