

# NAIOP news

COMMERCIAL REAL ESTATE  
DEVELOPMENT ASSOCIATION

## MARYLAND CHAPTER

The Forum for Commercial Real Estate • Fall 2009 Issue

A quarterly newsletter produced by NAIOP-Maryland, the leading professional trade association for industrial, office, commercial and mixed-use real estate. [www.naiopmd.org](http://www.naiopmd.org)



The NAIOP-MD Green Team: David Pratt (left) and Peter Garver.

## NEW VENUE PICKED FOR 2010 AWARDS OF EXCELLENCE CEREMONY



Connie Rhodes of Rhodes Development and Chairperson of the 2010 Awards Committee is surrounded by (left to right) Matt Melnick, Trout Daniel & Associates; Greg Masi, Manekin, LLC; Abby Glassberg, CB Richard Ellis; Brendan Gill, MacKenzie Commercial Real Estate Services; Taylor Fields, James F. Knott Realty Group and Will McCullough, St. John Properties

The committee planning the NAIOP-MD 2010 Awards of Excellence competition – which is held every other year – is hard at work re-tooling the entire program to address the current commercial real estate environment and to keep the event relevant and interesting. According to chair Connie Rhodes of Rhodes Development, the group is looking to both add and delete award categories in a “creative fashion” in an effort to continue to recognize members and individuals for outstanding accomplishments in the local commercial real estate industry.

This is what we do know. Applications for the awards program will be distributed in October and the deadline for nominations will be December 31. After spending several months reviewing the entries and visiting the various buildings, the 2010 event will be held on Thursday, April 22 at the Baltimore Museum of Art. In 2008, seventeen different companies were honored as winners in twenty-four awards categories.

## GARVER AND PRATT TO CO-CHAIR NEW SUSTAINABILITY COMMITTEE

Peter Garver and David Pratt, two local professionals who are recognized for their expertise in the area of sustainable commercial real estate development practices, have been named co-chairmen of a new NAIOP-MD committee. The founders, respectively, of Sustainable Development Partnerships and Lorax Partnerships will lead the efforts of the recently-formed Sustainability Committee.

“Our intent is to focus on two areas: education and legislation. We plan to complement the educational offerings of other organizations such as the US Green Building Council (USGBC) rather than compete with them, with a sharp focus on the specific needs of NAIOP-MD members,” explained Peter Garver. The offering of educational seminars and conferences, as well as the formation of legislative advocacy efforts that can have a positive impact in Maryland, are the first

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“After scouting the entire area, The Baltimore Museum of Art offered us the most compelling and interesting venue for our awards presentation,” explained Connie Rhodes. “With the uncertainty and unsettling nature of the commercial real estate industry, the museum will create great artistic energy and cause us to look at things with a different perspective. The less formal setting will create a more relaxed environment and the venue itself will be a powerful attraction to attendees,” she added.

In addition to the new award categories, the event will feature three separate networking opportunities and the awards presentation will be slightly shortened to accommodate these sessions. “We all understand the importance of marketing and making new contacts, and this feature is one of our prime goals for that evening,” she added.

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## A MESSAGE FROM THE PRESIDENT



As we speed into the homestretch of 2009, the NAIOP-MD team is actively preparing for a busy and event-filled fall and early winter season, designed to provide networking, educational and recreational opportunities for our membership.

No one in our industry needs to be reminded of the “challenging” nature and environment of this year. However, it is worth noting that those companies and individuals that “survived” 2009 with careful planning, and

by working harder and smarter than others, will emerge as stronger entities when the real estate cycle starts heading in a positive direction. Taking a more active role or leadership position with professional associations – such as NAIOP-MD – is an excellent investment that pays re-occurring educational and networking dividends (see related article on Marketing tips on page 5).

In concert with the famous saying of Thomas Alva Edison: “There is no substitute for hard work,” here is what your organization is currently working on for you:

- forming a new Sustainability Committee with a focus on providing educational opportunities and legislative advocacy efforts.
- gearing up for the 2010 Legislative Session by strengthening our Legislative Committee and establishing new relationships with business groups and special-interest organizations that can further our causes.
- actively adding members, including attracting more than twenty new professionals recently.
- organizing events such as a golf outing, two fall networking sessions including one with our sister chapter in Maryland, Capital Stack seminar, Holiday party, as well as laying the groundwork for the 2010 Awards Program
- continuing to improve the website and other communication channels

We hope you enjoy this issue of *NAIOP News*, thank you for your continued investment in NAIOP-MD and we wish you continued success.

Cole Schnorf  
President, NAIOP-MD

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cschnorf@manekin.com

## NEW MEMBERS

Welcome to the following individuals who joined NAIOP-MD since April 1:

**John Franetovich**, First American  
Title Insurance Company

**Brandon Freel**, Stewart Associates

**Kerry Gabler**, MOI

**Robert Hobson**,  
Doracon Development, LLC

**Thomas Iacoboni**,  
Iacoboni Site Specialists, Inc.

**Erica Leatham**,  
Meyers, Eisler & Leatham, LLC

**Michael Maguire**, A/I/DATA

**Patricia Pescrille**, Ruppert Landscape

**Thomas Pilon**, St. John Properties, Inc.

**David Pratt**, Lorax Partnerships, LLC

**Greg Prossner**, Corporate Office  
Properties Trust

**Mark Renbaum**, St. John Properties, Inc.

**Kevin Tehan**, Howard Bank

**Karen Watsic**, Preston Partners, Inc.

And, here are a few reasons why ...

“I recognized NAIOP-MD as the ideal organization to join to further my knowledge about sustainable buildings and the LEED certification process. I have a basic understanding of this area but, as Howard Bank begins to market its sustainability loan fund, I wanted to advance my knowledge.”

**Kevin Tehan**, Senior Analyst,  
Howard Bank

“Even before attending my first NAIOP-MD meeting, I am finding the regular e-mail alerts and webinars invaluable as a timely source of information about the commercial real estate industry. The information would otherwise be scattered across different media and would be time-consuming to research independently. In addition, NAIOP is valuable to me as a land-use attorney because I am always looking to broaden my business relationships in the regional real estate community.”

**Erica Leatham**, Partner,  
Meyers, Eisler & Leatham, LLC

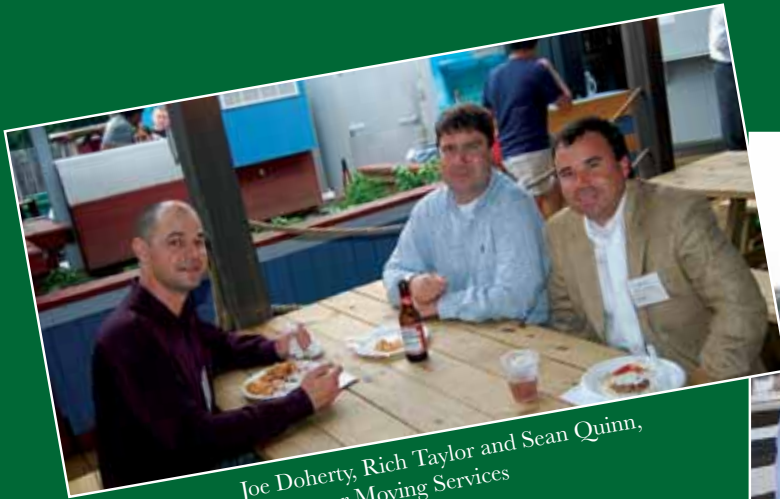
New Sustainability Committee formed  
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priorities of the group which will initially include approximately five working members,” he added. The committee hopes to organize its initial education program before the end of the year.

“What is particularly compelling to me is that NAIOP-MD gathers and speaks to the entire commercial real estate community, and we have the opportunity to further the sustainability message to developers, owners, brokers and vendors that support this industry,” added David Pratt. “In particular, we need to educate the brokerage community about the true value of sustainable building approaches, and energize this group so they can relay this information to their clients. Brokers represent the salesmen of our industry and it is important to engage them.”

For additional information about the committee, including becoming involved with its efforts, contact Peter Garver at 443-838-7277 or pgarver@SustainableDP.com or David Pratt at 410-715-2588 or david.pratt@loraxllc.com.

# Summer Social AT NICK'S FISH HOUSE



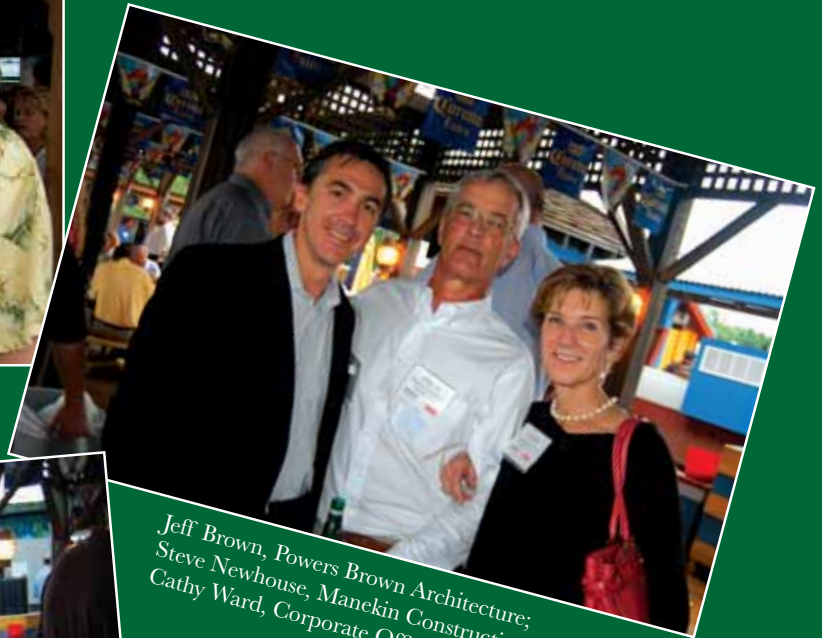
Joe Doherty, Rich Taylor and Sean Quinn,  
Hoffberger Moving Services



James Sindler, Sindler Associates; Lisa Strong, RSM  
McGadrey; John Sindler, Trout Daniel & Associates



Beetle Smith, RKS Realty; Mark Levy, H and H Rock;  
Tom Shaner, Executive Director, NAIOP-MD



Jeff Brown, Powers Brown Architecture;  
Steve Newhouse, Manekin Construction;  
Cathy Ward, Corporate Office Properties Trust



Standing: Robert Latshaw, Latshaw Commercial Properties  
Sitting: Benjamin Polakoff, Shapiro Sher Guinot & Sandler;  
Steve Jones, Thames Street Capital;  
Sean Arnold, Columbia National Real Estate

## NAIOP-MD MEMBERS SUCCESSFULLY LITIGATE KEY LAND DEVELOPMENT PERMIT

The National Pollutant Discharge Elimination System general permit or NPDES permits are one of the federal government's vehicles for enforcing water pollution laws and regulations. Under NPDES, similar types of activities such as construction, mining, industrial and certain agricultural activities are grouped together and, through a general permit for each category of activity, are held to a standard set of permit requirements to regulate discharges of stormwater. In addition to other erosion, sediment control and stormwater management permit requirements, any Maryland construction site that disturbs 40,000 square feet or more of earth must also obtain coverage under either an individual permit or, more often, be granted coverage under the NPDES Maryland General Permit for Construction (general permit).

On July 13, The Maryland Department of the Environment (MDE) ended 18 months of uncertainty about the requirements of the general permit when it announced the withdrawal of a challenge to the permit by the Waterkeepers Alliance, a national environmental organization based in New York with chapters in Maryland. Recently, the Waterkeepers have teamed up with the University of Maryland Environmental Law Clinic to challenge a number of important Maryland environmental permits including the NPDES general permit for construction.

The Waterkeepers were initially part of a professionally facilitated work group convened by MDE during the summer of 2008 to negotiate the requirements of a new NPDES general permit. State and local government, business groups - including NAIOP-MD, environmental groups such as the Chesapeake Bay Foundation and federal agencies all participated in negotiating the terms of the new permit. After only a few initial meetings the Waterkeepers objected to the process and withdrew from the work group leaving all of the other participants at the table to negotiate dozens of permit issues and to develop final language for a revised general permit which was eventually issued by MDE.

In December of 2008 the Waterkeepers and the University of Maryland Environmental Law Clinic appealed the permit. The general permit appeal alleged that MDE's permit was not stringent enough, permitted illegal stormwater discharges and contained numerous violations of the Federal

Clean Water Act. In specific the Waterkeepers' appeal:

- 1) challenged the ability of MDE to issue discharge permits in impaired watersheds until the agency first imposed water pollution caps and new regulations on development activity;
- 2) claimed that the permit must contain a numeric effluent limitation on stormwater discharge and mandatory water quality monitoring;
- 3) argued the permit violated the Clean Water Act because it did not provide an opportunity for public intervention late in the process at the Notice of Intent stage;
- 4) alleged that the permit failed to ensure compliance with surface water quality criteria for sediment turbidity;
- 5) claimed that the permit failed to ensure that construction stormwater complies with water quality standards prior to issuing coverage, and;
- 6) charged that the permit violated the Clean Water Act because it failed to ensure that construction stormwater discharges comply with any future pollution caps.

After reviewing the challenge NAIOP-MD determined that the conditions sought were unreasonable, beyond the requirements of the Clean Water Act and would require standards that are outside the limits of available stormwater management technology. After seeing the potential harm done to ongoing and future development projects by a successful challenge, four NAIOP-MD member companies intervened in the appeal in order to defend the MDE's general permit. The Administrative Law Judge assigned to the case validated the industry position by ruling in NAIOP-MD's favor on all of the legal issues challenged by the Waterkeepers.

Despite definitive rulings in favor of the NAIOP position by the judge in the administrative appeal, MDE, over NAIOP's objection, was motivated to settle the case as quickly as possible eventually making commitments to the Waterkeepers that could change how the permit is administered. In part due to NAIOP's intervention these settlement commitments could not (arguably) alter the language of the permit but MDE did

make commitments in advance about how the department will exercise its discretionary authority. The most noticeable commitment arguably changes the scope of the permit by obligating MDE to require sites of 150 acres or more that are located within a watershed that is impaired by construction related pollutants to be covered under an individual permit rather than the general permit.

The General Permit is due to be reissued in five years. However, each permit has a reopener clause that allows MDE to change the permit requirements in order to comply with regulatory changes from the legislature or federal government. It is expected that during the term of this permit the U.S. Environmental Protection Agency (EPA) will issue a pollution cap for the Chesapeake Bay known as a TMDL. EPA is also under a federal court order to implement an effluent limitation guideline that would regulate sediment loading by early 2011. Compliance with the pollution cap and the sediment limits could lead to significant changes to the terms of the permit.

On July 13, MDE began issuing coverage under a revised NPDES general permit for construction. Reissuance of the permit ended sixteen months of negotiation and litigation in which NAIOP-MD member companies played a significant role in seeing that the permit conditions were reasonable, legal and within the limits of available stormwater management technology. Intervention by NAIOP-MD defended the consensus-based approach to negotiating the revised general permit and blocked the Waterkeepers' attempt to redefine the Clean Water Act and impose a moratorium on new developments in impaired watersheds until MDE had developed pollution caps and new regulations for development in each of those watersheds.

MDE has posted a narrative about the application of the permit at: <http://www.mde.state.md.us/Permits/WaterManagementPermits/mdr10.asp>

For more information on the general permit litigation and the NAIOP-MD "Penny a Foot Fund", please contact Tom Ballentine, NAIOP-MD V.P. for Policy at 410-977-2053 or [naiop.md.tom@verizon.net](mailto:naiop.md.tom@verizon.net).



The Bulle Rock Golf Course in Havre de Grace: [www.BulleRockGolf.com](http://www.BulleRockGolf.com)

## PLAY GOLF ON BEST-RATED COURSE IN MARYLAND

NAIOP-MD's eighth annual fall golf outing returns to the Bulle Rock Golf Course, which earned a Five Star rating in the 2008-2009 "Best Places to Play" edition of Golf Digest and remains one of only 24 courses in North America to receive this designation. The event is being held on Monday, September 21 with registration and lunch beginning at noon and a 1:00 pm shot gun start. Cocktails, dinner and awards will follow the golf outing.

A modified "Florida Scramble" style tournament will be utilized for the outing, with the following rules. On holes with a Par 3, each golfer will play only their ball. For Par 4 holes, the best tee shot will be selected, and then each player will play their own ball for the balance of the hole. The "best ball" will be used for the first two shots on Par 5 holes.

Sounds pretty easy, right?

"The feedback we have received is that players prefer playing their own shots more often, so a Florida Scramble is a good compromise compared to the typical Captains Choice format," explained Chris Nevin, Chairman of the Golf Committee.

The outing will award first, second and third place finishers, recognize the longest drive and closest to the pin shots and feature a \$15,000 hole-in-one-contest.

Contact Jenny Smith at NAIOP-MD at 410-752-3318 or Chris Nevin at [cnevin@mtb.com](mailto:cnevin@mtb.com) to sign up yourself or a foursome. There are also numerous sponsorship opportunities available.



The NAIOP-MD Community Service committee donated \$10,000 to the Living Classrooms Douglass-Myers Campus, which represented a portion of the money raised from this spring's fundraising event. More than 150 members constructed park benches, picnic tables and trash and recycling receptacles. Living Classrooms Foundation is a non-profit organization that provides educational and job skills training to local students, especially those that are at-risk.

## LOW-COST, HIGH IMPACT MARKETING IDEAS

The most effective marketing strategies are ones that are regular, consistent and timely. It is recommended to never "turn off" your marketing efforts – during both productive and not so productive periods – although the current trend is to look for creative and "clutter-cutting" communication methods. Here are some easy and affordable tips:

- Figure out exactly who comprises your target audience of prospective customers and compile an updated list containing addresses (street and e-mail), as well as telephone contact numbers.
- Take that list and, on a regular basis, send them on-going communication messages – including interesting tidbits of information, printed postcards and handwritten notes about news in your industry. This effort will keep them thinking of you and your business.
- Social networking is no longer just for kids. Websites like Twitter and LinkedIn are fast, effective and, best of all, free ways to connect you to potential clients and other businesses.
- Your current clients are some of the best marketing tools you currently have and nothing is stronger than a word-of-mouth reference. Remind them to let other businesses know about your company.
- Join and become active with new business groups or associations. Don't make excuses and attend every event and networking session that is planned.
- Make the pledge to have one new business lunch or breakfast every week. Every Monday morning, decide who you might want to meet with the following week and make calls until you get the appointment.

## MEMBER LOG-IN ON WEBSITE

One the new features incorporated into our new website – [www.naiopmd.org](http://www.naiopmd.org) – is a “Members Only” section that will feature information designed for access and use exclusively by NAIOP-MD members. Items discussed for this section include the full slate of member information, including contact data and “for your eyes only” reports as produced by our Legislative Committee. Entry into this section will require a User Name and Password and that information is .... (wait a second, that defeats the purpose of this special area!). In reality, watch your snail mail soon for more details.

New Venue continued from page 1

The committee is still looking for new members to help with the planning and have identified the following sub-committees: Art Design/Venue; Budget/Cost Review; Catering; Media Presentation Design; Public Relations and Marketing; Sponsorship/Ticket Sales; Submissions; and Tour Group/Judging. Interested members should contact Connie Rhodes in advance of the first meeting, which is scheduled for the third week of September at 410-952-5201 or [crhodes@rhodesdevelopmentllc.com](mailto:crhodes@rhodesdevelopmentllc.com).

## UPCOMING NAIOP-MD EVENTS

|              |  |
|--------------|--|
| September 9  | Joint networking event with NAIOP-MD/DC Chapter Ruppert Landscaping<br>5:30 pm – 8:30 pm |
| September 21 | Fall Golf Outing – Bulle Rock Golf Course, Noon to 9 pm                                  |
| September 25 | Developing Leaders Breakfast – EggSpectations, 8 am                                      |
| October 22   | Fall Networking Event – Geppi’s Museum, 6 pm to 9 pm                                     |
| November 19  | Capital Stack Seminar – Sheppard Pratt Convention Center, Time TBD                       |
| December 17  | Holiday Party – M & T Bank Stadium<br>Noon to 2 pm                                       |

## DEVELOPING LEADERS INVITED TO MEET NAIOP CHAIRMAN

NAIOP-MD Developing Leaders have the unique opportunity to meet and spend time with Douglas Howe, NAIOP Chairman and founder and president of Touchstone Corporation in Seattle, WA. A breakfast will be held at Eggspectations in Columbia to discuss the current state of the commercial real estate industry on Friday, September 25 at 8 am. The cost is \$20 and reservations should be made by calling 410-752-3318.

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