

# Suggested Best Practices By Owners, Tenants & Developers

Older buildings, shopping centers, and industrial sites are all potential redevelopment opportunities. What was new and exciting forty years ago is now in need of rejuvenation. Owners, of course, want to maintain consistent income from their property while at the same time having the flexibility to terminate leases and/or relocate tenants when the time is right for redevelopment. Tenants, on the other hand, want to be dealt with fairly by an owner that is contemplating redevelopment. Sometimes arriving at a suitable middle ground can be difficult.

The Chamber generally welcomes new development, and recommends that the following suggested “best practices” be reviewed and considered by both owners and tenants during the redevelopment process. They are offered without emphasis on prioritization of any specific and, of course, are aspirational. At the same time, where successfully implemented, the Chamber believes they may help avoid negative impacts, facilitate better decision-making by both parties, and assist tenants with anticipating changes and easing their transition to a new property.

- **Tenant-Owner Communication:** Because it is critical that local businesses have sufficient time to understand an owner’s redevelopment plans, inform customers/clients, and contemplate relocation, the Chamber encourages owners to take steps to improve their communication with local business tenants. Communication systems should be frequent, effective, transparent, and comprehensive to meet the needs of various businesses. Owners should appoint a single point of contact to answer non-proprietary questions about the owner’s redevelopment plans. Owners should endeavor to provide adequate notice to tenants of any redevelopment expectations, offer written summaries of proposed plans to tenants, provide adequate notice of opportunities for public input for proposed projects, and offer information regarding anticipated timeframes for lease termination and dates for demolition and construction. Concurrently, tenants should ensure that they maintain regular contact with their respective owner.
- **Coordinated Construction Schedule Planning:** To increase an owner’s understanding of tenant issues, the Chamber encourages owners to keep existing businesses informed during the legislative approval and construction phase of each project. This may include providing periodic updates with regard to material changes in the development program for the site, including the phasing of the project, anticipated schedules for eviction, construction and occupancy, and any anticipated material impacts on the tenants while they remain on the site, such as test borings, construction signs and fencing, asbestos removal, disruptions to customer parking and pedestrian paths, disruption of utilities, and more.
- **Information On Potential Relocation Spaces:** The Chamber encourages owners to make available to all tenants, either directly or through the developer, information on available commercial spaces in the City and surrounding jurisdictions, business counseling services, and appropriate business courses. The City of Falls Church Economic Development Office

maintains an updated database of available commercial space within the City, which can be provided to tenants.

- **Referrals For Assistance:** The Chamber encourages owners to refer any tenants who request assistance to professional consultants who specialize in displacement-related fields such as the land use process, lease negotiation (i.e., understanding lease terms, trends and negotiation strategy), space planning, and related sources of help. The Chamber maintains an updated list of participating professional consultants located online at [www.fallschurchchamber.chambermaster.com/list](http://www.fallschurchchamber.chambermaster.com/list).
- **Phased Development:** Most redevelopment projects in Falls Church are constructed in a single phase. However, where a project is proposed in phases, the Chamber encourages owners or developers to consider the needs of tenants in crafting development phasing plans. The Chamber encourages owners to maintain their site, structures, and systems in good repair and in a businesslike appearance until the last retail tenant vacates or until the notice to vacate expires.
- **Equivalent Retail Space:** Because of its strong market potential and to advance the goals of developing a unique and diverse retail base that reflects Falls Church, and to reintegrate existing businesses into new development, the Chamber supports development proposals which replace or increase the amount of retail and office space generated by new development. The Chamber supports projects that provide a retail environment which serves and enhances the surrounding neighborhood and focusses on the local trade area.
- **Tenant Retention Program:** The Chamber supports redevelopment projects that include strategies to retain and incorporate existing local businesses alongside destination and national businesses. Retention efforts may include, but not be limited to, the phasing of higher rents, utility charges, parking fees, and other fees for local businesses, as well as offering long-term leases at affordable rents, as supported by City of Falls Church incentives. Owners are encouraged to coordinate with brokerage consultants and the Falls Church Economic Development Office to implement a retail tenant retention program.
- **Sensitive Construction:** While most construction disruptions associated with redevelopment are temporary, some construction projects last several years. Construction can, at times, threaten the viability of local businesses. This is particularly true with regards to street closures, inadequate parking, noise, construction barriers on pedestrian routes. Accordingly, the Chamber supports redevelopment proposals that mitigate the obstruction impact of major construction projects on businesses during construction. This may include tailoring a construction schedule to meet the requirements of existing businesses, including scheduling more disruptive work during evening hours, ensuring adequate parking for tenants during construction, arranging for construction parking, and establishing procedures for dealing with grievances from tenants.
- **Business Contingency Planning:** The Chamber recommends local businesses engage in contingency planning, and maintain an unrestricted fund balance to stabilize the business' finances in the event of unexpected lease termination, relocation announcements, tenancy

repairs, unexpected cash flow shortages, or economic conditions. Each business should set its own reserves based on its cash flow and expenses.

### **Who Am I Dealing With?**

In the redevelopment process, the owner is often not the developer. Sometimes, it can be confusing for a local business tenant trying to figure out who to contact when there are issues regarding a redevelopment proposal or how it will affect the tenancy. Property ownership often changes during redevelopment transactions, and it is important for tenants to understand who their respective owner is at all times. Accordingly, the Chamber suggests that there be a clear line of communication between the tenant and owner as the redevelopment process unfolds.