



# Inactive Facility Revitalization Initiative

Post-COVID-19 Economic Recovery Preparedness

April 2020

## Inactive Facility Revitalization Initiative

The Inactive Facility Revitalization Initiative (Facility Revitalization) is designed to identify, assess, prepare, and market inactive and underutilized commercial and industrial facilities currently offline that may be restarted/repurposed and returned to active commerce. The goal of Facility Revitalization: position formerly active commercial and industrial facilities for reintroduction to commerce in preparation for post COVID-19 economic recovery and re-domestication of critical supply chain.



### Benefits

Restarting shuttered and idled facilities indeed comes with a number of challenges. While some former facilities are impractical to restart or repurpose, there are many facilities that have limited liability concerns and are cost-feasible to position for revitalization. Bringing a former facility back online has several key benefits over development of greenfield sites:

- **Rights of way established**
- **Excess utility capacities**
- **Free of wetlands and other encumbrances**
- **Permitting**

- **Return of community jobs to ready workforce**
- **Often located in industrial and commercial land use area**
- **Preservation of competitive greenfield sites**

### Approach

The Inactive Facility Revitalization Initiative follows a three-pronged technical approach for the initial feasibility screening for facility restart/repurpose potential:

**1) Economic Development Highest and Best Use, 2) Environmental Liability Concerns, and 3) Site/ Facility Reconfiguration.** This initial facility assessment considers location and physical plant factors including site, building, equipment, and infrastructure. Recognizing that land use, population growth, traffic congestion, community tolerance, regulatory environment, and utility capacities surrounding

former facilities have changed, site specific assessments are required to determine current facility reintroduction potential and highest and best project uses.

Facilities surviving initial revitalization feasibility screening become candidates for in depth site due diligence and positioning strategy. LL+D's comprehensive Facility Revitalization evaluation and positioning strategy includes the following tasks:

- **Inventory and Rank** – determine universe of former operating facilities including all commercial and industrial properties (e.g., supercenters, warehouses, papermills, foundries, decommissioned power plants, etc.) and prioritize facilities based on immediately apparent challenges and face-value use/ reuse potential



- **Assess and Strategize** – determine facility fitness for use/ reuse based on assessment of assets and liabilities including transportation and utility infrastructure, environmental, and engineering concerns; develop highest and best use strategy by specific industry subsectors; include cursory determination of workforce availability and applicable skill attainment
- **Valuate and Model** – determine equipment/facility value for refurbishing/retooling and/or sale or dismantling; model tax revenues and economic impacts to restarting facility; perform cost-benefit analysis to determine financial feasibility of facility reuse/repurposing
- **Plan and Fund** – develop action plans for mitigation of environmental and/or engineering challenges, fortification/expansion of transportation and utility infrastructure; identify funding sources under state and federal programs (e.g., EPA Brownfields, USDA Rural Utility Services, HUD CDBG, etc.)



- **Mitigate and Improve** – begin process of remediating environmental and mitigating other site development challenges and constructing site and infrastructure improvements to increase site competitiveness
- **Forecast and Market** – forecast industry expansion/growth sectors and create targeted marketing campaigns to position communities

and sites (both greenfield and former facility) for project expansion/ attraction; conduct lead generation

Our comprehensive approach tempers investment in former facilities against current and future economic, financial, regulatory, and market demand to ensure judicious expenditure of time and resources in and positioning for maximum ROI.



## Qualifications

Leotta Location and Design's multidisciplinary team includes in-house experts and partners representing economic development, engineering (civil, environmental, geotechnical, mechanical), environmental and ecological, taxation and finance, commercial/industrial real estate, industrial equipment salvage and scrap, legal, and communications/marketing professionals. The LL+D team understands the complexion and nature of large commercial and industrial site location needs. This includes both attractive criteria, such as transportation and utility infrastructure and labor resources, and vulnerable criteria, including sensitive environmental areas and

cultural and community features. LL+D founders have a background in environmental consulting and have strong knowledge of complex permitting challenges for large commercial and industrial projects.

LL+D staff have extensive experience with economic development and site selection projects from small local site evaluations to siting thousand-plus job industrial investments. We work with state, regional, and local economic development organizations (EDOs) as well as private sector companies engaged in site selection and economic development to provide specialized technologies and knowhow for maximizing project competitiveness.



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**DIFFERENTIATE.  
COMPETE.  
WIN.**

## Take Action. Be Prepared. Maximize Recovery.

*While we can't yet predict with certainty the scale of manufacturing growth in a post COVID-19 economy, **most economists expect a healthy, if not aggressive, resurgence in domestic manufacturing in the next twelve to twenty-four months.** Possible federal policies may catalyze economic growth.*

*In fact, on Thursday April 2, a member of President Trump's coronavirus task force alluded to a forthcoming presidential order to mandate that the federal government "**buy American**" for essential/critical materials, products, and equipment. Should this action be taken it would certainly take some time to phase in.*

*Now is the time for communities to take dedicated action and develop a plan to not only aim to restore, but **increase jobs and tax revenues** to pre-coronavirus pandemic levels. The Inactive Facility Revitalization Initiative in combination with LL+D's Strategic Sites Inventory (SSI) Program for greenfield product development will ensure communities have the commercial and industrial real estate assets required to respond to post COVID-19 economic growth opportunities.*