



Step-by-Step

(with commentary)



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Congratulations on your decision to develop an RV Destination or a Boat and RV Storage Facility. Though I can assist you with both, for this document I will only refer to an RV Destination. I understand there are many regulations and steps involved to reach your goal and it can be overwhelming. Allow me to identify, prioritize and explain those steps. I don't know what you know; please forgive me if I over explain something. Thank you

I have listed the steps below. It is possible that you already own the property and don't require the step titled; "Locating the property." There may be others that you feel well versed in. Here are the steps that people ask me to explain most often and some people should ask about more often.

- **Identifying exactly what you desire**
- **Locating the ideal property**
- **Purchasing the ideal property**
 - **Finding an Investor**
- **Neighbors**
- **Negotiating**
- **Engineering**
 - **Wetland Mitigation**
 - **Civil Engineering**
 - **Environmental**
 - **Architect Engineer**
 - **HVAC**
 - **Electrical**
 - **Plumbing**
- **Dealing with the Governing Authority**
- **Permitting**
- **Construction**
- **Neighbors Again**
- **Marketing**
- **Grand Opening**
- **Managing**
- **Exit Strategy**

You will want to consider each of these steps in order though it is desirable to perform many tasks at the same time. Many people come to me with a 2-year plan to locate, purchase, develop and open an RV Destination and I have to explain how their aggressive plan might be setting them up for failure or at least disappointment. On the other hand; If

you were to complete each of these steps sequentially you would probably never complete the project.

Everything takes longer and costs more than it should. Because no one worth hiring is waiting in their office for a call from a potential client; scheduling an appointment with each of the engineers will take a few weeks. Normally, I quote 4 to 6 weeks to complete a Feasibility Analysis. Wetland mitigation can easily take a year to negotiate. Creating an Engineering document to present to the Governing Authority can take a couple of months, but the Governing Authority will only meet once a month. If you miss the deadline for submission, you will be required to wait another month for your document to be reviewed. If your project requires new Zoning it will be 4 to 6 months for approval. Permitting usually takes a couple of months to complete the review process, but I have seen one take 11 months – the county was short staffed. Even after you have earned the approval of the CORP of Engineers and completed both the Engineering and Permitting from the Governing Authority; the investor may take over a year to approve the deal. I have seen a large bank provide a written letter of intent to approve the loan and then take 16 months to actually write the loan. Permits will expire and sub-contractors will no longer honor their bids months before the loan is approved.

Fortunately, or unfortunately depending upon how you choose to look at it - every project is different. Every owner and location are unique, every county is different and laws will fluctuate greatly. It would be impossible to provide a comprehensive list that satisfies every possibility all over the country, but if you follow the steps, I identify you will be able to anticipate and handle any nuances that arise.

Identifying exactly what you desire

Developing an RV Destination is a large financial obligation; there is also a large personal investment of time, sweat and mental fortitude. The same way you want to realize a positive return on your financial investment, you will also want to enjoy personal satisfaction for years. Not every RV Destination requires the same commitment from the owner. Some RV Destinations are a better fit for the owner than others. You should answer the following questions;

- How much do you want to be involved in the day-to-day operations?
- How much time do you want to spend each day at the RV Destination?
- How much time do you want to dedicate to managing?
- Do you want to be outside performing landscaping chores?
- Do you want to be inside at the computer, paying bills and answering the phone?
- Basically, how much time do you have and what do you want to do?

Certainly, any task can be delegated. It is possible to hire someone to perform any task. There are management firms who specialize in managing your property. I believe; NO ONE will take as much pride and do as good a job as the owner. No matter if it is mowing the grass or speaking with potential customers on the phone. Still, you can't do it all. Tasks will have to be delegated. Help will need to be hired. You must ask yourself, what are the tasks that I need to do and what tasks can I afford to allow someone else to perform – even if they can't do it as well as myself?

As I write this in 2022 I realize there is a shortage of workers. People are demanding more money and are willing to do less in return. Therefore, I encourage owners to automate and streamline tasks as much as possible in order to reduce the dependency upon workers. People who live on site and perform many tasks themselves will provide a more consistent product and service for their guest.

Tasks can be delegated but the responsibility will always be the owners.

One reason you became an entrepreneur was to enjoy the financial rewards of exceeding your customer's needs. If you are successful in anticipating and exceeding your customer's needs, they will pay you. If you have the only orange tree in California you can charge as much as you want for oranges. You need to first identify the needs of both your current and future customer. To maximize profit, you will need to create unique solutions that exceed your customer's expectations.

Even if you are unable to be unique, you should design your RV Destination so that you can satisfy most of your customer's needs. Make it easier on yourself and your workers by designing your RV Destination so that you can answer "Yes" to most of your customer's request. The more times you can tell a customer "Yes" the more you can charge.

If you have a long-term strategy you will need to anticipate and satisfy the needs of customers years in the future. Will they be driving electric RVs that require charging? Will they require faster WiFi? The answer to these questions is obvious, the entrepreneur who maximizes profit will identify customer's expectations and design unique solutions that other people have not considered.

Once you determine how your RV Destination is going to uniquely exceed your customer's expectations and the tasks you choose to perform you will start to gain an idea of the RV Destination you want to develop. There are five (5) different RV Destinations.

- **PARK**
 - Been around for over 100 years
 - Serve as a resting place along the interstate to rest on the way to destination

- Offer few amenities
- Guest stay short time, often only one night
- **CAMPGROUND**
 - Been around for over 100 years
 - Serve as a place to stay while enjoying another attraction - Disney, Grand Canyon etc.
 - Offer few amenities
 - Guest stay medium length of time, usually three nights to a week
- **RESORT**
 - Became popular about 15 to 20 years ago
 - Satisfying the trend to provide an entertainment attraction closer to where the guest live
 - Many amenities provided for the guest
 - Guest stay medium length of time, usually three nights to a week
- **COMMUNITY**
 - Became popular about 15 to 20 years ago
 - Satisfying the trend to provide location for the guest to live
 - Similar amenities to a residential neighborhood
 - Guest stay longer length of time, more than one month
- **Hybrid**
 - Combination of one or more of the destinations described above
 - A short-term destination that is being used by the guest as a long-term destination

It is my opinion that the technology trend of automated vehicles will reduce the need for the driver to require a place to stop and refresh when traveling. With the ability to program the vehicle to transport the family safely from point A to point B without the aid of a driver; travel time will be reduced. The driver will be able to sleep, eat and relax while the vehicle manages the driving. The whole family will arrive at the destination relaxed and ready to enjoy the amenities of the RV Destination or nearby attractions. Therefore, in the future the demand for a traditional RV Park will be reduced.

Further it is my opinion that the distinction between the RV Destinations will become vague as guest are forced to pay more and stay longer at Parks, Campgrounds and Resorts than those RV Destinations were originally designed to accommodate. Due to the demand for long-term Community style living the guest will have to employ a Park, Campground or Resort to live long-term. Thus, we are witnessing a new RV Destination called Hybrid that incorporates the amenities of a Resort or the location of a Campground and Park while the guest desires neither. The demand for Community destinations is the fastest growing RV Destination.

Although, an RV Destination is in the Hospitality industry it is first a Real-estate purchase. The three most important items in a Real-estate purchase apply to an RV Destination purchase; Location, Location, Location.

- The Location determines the RV Destination Type
 - Distance to attractions, work places, hospitals, conveniences
 - Black-top access, interstate access
- RV Destination Type determines the RV Customer
 - Different customers for each Destination Type
 - Specific marketing tactics
- RV Customer determines the Amenities required
 - Parks and Campgrounds offer few if any amenities
 - Resorts must offer many amenities to please a variety of customers
 - Communities offer some amenities for Long-Term customers
- Amenities required determines the Development Cost & Charge Rate
 - More amenities = more development cost
 - **Correct Amenities** = higher Charge Rate

Correct balance of lower Development Cost & higher Charge Rate = **MAXIMUM PROFIT**

If you already have your property and you desire to maximize the profit you enjoy per acre you will need to determine which RV Destination best fits your location. Certainly, you may force the property to be any RV Destination you desire. Just remember you can't delegate the responsibility of profit. If you build a Resort in the wrong location, you will spend a lot of money on a place where people don't want to vacation. If you choose to spend less money and develop a Community where people don't want to live, you will not enjoy as much profit as you could have.

What may seem relatively straightforward is actually a complicated analysis requiring understanding the desire of the owner and researching not only your specific parcel of land but also the surrounding area to determine the ideal Fit and Function of your property. To maximize profit, you must know; "How will your guest use this property?" To answer that question, you must know; "Who are your guest going to be?"

Locating the ideal property

If you do not own your property, you have the ability to determine the Fit and Function of your investment by identifying the role you choose to fill, the RV Destination you choose to develop – to attract the guest you want to enjoy, who will utilize your property – the way you guide them. For those of you who own your property, the location is determined. In order to maximize the profit of your project you will have to work the steps in the

opposite order. Determine the RV Destination type, who your guest will be and how they will utilize your design and what role you intend to enjoy based upon your location. Remember; you can't delegate the responsibility to create a profit. If you force a design that fails to provide a good fit and function for your location you are responsible.

The RV Industry is breaking sales records each month. As the number of RVs sold rises the demand for RV Destinations increases. In a Capitalistic society people will identify and move to correct the imbalance of supply and demand. As new RV Destinations are developed County Governments are creating restrictions and laws to protect the public. Laws change continuously and vary greatly. A good location today may not be available in a few months. It is imperative that you research the laws in the county you choose to develop. In addition to Zoning, you must understand the Tax Law and what is required to remove an undesirable guest from your property.

- Zoning Are you allowed to develop your RV Destination
- Tax Law Are you going to be allowed to make a profit
- Eviction Are you going to be allowed to remove someone

The largest barrier to entry of any RV Destination development is the sewer. I cannot over emphasize the importance of understanding what is required (financially and physically) of the sewer system prior to starting any new development. Basically, you have three options;

- Public
- Septic
- Private Treatment Plant

For most locations the option will be determined for you. If the county has provided a public sewer system close enough you will be forced to pay a tap fee and utilize the system for a monthly charge. If no public sewer system is available, you will be forced to deal with the sewer on your property either through a septic field or treatment plant. If the land fails to percolate either due to soil composition or elevation, you will not be allowed to create a septic field. It is important that you understand how the sewer will be handled prior to purchasing the property as the cost of dealing with the sewer can be enough to make a viable project no longer viable. Below are the basic option considerations;

- Public
 - Requires less ground
 - Cleaner or less maintenance
 - Tap fees and a monthly charge
 - County will dictate how many RV sites per Tap fee

- Septic
 - Requires the most ground, due to the septic field that cannot be developed upon
 - County will dictate how many RV sites per septic tank
 - Some maintenance required
- Private Treatment Plant
 - Most expensive
 - Most labor intensive
 - Most likely to result in monthly fines

I have first-hand knowledge of installing a Private Treatment Plant and I feel it is unlikely that I will find another location where this option is worth the cost.

Next; you need to consider how large of an RV Destination do you want to become? Like many industries the large RV Destinations are being purchased by corporate investors who can afford to invest millions of dollars into acquiring the ideal location and providing the best amenities. Smaller family-owned RV Destinations will always fill a niche in the market, but will never be able to realize the same profit margins as the corporate owned RV Destinations. Still, bigger is not always better. There is no shame in having 60 sites and living at your location, managing the day-to-day operations and getting to know your guest as friends. I have a step titled "Exit Strategy" at the end of this document, but maybe you should read it now.

If you would like to compete for the largest profit margins and then sell your project for the highest possible price, you will want to develop at least 300 sites. For Example; if you want to develop an RV Destination and the Feasibility Analysis determines you should average 10 sites per acre you will require 30 acres to develop 300 sites. I realize many current RV Destinations have more sites per acre, remember the average RV Destination is 50-years old. Many have 1-lane roads and you must account for buildings. If you are building a Campground, you can employ 1-lane roads and more sites per acre. What RV Destination did you decide to develop? Your location will determine the RV Destination type, the RV Destination type will determine the guest you attract, The Guest will determine the Amenity you must provide to maximize your profit per acre.

If you own the land and you are able to pay for the construction without a loan (therefore avoid paying any interest) and plan to live onsite to manage the day-to-day operations in your paid off RV; you may be able to keep your overhead cost low enough to make a profit with 25 paying guest. If that is the case you may be able to find a county that allows you to develop an RV Destination on 5 acres. Most people will require more paying guest

to cover the overhead cost. There is fixed cost and variable costs associated with any project no matter how large or small.

- Principle
- Interest
- Utilities
 - Electric
 - Water
 - Sewer
- Internet access
- Marketing
- Insurance
- Maintenance
- Profit

The variable costs of a Boat and RV Storage facility are less than an RV Destination. If you are limited on the size of land, consider alternative solutions.

I did not say all 300 sites had to be built at once. However, you need to purchase all of the land for each phase at once. I have witnessed an instance where someone developed a successful Boat and RV Storage facility with plans to expand, but someone else purchased the adjoining land and built a larger Boat and RV Storage facility next door. The second party capitalized off the first parties advertising and stole customers literally right next door. Additionally, getting the county to approve the Total Project upfront will grandfather you in so that no one can prevent you from growing to your maximum profit per acre potential. This is also true with the Utility Tap Fees. Some municipalities will not have the sewer capacity for a large development. It is possible that a municipality has the capacity when you develop phase 1 and no longer have capacity when you choose to develop future phases. It would not be ideal for Phase 1 to be on public sewer, if future Phases are not allowed access. I actually know of an RV Destination where this occurred. These are answers you need to know prior to purchasing any land.

There is a financial advantage to develop all of the project at once, but usually this is not financially feasible. It will require some calculations to determine the ideal number of sites for each phase of construction. First determine the cost of developing all of the project at once and then determine which Fixed Infrastructure Assets are required for each phase. The algorithm is a factor of Fixed Infrastructure Costs minus Site Rate (as determined by Market Analysis) times the number of Guests as estimated by the Occupancy Rate of the number of sites available to determine the average Revenue minus both the Variable Costs (determined by the Occupancy Rate) and the Fixed Costs to determine how much

Construction Costs is ideal. The more sites developed in each phase the more cost to develop each phase, but the more sites available to rent generates more revenue of each phase. There is a point where the Cost line will cross the Revenue line identifying the ideal number of sites to develop in each phase.

Prior to contacting a Realtor

1. You need to know exactly what role you choose to fill and how much time you choose to spend at your RV Destination.
2. You need to know the type of guest you prefer to attract.
3. You need to know the amenities the guest you attract will desire and be willing to pay to enjoy.
4. You need to know if you want to be the highest, mid-range or the lowest price in your RV Destination category.
 - a. Along with the RV Destination you have chosen will determine if you need to have access to Black-top roads.
5. You need to know how large you want to grow.
 - a. This will determine how much land you require.
6. You need to know what is nearby in the form of grocery stores, restaurants, attractions and of course competitors.
7. You need to know exactly what your competition – in your same RV Destination type provides and charges.
8. You need to know if the zoning regulations will allow you to develop what you desire.
9. You need to know if the property is affected by Wetlands or any other reason why it may not be suitable to develop.
10. You need to know if the tax laws will allow you to be profitable.
11. You need to know how you are going to deal with the sewer.
12. You need to know if you will have a well or public water supply.
13. You need to know that the electric grid will handle the size of demand your project will require.
14. Depending upon the RV Destination type you desire; You will need to know if you can get Internet at your desired location.

Purchasing the Ideal Property

Once you identify the property you desire to develop you will need to put it under contract before someone does. I didn't say jump off the cliff without looking. If no one else is looking at the property, there may not be a need to rush. On the other hand; with so many people wanting to develop RV Destinations an ideal property will not remain on the

market long. Prior to speaking with the current owner, perform as much due-diligence as possible without tipping your hand. Once you put it under contract you will have a limited amount of time to perform your “Due-Diligence” usually 45 or 60 days. Some of the answers above can be answered in a few hours by contacting the County Register’s Office. If you require the financial assistance of an Investor or Bank you will need to hire a consultant to perform a Feasibility Analysis.

Finding an Investor

I struggled with naming this category for a few reasons. People often ask me to help them find an Investor when that is not their problem – if they provide a comprehensive Feasibility Analysis that explains a solid investment the Investors will bid against other for the opportunity to loan them money. Investors will want to know;

What are the Risks of this project?

How much money is required?

When will the Investor recognize a Return on their Investment?

How long will the Construction Phase require?

How soon will the Investor see a partial Return on their Investment?

When will the Investor get all their money back and more in the form of interest or equity?

These are the questions a comprehensive Feasibility Analysis will answer. Most Investors will not trust the owner to prepare an unbiased Feasibility Analysis, so the owner needs to hire a Consultant to perform a comprehensive Feasibility Analysis. The Consultant will:

1. Listen to the desires of the Owner
2. Physically travel to the area
3. Determine the correct RV Destination type for the location
4. Prepare a Competitive Analysis of all the RV Destinations in the area, focusing on the same RV Destination type as correct for the location – complete with pictures
5. Design a Site Layout that maximizes the value of the property
 - Ideally the Site Layout would be in Computer Aided Design (CAD) software for the benefit of the Civil Engineer
6. Estimate Construction Cost and Time of construction
 - This needs to be broken out for each phase of construction
7. Determine the Rental Rate for each site type
8. Estimate an Occupancy Rate for each site type
9. Estimate the average yearly Revenue of each phase
10. Estimate the average yearly Operating Cost

11. Prepare a 10-year Cash Flow analysis
12. Identify the Internal Rate of Return (IRR)

Finally, it should be the Consultant who presents the Feasibility Analysis to the Investor. Only the Consultant who prepared the Feasibility Analysis will be able to answer “Where did the Consultant get these numbers? What are the numbers based upon? Why should the Investor trust the Consultant?”

Ownership cannot be achieved without first taking responsibility. If it were easy everyone would do it. Whoever takes the most risk and invests the most money deserves the most equity and the title of Owner. Too often I speak with people who want to call themselves the Owner, but are not willing or able to spend the money or take the risk associated with a large project. They want me to introduce them to an Investor willing to take 95% of the risk and put up 95% of the money yet only require 25% of the equity in return. I can't do that. In order to qualify for a loan, the Owner must reduce the risk and increase the return for the Investor until a satisfactory point is reached.

No Investor wants to hold the second lien on a project or piece of property. In the event that things fail to go as planned, the first lien holder will get paid off first and the person holding the second lien is forced to accept what is left over – usually not enough to satisfy their financial commitment. It is difficult to find an Investor willing to invest the money to develop land that the Owner doesn't own.

If you want Investors to locate you and bid against each other for the opportunity to give you money to develop your dream, you must reduce their exposure to risk while reducing the amount of money you require. You can earn the Investor's trust and their financial assistance by completing the following steps;

1. Locate the ideal property for the RV Destination type you desire
 - a. Identify an affordable sewer solution
2. Purchase the property outright
3. Hire a consultant to prepare a comprehensive Feasibility Analysis
4. Perform all of the Engineering tasks
5. Complete the Wetland Mitigation process
6. Obtain all of the Permits to develop what you desire
7. Communicate your need for an Investor

I didn't say you had to complete all of these tasks prior to finding an Investor. I said; “If you want Investors to locate you and bid against each other for the opportunity to give you money to develop your dream, you must reduce their exposure to risk while reducing the amount of money you require.” Also, I did not guarantee if you complete all of these

tasks Investors would beat a path to your door, but you will increase your odds of finding an Investor if you complete as many of these steps as possible.

What I have described so far is not the hardest part; Investors need to know “How much money and time is it going to take to reach a point where they can see a return on their investment.” You will be asked to get bids on each aspect of construction. The Sub-Contractors will provide you a bid, but it will only be good for 45 to 60 days. Because the price of raw materials fluctuates rapidly, they can’t predict what it will cost more than 2 months in advance. There are tasks that will not be performed until 3 months after you break ground. Therefore, it is impossible to get an accurate bid prior to breaking ground on each aspect of construction. Additionally, you will take the General Contractor’s best bids to the Investor who will not act on them for 3 months and then ask you to get updated bids. The Sub-Contractors will get tired of bidding on the same project over and over and start simply adding 10% to their last bid. This pattern will repeat itself a few times. Each time the price will increase and the amount of the loan will increase and the amount of down payment will increase.

The Sub-Contractors will put extra money in their bid for surprises, the General Contractor will put extra money in all of the bids for surprises and the bank or investor will put extra money in your request to cover surprises. No matter how precise you feel your estimate is, it will be increased by a large percentage to cover surprises. When I developed my own community, I came in \$250,000.00 under budget. Partially because I was diligent and on-site each day making certain there were no surprises, but partially because everyone had put in so much extra money they couldn’t justify.

Neighbors

I mention the Neighbors at this time, because they can cause a great deal of difficulty should they decide to do so. Unfortunately, some of your neighbors will decide to do so. Most people resist change. Most of your neighbors will fail to see the benefit of an RV Destination near them and become vocal about stopping you. Some will be nice to your face, some will not. Certainly, no one will share the passion for your project that you do. It is my opinion to keep much of the details of your project on a Need-to-Know basis until:

1. You have located and purchased your land
2. You have hired a consultant who prepared a comprehensive Feasibility Analysis
3. You have begun the process of earning permission from the CORP of Engineers to develop your land
4. You have identified and possibly hired all the Engineers and obtained the necessary permits

5. You have started looking or found Investors

The fact of the matter is, your neighbors who you have never met can influence the validity of your project. People will make up facts, distort truths, get upset and judge you and your project before knowing what they are talking about. Neighbors are capable of stopping a project with letters to influential Government Servants. Petitions with enough signatures can keep you from earning the necessary permits to develop your land.

Negotiating

Nearly everything is negotiable. Starting with the cost of the land and the Relator fee through Construction Cost – everything is open for discussion. Even things you might not consider, such as Public Access Tap Fees. The county will talk like these fees are set in stone, but as the Project Manager of many developments I have never failed to negotiate fewer taps than the county first demanded for the size of the development. This can save you tens of thousands of dollars. The General Contractor and Sub-Contractors can all be negotiated. Each time I have been hired as the Project Manager on a development I have saved the owner more money than it cost him for my services by successfully negotiating costs.

Engineering

The Consultant who performed the Feasibility Analysis will have provided you with a design layout (preferably in CAD format) that maximizes the value of your property. This will save all of the Engineers a great deal of time in understanding exactly what you want to develop. Saving the Engineers time will save you a great deal of money.

All good Engineers are busy working for someone else and will not be able to start on your project immediately – expect to wait your turn. Find an Engineer who is experienced in dealing with the laws and regulations of the County where your property is located. Additionally, they should know the County Inspectors on a first name basis. It is not possible for the County to cover every option that can arise during construction when writing the regulations, so the County Inspector will need to make judgement calls. Good or Bad the Engineer will have influence on the County Inspector. If taking the Engineer's side has resulted in the County Inspector getting in trouble in the past, they will be hesitant to take their side in the future. On the other hand; if the County Inspector has learned that the Engineer makes solid decisions that result in quality products, they will often allow the Engineer to make the decision.

Start with the CORP of Engineers who will determine if your property has any Wetlands. If you wish to disturb any Wetlands you will be required to mitigate prior to disturbing a

plant or moving more than an acre of dirt. Choosing to disturb Wetlands without first obtaining permission through the Wetland Mitigation process will be the grounds any neighbor can easily employ to stop your project – possibly for good. Particularly if you have Wetlands that fall under Federal protection it can take months to obtain permission to remove plants or disturb dirt. You will want to negotiate the quality of the wetlands – the lower the quality the less you will be charged to mitigate. Even if you know the land is high and dry it is best to have a Certificate from the CORP of Engineers stating you have permission to disturb the land. There are Engineers that specialize in Wetland Mitigation who will negotiate with the CORP of Engineers on your behalf. As I mentioned; this can take many months to resolve.

You will require a Civil Engineer to determine the best way to deal with Storm Water Runoff. By removing the natural habitat and adding concrete pads, concrete foundations and asphalt roads you will alter the grounds' ability to percolate rain water. The more impervious cover you place on the ground the more water will be forced to move sideways instead of down. However, you will not be allowed to force water at a higher velocity onto your neighbor or even the county ditch than your land did prior to developing. The county ditch was designed to handle the water of a 100-year storm event while maintaining the safety of the people using the county road. Your development will not be allowed to place more water into the county ditch than the County Engineer believes it can handle safely. Also, your development will not be allowed to place more water onto your neighbor's land than it did in the past. The Civil Engineer will design the Storm Water Drainage to correctly accommodate a 100-year storm event to the satisfaction of the County Engineer. If your design adds a lot of impervious cover, it is likely the Civil Engineer will need to place a trench along one side of your property that feeds either a Detention or Retention Pond located on your property – not on Wetland. The Civil Engineer will take into consideration that water runs downhill and determine the ideal location for the pond that requires the least amount of disturbing the natural flow of the water.

Environmental

Now is a good time to mention; Moving dirt will probably be the most expensive part of the development. Attempting to change Mother Nature's course will be very expensive. There will be an additional expense of protecting both the county and your neighbors from the Environmental impacts during construction. The Civil Engineer will determine what steps must be taken to minimize the environmental impact, such as erosion. A Certified Environmental Inspector will inspect your property many times during the construction to report on the impact your development is having on the environment. If

the Inspector discovers any violations or unsafe practices, they will demand you cease all work until the violation can be corrected.

It is the Civil Engineer working with the Wetland Mitigation results who will determine how much of your property is available to develop. The Consultant who prepared the Design Layout that maximizes the value of your property provided the starting point, but the Civil Engineer will determine the final design.

Working with the Consultant, you have determined the RV Destination type which identified the Guest you will attract, who will demand the Amenities you will provide including buildings. The Civil Engineer provided the final design explaining where the buildings would be placed and how large they will be constructed.

You should have identified the Architect you want to design your buildings and got on the schedule to meet. Again, any Engineer worth hiring is working already. The Architect will properly engineer the buildings to meet or exceed the Counties requirements for wind and load resistance. The Architect will be able to identify the HVAC, Electrical and Plumbing Engineer / Expert to design these items for the buildings. It is possible you will require a different Engineer / Expert to design the Electrical and Plumbing for the sites. This is a question you should ask when identifying the Architect Engineer.

Dealing with the Governing Authority

It is the Engineers who will apply and earn the permits from whoever has jurisdiction over your property. It is the responsibility of each Engineer to determine which Government Authority has jurisdiction and to satisfy any of their requirements. Again, this will be a negotiation. Rarely will the Governing Authority approve an Engineer's first submission. They have to justify their paycheck. The Engineer will submit their design and the Governing Authority will send it back with remarks in red ink. Usually, anything that was not marked in red is approved. It is possible for the Governing Authority to question anything up to Final Approval, but usually the Engineer will only need to explain or change those items identified in red. The Engineer and the Governing Authority can pass the design back and forth as many times as it takes. Neither the Engineer or the Governing Authority are waiting for the other's response to look at the changes. Each time the design is passed back and forth will require time for it to be reviewed by both parties. As I have stated this is a negotiation; compromises will be required.

Permitting

The Engineers will obtain the proper permits for their portion of the construction.

Construction

It is not likely that you will be allowed to be the General Contractor of your own project. The Bank / Investor will require a third party to take responsibility to develop the project as the Engineers designed it and the Bank / Investor approved it. If the General Contractor lacks experience the Bank / Investor may require you to employ a Project Manager to work with the General Contractor. You will not be allowed to hire your brother-in-law to act as General Contractor, Project Manager or even a Sub-Contractor. There is too much opportunity to over pay someone for less than acceptable workmanship. Unless you do not require a Bank or Investor, you will require a General Contractor. Even if the Bank / Investor do not require a Project Manager you should consider hiring one to be present at the job site each day to answer the day-to-day questions on your behalf. There is always more than one way to interpret the most defined plans and a Project Manager can act on your behalf.

The General Contractor will obtain the proper permit to begin development. Also, the General Contractor working with the Project Manager will hire the Sub-Contractors. The workers will answer to their Foreman who will answer to the owner of the Sub-Contractor firm, who will answer to the General Contractor, who will answer to the Project Manager who answers only to the Owner. As the Owner if you see a worker leaning on a shovel all day, you need to tell the Project Manager who will communicate to the General Contractor who will tell the Sub-Contractor owner who will tell the Foreman who will yell at the Worker. You may be tempted to go directly to the Worker, Foreman or Sub-Contractor owner, but this can cause serious problems. You will always lose this argument. The Worker will get an attitude or walk off the site, the Foreman will use the excuse of being short-handed and complain to the Sub-Contractor Owner who will threaten the General Contractor to pull their crew off the job site. Productivity will slow down far more than having one lazy worker. Remember as the Owner you are not paying that Worker directly. The Sub-Contractor Owner is paying that person and the Foreman. You negotiated a price independent upon the speed of that one worker. It is more important to you that the worker be of good quality. If that worker is doing poor work, you are better off if he doesn't contribute to the project.

Neighbors Again

Construction has begun, there is no hiding it now. Every neighbor within 10 miles is trespassing on your property, slowing down your workers, asking questions, threatening to shut you down and creating chaos. Do not be confrontational. Not all of this is bad. The only person who can hurt you now is you. The Governing Authority gave you permission to develop, they are responsible. If you are invited to a public meeting take the Governing Authority with you to the meeting. If neighbors ask why you chose their area, say nice

things. If neighbors ask about how your project will negatively affect Traffic, Storm Water Runoff, Violence in the area or anything negative – simply allow the Governing Authority answer those questions. And they will – it's their job. The Governing Authority will explain that all those factors were taken into consideration prior to approving a Right to Commence Work Permit. Your neighbors may demand some laws be changed, but too late for your project. They would have needed to consider that years ago.

Usually, I have found the neighbors want to tell you what you can and can't do, but they don't want laws that dictate what they can or can't do. If you followed my advice and waited until you had a valid permit before addressing your neighbor's concerns you will be fine.

Marketing

You realized the demand for your RV Destination because all of your competitors are full. That doesn't mean you will be full the first month you open. Customers researched and reserved their sites months before you were open. People are resistant to change, even when they don't like the current location. You will be the newest and probably the nicest but only your neighbors know you exist. You will want to start advertising as soon as you are confident of an opening date. You can purchase commercial time on local TV Stations, but how many commercials do you watch? People don't watch TV the same way they did 10 years ago. Now they fast forward through commercials. You can purchase commercial time on local Radio Stations, but when was the last time you wrote down a phone number from the Radio while driving? You can purchase a billboard on the hi-way, but when was the last time you wrote down a phone number from a billboard while driving?

I didn't say don't spend money on Marketing, just don't be surprised when potential guest drives up and say they had no idea you were here until their Aunt Sally told them at the dinner table. The average person must see an advertisement 7 times before remembering the content. Unless someone has an immediate need for what you are offering, they will likely ignore your Marketing. Realizing the most return on your Marketing investment is nearly impossible to confirm. You can ask everyone who calls how they found you but most will not remember if it was a Radio or TV or Billboard. Most will tell you word-of-mouth, but what you don't know is how did Aunt Sally know about you? You must get people to your location. You must get people talking about your location. Even the neighbors who are complaining to everyone they meet are getting the word around.

Grand Opening

The Grand Opening doesn't have to be the first day you earn the Certificate of Occupancy or the first day you take a reservation. I suggest making the Grand Opening a few weeks

after guest start arriving. You want the Mayor and the City Council members and the Chamber of Commerce members to be there with news reporters and you want them to see Guest enjoying sites. Join the Chamber nearest you and consider joining the one in the next town. Attend functions and introduce yourself as the Owner of your RV Destination and explain why your place is wonderful. Maybe no one there owns an RV, but maybe Aunt Sally is in the audience. The Chamber of Commerce has attended many Grand Openings, they will provide the big scissors and the ribbon. The Mayor or Council Chairperson will be happy to hold the ribbon and make a speech. Get the press there, it is free advertising. Serve food.

Managing

You are open. Guests are beginning to find you and make reservations. You are learning the reservation software. Don't forget to pay your taxes. The reason why you became an entrepreneur is so that you can make the rules. Unfortunately, now you work for everyone else. Any potential guest can call you in the middle of the night and ask if you are open. Any current guest can call you in the middle of your anniversary to tell you the toilet is running and won't stop. Any employ can ask for more money, you can give it to them and they can still quit while you are on a much-needed long weekend. You will pick up other people's trash and worse. You will listen to guest complain about another guest. You will be told you charge too much, by guest who refuse to move because you are the best value. You can hire a management company. You can hire Camp Workers. In my opinion NO ONE will take the pride and do what needs to be done as well as the owner. I experienced a 15% increase in sales when I started answering my Business Phone. Either my Camp Workers were ignoring the phone or simply not promoting my business like I could.

Another reason you became an entrepreneur was to enjoy the financial rewards of exceeding your customer's needs. If you are successful in anticipating and exceeding your customer's needs, they will pay you. If you have the only orange tree in California you can charge as much as you want for oranges. The more times you can tell a guest yes, the more you can charge.

Remember; you can't delegate the responsibility to create a profit.

Exit Strategy

You might not be thinking of how you are going to leave the business you just created, but you should. If you want to design and build RV Destinations to immediately sell you will have a different motivation than someone who plans to stay and manage their creation. I already explained to attract the corporate buyer you will need to have at least 300 sites.

Certainly, plans change, but you should have an idea of how long you want to be the Owner. Do you want your heirs to take over your business? How many years do you want to be profitable? Do you plan to ask the nearest city to annex your development – if so, you will need to build the roads to their specifications. Do you want to sell or rent sites? Many states will not allow you to sell the ground in small parcels. You will be forced to treat your development like a Condo and sell rights to use Amenities. Additionally, you will be required to set up a Homeowners Association. Depending upon how you plan to get out of the business will determine some of the design questions.

I hope this document is helpful. I am always open to comments, suggestions or criticism. Should you have specific questions you would like me to answer please contact me directly at;

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You may also review Homestead RV Community which is the most technologically advanced RV Destination in the world; which I designed and developed for myself. I don't simply tell people how to spend their money – I show them how I spent my money.

www.HomeRVC.com

If there is anything I can do as a Consultant or Project Manager please let me know.

Thank you

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