



EDITOR'S VIEW



Robert Pitts

FREJ takes a few lessons from hurricanes

If it seems to you like this edition of *Florida Real Estate Journal* is a tad late, you would be right. But we have a good excuse. Hurricane Jeanne got the best of us here at REN Publishing.

Or was it Frances? Ivan? Whatever. I'm losing track of all these storms.

In any case, our office has been without power since Monday after Jeanne went through hurricane magnet Polk County. Now it's Thursday (deadline day), and I'm sitting in a darkened office in shorts, a T-shirt and bare feet typing this column on a computer powered by a generator we were able to scare up. No AC, but thank the Lord our file server is up. Maybe now we can get some work done.

Three hurricanes in six weeks have definitely taught us a few things here in Polk County. Here's a list of some of the lessons learned courtesy of Charley, Frances and Jeanne.

■ If in doubt, buy it anyway. Better to have it and not need it than need it and not have it.

■ Don't eat up your hurricane supplies until December.

■ Panic and stupidity are inversely proportional to the proximity of a given storm.

■ Air conditioning is the greatest invention of all time.

■ Duct tape is a close second.

■ A good chainsaw is worth every penny.

■ A good chainsaw doesn't die after 45 minutes of use (happened to me).

■ Trees are great — as long as they're standing.

■ Plywood futures would have been a great investment.

■ Don't shop for generators the day after a storm.

■ Don't shop for generators the week after a storm.

■ In fact, just forget about finding a generator until, oh, about March.

■ Make sure a tree trimmer is among your best friends.

■ There's not as much gas as you think.

■ Nobody understands the concept of "four-way stop."

■ Storms bring out the best in some people — the worst in others.

■ \$2.50 for a bag of ice! What a deal!

■ You know it's bad when a friend would rather take his chances in Fort Lauderdale than come to stay with you in Polk County.

Special interests fight over price tags on amendments

It seems the very soul of reasonableness that if Florida voters are going to oblige Florida government to buy something for Floridians, they should at least know what that thing is going to cost before they vote.

It's one thing for voters to say that they want their government to buy them A. But if A will cost so much that voters will be forced to forgo B and C in order to buy A, they should know this before voting. Floridians seem to understand this, which is why they approved a constitutional amendment in 2002 requiring all future constitutional amendments to come with economic impact statements attached. A price tag, in other words.

This November will be the first election cycle to require price tags on amendments and, predictably, there are widespread objections to the prices attached to amendments to go before voters. Cries of "Unfair!" and "We was robbed!" are being heard throughout the state from supporters and opponents of amendments who think the price tags attached to items they support or oppose are either too high or too low. There are claims that the pricing system — which was designed not to be or appear political — is political.

Amendment cost estimates are formulated by the state Financial Impact Estimating Conference made up by four analysts — one from the Florida House, one from the Florida Senate, one from the Governor's office, and one from the Florida Legislature's Office of Economic and Demographic Research. This group is obliged to come up with a statement of the amendment's cost in 75 words or less. The four-way system is designed to mitigate the influence of any political party or politician.

After the Estimating Conference reaches its conclusions, the Florida Supreme Court reviews them to ensure that the cost estimates are reasonable and that the statement does not contain politically prejudicial language. It's not entirely clear how Florida Supreme Court justices know more about estimating the cost of bullet trains than the economic analysts, but this step was included as a further safeguard against political pricing.

Train price halved

The Court has already jumped into one of the more controversial of this year's amendments, causing the Estimating Conference to cut in half its prediction of how much Floridians would save if they vote Nov. 2 to kill high speed rail. Something most in Florida's development industry hope voters will do.

The panel originally projected that ditching the high speed rails would save Floridians between \$42 billion and \$51 billion over the next 30 years. The panel went on to say that not paying for the trains would save each household in Florida between \$4,700 and \$5,700 for the same period.

The court rejected these estimates and said the Estimating Conference should not break the cost down by household. The court later ruled it would stand still for an estimated cost range between \$20 and \$25 billion for 30 years.

Way more than chump change, regardless if the justices or analysts are right.

Improving delegation

When 'just do it' just won't do it

By Francie Dalton
Dalton Alliances Inc.

Ever wonder why it's so tough to get desired outcomes from those highly paid, well educated, poised and polished senior executives of yours? Is it that they keep turning in work products that aren't "ready for prime time?" Or is it that their stellar work outcomes are delivered at the cost of tremendous collegial discord? Are they truly short-staffed and overwhelmed?

Whatever the dimensions of sub-optimal performance in your organization, chances are at least one of the causal factors is the way you (and they) delegate. Poor delegation can easily be categorized as either inadequate or disabling. Within these two categories are no less than 12 classic and discrete errors in delegation.

Inadequate delegation

■ Failing to identify higher purpose served: Caught up in the rush of

doing business, it's easy to delegate on the run, without articulating how the assignment enables the organization to achieve its strategic initiatives. Ask yourself why the assignment is needed, what other outcome its accomplishment enables, and why that other outcome is needed.

■ Lack of clarity: Have you ever been surprised to discover at performance review time that one of your execs was oblivious to a requirement you thought was implicit? The key to ensuring clear expectations is the establishment of evidence-based performance measures. Start with an outcome you plan to assign. Rephrase it using a fill-in-the-blank statement. If your goal is to "improve attendance at this year's annual convention," using the FIB technique would rephrase the statement into this question: "Attendance at this year's annual convention will be adequately improved when _____."

THE PUBLIC SECTOR



Larry Thornberry
Florida Real Estate Journal

Backers of the train didn't get all they wanted in this one either. They were unable to get the court to include in the estimation billions of dollars in what they see as economic development that would be caused by the train system.

Supremes to hear on ballot box zoning

On Nov. 2 — yes, election day — the Florida Supreme Court will hear arguments on the wording of a proposed constitutional amendment from New Smyrna Beach-based Florida Home Town Democracy. The amendment, if adopted, would require all comprehensive plan changes to be voted on. The results, most in the development industry agree, would be ruinous.

The petition for the amendment has attracted enough signatures — at least 48,000 — to get a hearing on its wording by the Florida Supreme Court. If the wording is approved, Home Town Democracy will have until the summer of 2006 to get the rest of the 488,000-plus votes needed to put it on the bal-

lot. If the wording is rejected, the group will have to start collection signatures all over again.

The Supreme Court hearing is not on the merits of the proposed amendment, but to determine if the proposed amendment language fairly describes what the amendment is about and that the amendment deals with only one subject.

Groups opposed to the amendment — including the Foundation for Preserving Florida's Future, the Florida League of Cities, and the Florida Association of Counties — will argue that the language does not meet either of these tests.

"The sponsor asserts the amendment only affects one aspect of government — that it only has one impact on one level of government," said Jim Krog, a Tallahassee lobbyist and spokesman for the Foundation for Preserving Florida's Future. "Not so. It has many effects on function of city, county and state government. So it violates the single subject requirement. And their language is political rhetoric rather than a description of the amendment."

After hearing arguments on the amendment's wording, the court is expected to take several weeks before rendering its verdict.

Local flavor

Local NAIOP chapters supported candidates for local offices across Florida. Too many of these are remark on them all, but indications are NAIOP's won-lost percentage was pretty high. One example of a strong local

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GUEST COLUMN

■ Emphasizing outcomes to the exclusion of method: "How" accomplishments are achieved often matters as much as "what" is accomplished, yet this balance between outcome and method isn't often reflected in executives' goals and objectives. Unless and until CEO's impose equal scrutiny on both method and outcome when delegating, the impact of, for example, managerial behavior on corporate performance will stay under the radar, free to impede business results with impunity.

■ Failing to delegate developmentally: Aside from your fiduciary responsibility to develop your staff consistent with a sound succession plan, you have the additional responsibility of retaining "the best." Doing so in a competitive marketplace requires that you continually challenge the intellect of your execs. Determine what new or expanded responsibilities will stimulate the

growth of each of your direct reports. Assign reasonable goals. If they express doubts about their ability, respond by expressing confidence in them, and then push 'em off the cliff anyway. Create the opportunity for them to surprise and delight themselves by surpassing your expectations.

■ Failing to anticipate radial impacts: Hard to discern what assignments will bleed into the assignments of others? Are the involved parties coming to you angry and confused? Delegating a project to one department is likely to have implications for other departments. Develop a system to anticipate the radial impact of your decisions before you announce them!

■ Abdication: When two or more VPs are feuding, you can't just step aside in disgust and tell the children to work it out themselves. Resolving disputes is part of your role as CEO. Clarify the outcomes for which each is responsible, crystallize the lines of

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RETAIL

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occupied, with lease rates starting at \$35 psf nnn. The Reserve at Boca Raton, a 121,500sf upscale shopping center anchored by Publix is the newest addition to the area, with a base rent of approximately \$34 psf nnn. Mizner Park, a 237,000sf center under new ownership, is now focusing on local and national retailers, moving away from medical/office tenants.

Boynton Beach/Lantana

There are approximately 30 centers with a total of 3,362,586sf in the submarket, having an average rental rate of \$13.58 psf nnn. Town Commons, anchored by Publix, is 97% pre-leased and is expected to be complete by year end. Also, two new centers have recently been announced by Monroe Prestige Group. Publix at Whitworth Farms, at the intersection of Hagen Ranch Road and Farrow Pict Road, has a 44,481sf Publix as its anchor. Another 87,375sf Publix-anchored center at Gateway and I-95 has also been planned by the group. Renaissance Commons, being developed by Compson Associates, is a mixed-use center having 1,617 residential units, 184,388sf of retail, and 92,800sf of office planned for the former Motorola

site on Gateway Boulevard and Congress Avenue in Boynton Beach.

A 186,500sf Super Target has just been announced for the Boynton Beach Mall area, and Wal-Mart wants to build a 208,000sf Supercenter at the Northeast Corner of Military Trail and Hypoluxo Road and replace current store there.

Delray Beach

There are approximately 30 centers with a total of 2,707,806sf in the submarket, having an average rental rate of \$17.07 psf nnn. Circuit City's exodus at Delray Crossing has had an impact in vacancy for this submarket, increasing it from 4.50% to 5.50% recently. Vacancy is expected to continue its downward trend when the space is leased. In March, Office Depot announced it had a buyer for its recently acquired former Kids "R" Us locations. By acquiring 124 of the stores very quickly, they were able to convert 50 to 60 of the stores to Office Depot stores and move closer to their goal of rapidly increasing market penetration.

Proposed centers in Delray Beach include a freestanding Publix at the Southeast Corner of Linton Boulevard and Jog Road, being developed by

Hoecker Corporation. At the Shops of San Marco, a Publix-anchored center, Regency Centers has said it has plans to add yet another 5,000sf outparcel to the center as a result of the increasing demand for retail space in that area.

Lake Worth

There are 42 centers having a total of 3,948,572sf in the submarket, with an average rental rate of \$13 psf nnn. As a result of Palm Springs Plaza on Congress Avenue expanding, there currently exists 110,000sf of vacant space available. Even so, the vacancy rate has dropped from last year, and it should will drop even lower once this space is rented.

In addition, the first Super Target in Palm Beach County is planned for suburban Lake Worth. The 185,000sf store will be on the corner of U.S. 441 and Lantana Road. Opening is slated by March 2006.

Palm Beach Gardens/Lake Park

There are approximately 27 centers with a total of 2,876,305sf in the submarket, having an average rental rate of \$19.97 psf nnn. This submarket is viewed as being the most active in Palm

Beach County, with six major projects either under construction or in the final planning stages. Downtown at the Gardens is one of the centers planned for the area. It is a 350,000sf center owned by Menin Development, expected to be complete by March 2005. It is a 35-acre project with a 20-acre lake. Tenants include Whole Foods, Cobb Theaters, and Johnny Rockets, and rental rates range from \$50 to \$60 psf nnn.

Another center planned is the 110,000sf Mirasol Walk, being developed by North American Properties. It is expected to be complete early 2005, having Publix, Bank of America, and SunTrust as its anchors, with an average rental rate of \$34 psf nnn. Borland Center is a mixed-use development by Ram Commercial, which will house their headquarters but have retail space as well. Rental rates there are from \$35 to \$40 psf nnn. PGA Commons (Phase II), a mixed-use center located on PGA Boulevard, is set to be delivered by the end of next year. The center will have 88,000sf of retail and restaurants, 73,000sf of office, 32 apartments, and 63 townhomes.

Another center recently announced is Northlake Square West, a neighborhood center on Northlake Boulevard. Legacy Place, a 330,000sf mixed-use center in planning stages, is anchored by Barnes and Noble and Linens 'n Things. The residential portion is currently under construction, and the project will be complete in the spring of 2005.

In addition, Nordstrom plans to open a store in 2006 at the Gardens Mall. The Palm Beach Gardens Mall is redeveloping and adding a 90,000sf Macy's expansion, a 35,000sf Saks Fifth Avenue expansion, and new shops to take advantage of the demand for high-end retail. Target is considering a superstore in the Lake Park area. The Congress Avenue area in Lake Park is becoming a favored spot for big box retailers, with Lowe's, Kmart, Costco and Home Depot having been in the area for some time.

Wellington/Royal Palm Beach

There are approximately 17 centers having a total of 2,344,094sf in the submarket, with an average rental rate of \$18.40 psf nnn. This submarket is considered the fastest growing part of Palm Beach County. Although there are many new stores and restaurants under construction, Wellington is still under-commercialized for the amount of people living there. There are tremendous opportunities for commercial growth and expansion. The Groves at Royal Palm Beach, a 75,000sf Publix-anchored center on the corner of SR 7 and Southern Boulevard, is being developed by Monroe Prestige Group and should be complete by September or October.

Another center, Wellington Green Square on the corner of Wellington Green Drive and Forest Hill Boulevard, has been planned by Schmeir & Feuring and is 100% pre-leased. Fresh-market is expected to be in the center, and rental rates were approximately \$30 psf nnn at the center. Waterway Plaza, a 145,000sf center owned by Santamaria Inc., will be on the corner of Okeechobee Boulevard and Royal Palm Beach Boulevard and is expected to break ground in 2005. Also, a Super Target is planned for SR 7 and Okeechobee for 2005.

West Palm Beach

There are approximately 41 centers having a total of 4,490,722sf in the submarket, with an average rental rate of \$17.82 psf nnn. The city of West Palm Beach is expected to undergo a huge transformation in the next few years. Condominium construction stands to outpace Fort Lauderdale in the next few months. A freestanding Publix is expected to be announced on the corner of Okeechobee and Jog Roads, and a Wal-Mart Supercenter is planned for the Northeast Corner of Belvedere Road and Military Trail.

DELEGATION

From Page 4

authority, and establish the ground rules for necessary collaboration. Link compliance to performance reviews/bonuses.

Disabling delegation

■ Deliberate redundancy: If you're thinking that assigning the same task to multiple VPs inspires healthy competition, you're sadly mistaken. What this type of delegation actually inspires is conflict. It takes the form of silo behavior, a lack of collaboration and information sharing, which generates additional redundancies and rework. If your senior executives are like most in my client companies, they're already starving for crumbs of recognition from you and don't want to share what little the get. Exacerbate this feeling of impoverishment at your peril. You'll erode both morale and loyalty.

■ Failing to impose accountability: Part and parcel of effective delegation is setting expectations regarding the consequences of both success and failure. Awareness of these consequences motivates the quality and speed of execution. If your exec doesn't deliver to spec, it's your responsibility to confront that failure. A surprising number of my CEO clients are so uncomfortable confronting poor performance that they sidestep the imposition of negative consequences, feigning competing priorities to justify overlooking poor performance. Well, guess what? If you're the CEO, you don't get to use "comfort" as a determinant for action. Those who refuse to act have lost their right to complain. So if you're not going to hold your VPs accountable for poor performance, then acknowledge your contribution to that poor performance and stop complaining about it.

■ Saving their bacon: Much like parents who do their child's homework thinking they're helping, swooping in to rescue an exec from his/her own sloppiness performance stunts or prevents their growth, generates resentment from their peers, and erodes the respect of

Delegation Grid	
Things I do well that I should be doing	Things I do well that I should not be doing
Things I do poorly that I should be doing well	Things I do poorly and should not be doing

their subordinates. Unless you want to continue managing adolescent behavior, when you delegate responsibility, delegate the earned consequences.

■ Delegating to weakness: Yes, I know that in the previous section I suggested delegating in a way that stretches and develops, but that's not the same as delegating tasks that are outside the scope of one's competence. Classic examples of this include putting the stereotypical CFO in charge of marketing; putting the stereotypical expert engineer at the podium presenting research findings to an audience of laypersons; moving your star outside sales professional into an inside management function; or staffing a highly regulated function with an entrepreneurial spirit.

■ Assigning responsibility in excess of authority: I go round and round with CEOs about this one. So pervasive is this error in delegation, and so negative is its impact on morale, that we'll look at an example. Let's say you've delegated responsibility to one of your execs for a specific legislative outcome. Unless this exec owns Congress, it's inappropriate to impose accountability for what becomes law. What is appropriate is to hold your exec accountable for the flawless execution of what you agree to be a comprehensive strategy which maximizes the likelihood of the desired legislative outcome.

■ The big one: Let's admit it. We're all trying to impress someone in our work context. As executives, the

most obvious opportunity to do so is to achieve more with less — to consistently execute an overwhelming volume of work, on time and with apparent ease. In our zeal to succeed at this, we take on more and more, delegate less and less, putting various facets of our personal and professional lives at risk.

Want to reduce that risk while simultaneously making your star shine even more brightly? Then take a look at the Delegation Grid above, which invites you to scrutinize your activities, listing them in one of the four quadrants. If you complete this grid with brutal honesty (which may require input from others), the two right quadrants will contain fairly long lists. Your challenge is to shed everything on the right side of this grid. Work on getting better at what you've listed in the lower left quadrant, but focus on finding broader applications for and ways to better feature the work listed in the top left quadrant. Instead of continuing activities listed on the right half of the grid, seek additional work that requires the same strengths and competencies that underlie the work you've listed in the upper left quadrant.

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PUBLIC

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candidate is Ronnie Duncan, who was supported financially by the Tampa Bay NAIOF chapter political action committee and was the winner in the Republican primary for a seat on the Pinellas County Board of County Commissioners. He has Democratic opposition in November from a long-time Pinellas County government employee.

"I'm humbled and honored by the victory," Duncan said. "People's votes do count."

Duncan is well-known in the development industry. He's president of Tampa-based The Duncan Companies, a commercial real estate brokerage and consulting firm that does work throughout Florida and in the Atlanta area. He's served on the board of NAIOF of Florida and is on the governing board of the Southwest Florida Water Management District.

Duncan said if he gets by his Democratic opponent in November, he will put a lot of effort into the chal-



Ronnie Duncan

lenges of redevelopment in Pinellas, the most densely populated county in Florida.

"Only three or four percent of Pinellas is available for development, and we're growing two or three percent a year," said Duncan, who is a resident of Tarpon Springs. "So redevelopment is very important. And we have to do it right."

Duncan said only three of the seven members of the Pinellas Board of County Commissioners has ever worked in the private sector, and only one of those recently. He said he hopes to provide Pinellas County with a little more of a business perspective.

"None of the members of the commission have any in-depth knowledge of redevelopment," Duncan said, "or of business in general."

Duncan said his goal is to help make it possible for the existing tax base to be able to pay for the county's growth without raising taxes.

"There's very little room here for business to grow," he said. "And it's not just bricks and mortar. We have to provide roads and other infrastructure as well. And unlike the federal government, Pinellas County can't print more money when it needs to do things."