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WEEK 1  
Saturday  
February 24,  
2024  
9:00AM–1:00 PM

10<sup>TH</sup> GENERATION  
CREATING SUSTAINABLE  
NEIGHBORHOOD  
DEVELOPERS'  
PROGRAM: *Virtual*

- 9:00 AM: ***Welcome!!***  
Dr. Donald Andrews- Dean, College of Business,  
Southern University and A&M College
- 9:15 AM: SU EDA University Center for Economic and  
Entrepreneurial Development  
Dr. Ghirmay Ghebreyesus, Director
- 9:20 AM: ***Course Objectives:***  
Eric L. Porter  
Co-Creator of CSND/ComNet LLC
- 9:30 AM: ***Curriculum Direction:***  
Dr. Sung No,  
Co-Director, SU EDA University Center
- 9:35 AM: ***“Entrepreneurship in Real Estate”***  
Dr. Donald Andrews – Dean,  
College of Business, Southern University
- 10:30 AM: ***“Acquisition: Doing Business with Municipalities”***  
Cedric Grant,  
Grant Management Group
- 11:10 AM: ***Break***
- 11:20 AM: ***“The State of Real Estate”***  
Lacy Baaheth,  
Lacy Baaheth & Associates
- 12:10 PM: ***“The Role of Local Government in  
Community Development”***  
Chauna Banks, Councilwoman, EBR  
Parish
- 12:50pm: ***Closing:***  
Eric L. Porter, Dean Andrews & Dr. Sung No

# **Creating Sustainable Neighborhood Developers**

Donald R. Andrews

Spring, 2024

Dean, College of Business

Southern University and A&M College

Baton Rouge, Louisiana

# Goals

## PROJECT GOALS

### Goal 1

- To develop a comprehensive entrepreneurial program for real estate development that fosters a positive culture within the Louisiana business ecosystem.

### Goal 2

- To help small and minority businesses bridge society's economic and digital divide and uplift income and wealth creation opportunities throughout Louisiana

# Specific Objectives

## Objective 1:

Provide technical assistance and training on  
Neighborhood Development.

## Objective 2:

Assist entrepreneurs in removing barriers and finding  
funding solutions to major problems to support their  
business and entrepreneurial endeavors.



# Special Focus

- **Small Business and Entrepreneurship  
Training in Real Estate Development**
- **Mentorship**

# Entrepreneurship and Economics

# Macroeconomics

- Goal Full Employment and Price Stability
- Basic Equation  $C+I+G+NE = \text{Total Output}$
- Classical Economics – Capitalism is Stable Self Correcting
- Keynesian Economics – Capitalism Unstable Needs Help
- The Business Cycle – Private Spending Fluctuations
  - ◆ Consumption – Consumers (C)
  - ◆ Investment – Private Business Sector (I)
  - ◆ Net Exports – International Sector (NE)
- Role of Government Spending (G)
  - ◆ Monetary Policy – Federal Reserve System
  - ◆ Fiscal Policy - Congress

# Microeconomics

Theory of the Firm: Goal is to Maximize Profit

## Market Structures

- Pure Competition – Many Sellers, Homogenous Product (Commodity) -No Barriers to Entry
- Monopoly - One Seller -Weak Substitutes for Product – Maximum Barriers to Entry (Example Patent Protection)
- Monopolistic Competition - Many Sellers Differentiated Product-Weak Barriers to Entry
- Oligopoly – Few Sellers – High Barriers to Entry Interdependency in Actions Potential for Collusion (Game Theory)

# Why Does the Economy Experience Change?

# Major Instability in the Economy

## ■ Monetary Panics and Depression

- ◆ Runs on Banks
- ◆ Establishment of Federal Reserve Bank (Ms)

## ■ Great Depression

- ◆ Roosevelt New Deal (Big G)

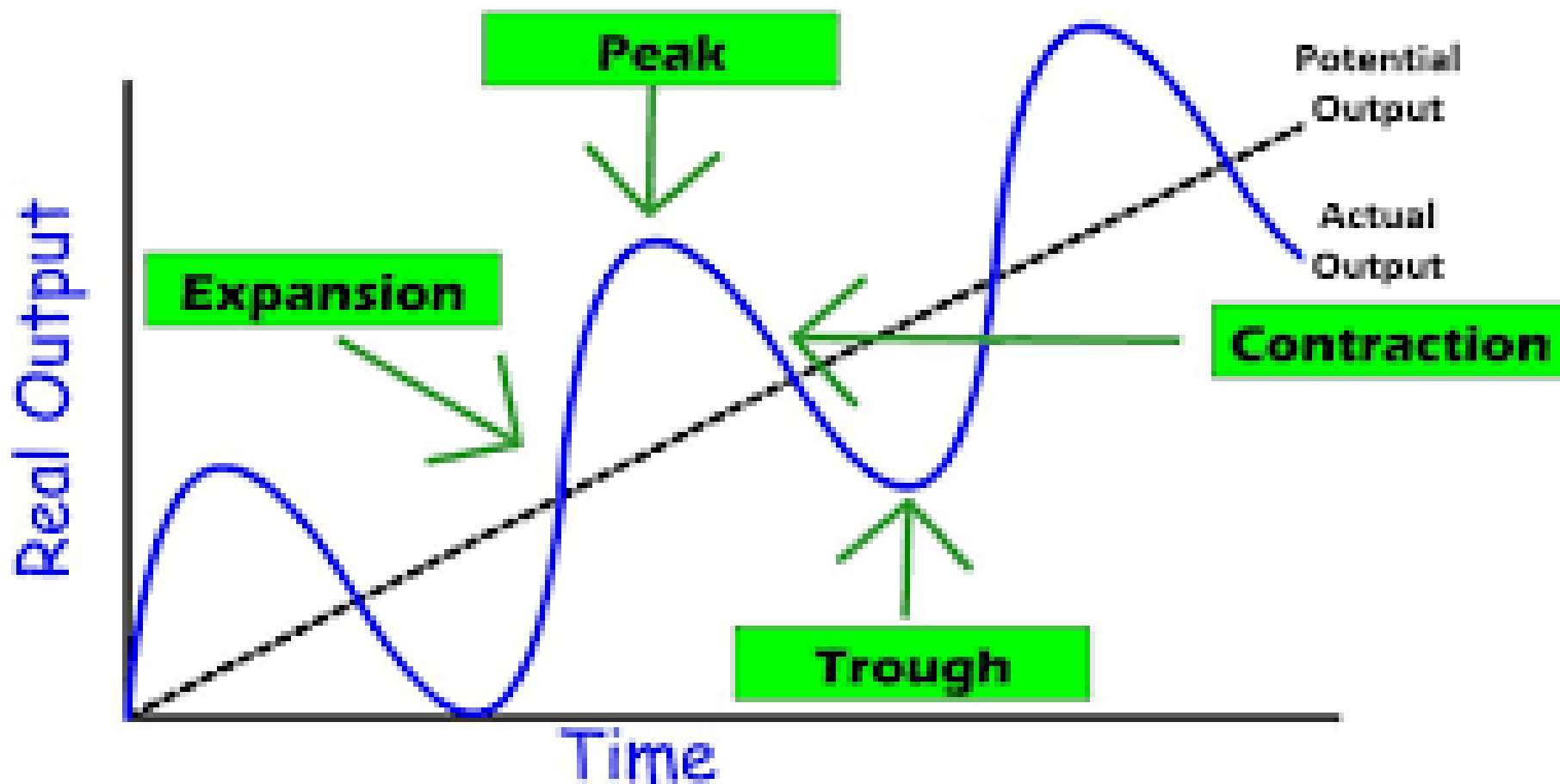
## ■ Post World War II Economy

- ◆ Kennedy Tax Cuts, Johnson Great Society, Reagan Tax Cuts, Bush Great Recession
- ◆ COVID-19 Recession

# Business Cycles

- The **Business Cycle** measures changes in gross domestic product (GDP), or **economic** activity, over time. There are four phases: of the Business Cycle: **Recovery, Prosperity, Recession, and Depression.**
- Causes of the Business Cycle
  - ◆ Changes in Consumption Spending
  - ◆ Changes in Investment Spending
    - ◆ Automobile
    - ◆ Housing
  - ◆ Changes in Government Fiscal and Monetary Policy

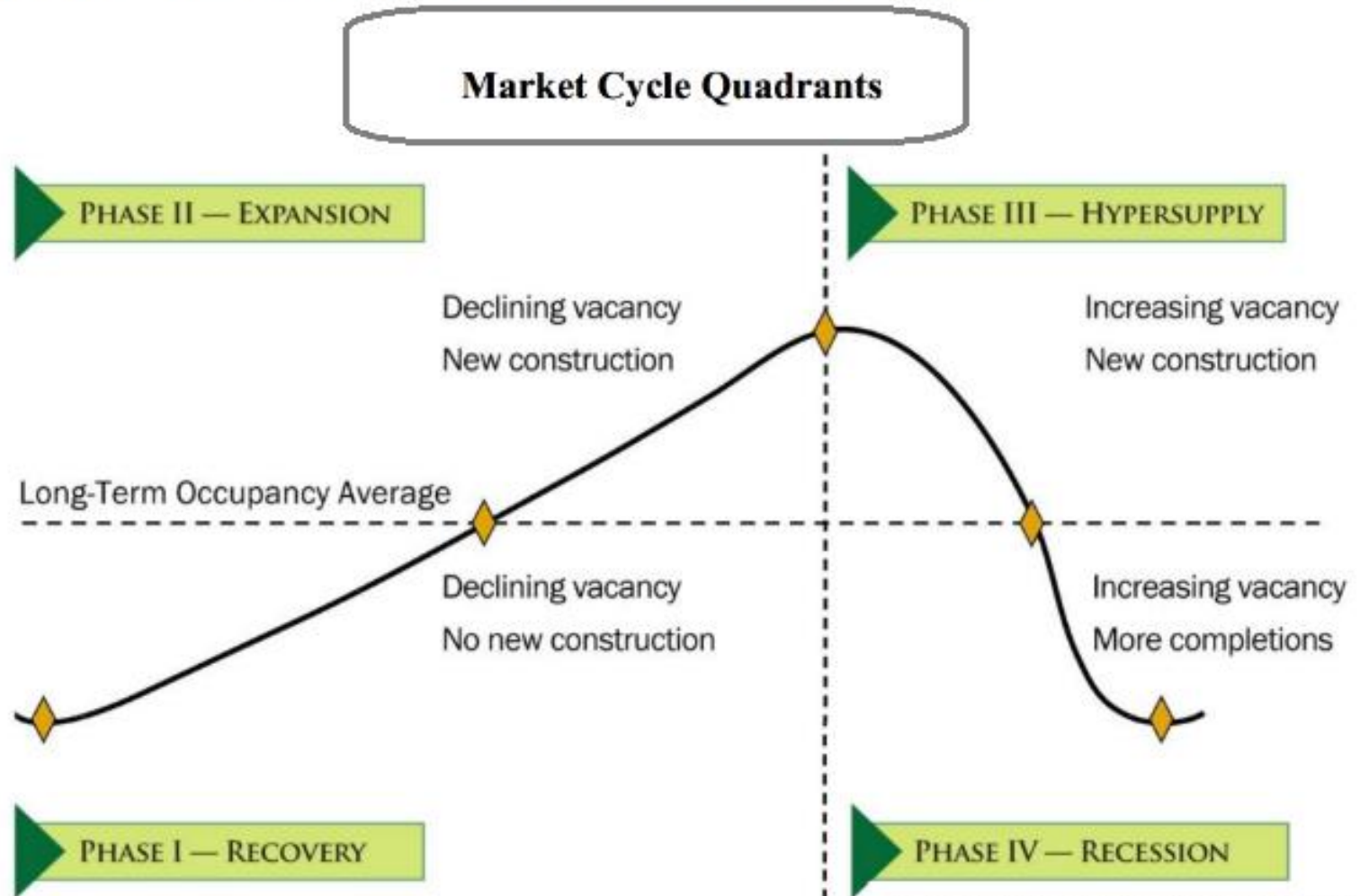
The **business cycle** measures gross domestic product, or **economic** activity, over time. In reality, the **cycle** rarely looks this neat, but this simplified **graph** shows its four phases: expansion, peak, recession, and trough. ... At the expansionary point in the **cycle**, GDP is increasing, and (usually) so is inflation.





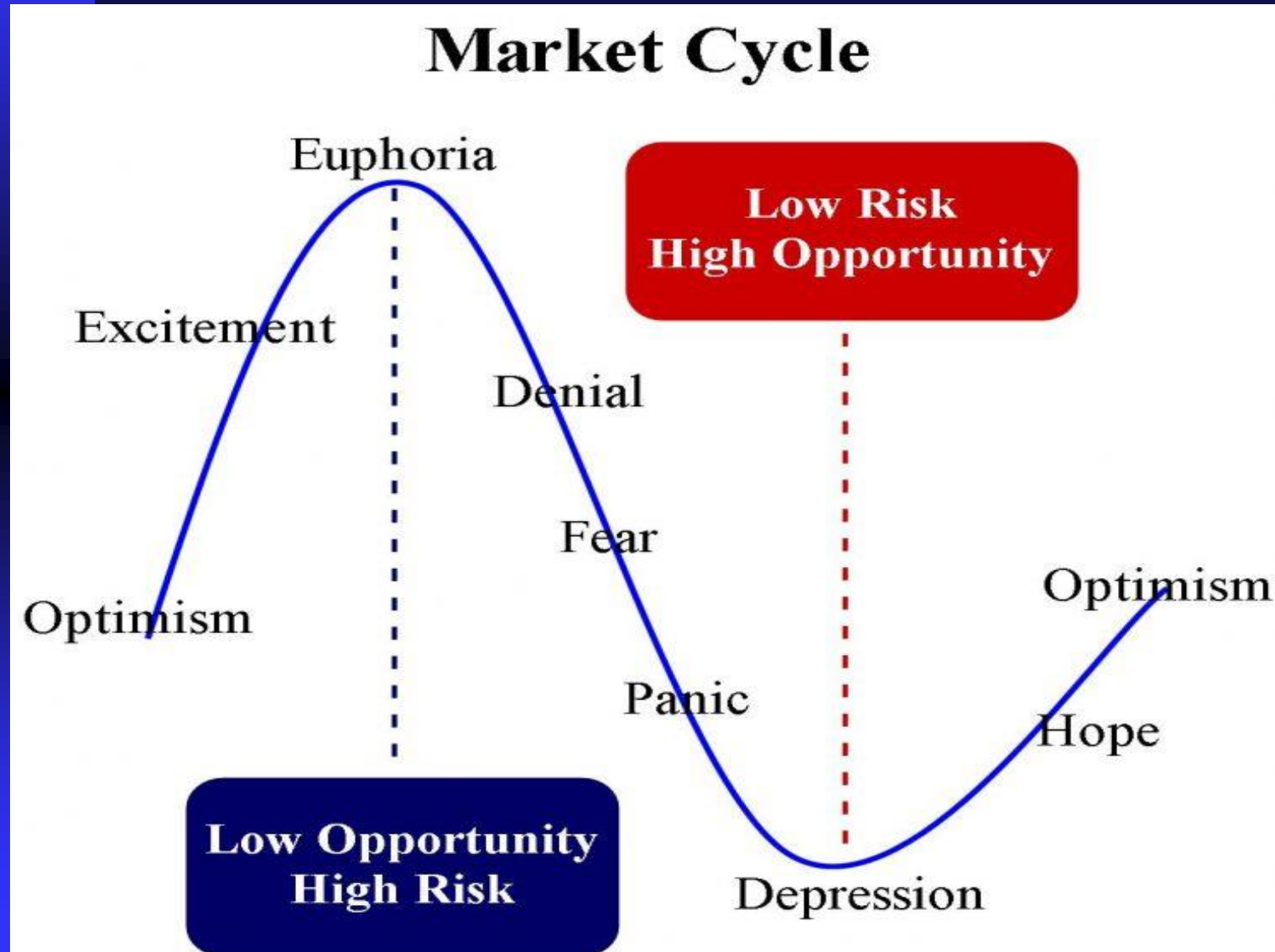
# Real Estate Market Cycle

The four phases move in a continuous wave pattern that looks like this:



Source: Mueller, *Real Estate Finance*, 2016.

# Psychology in the Business Cycle



# *Vision To Create the Future*

Up From Slavery: Booker T. Washington



# Planning for the Future

The single most important thing to remember about any enterprise is that there are no results inside its walls. The result of a business is a satisfied customer. The result of a hospital is a healed patient. The result of a school is a student who learns something and puts it to work.

The talk you hear today about adapting to change is not only stupid, it's terribly dangerous. The only way you can manage change is to create it. By the time you catch up with change, the competition is already ahead of you.

... Peter Drucker

# *The New Economy*

## Change

- “When the rate of change outside the organization is faster than the rate of change inside the organization, then the end is near.” *Jack Welch, Late Former CEO, GE*

# Accelerating Pace of Change

## Agricultural Age



## Industrial Age



## Knowledge Age



1100

1300

1500

1700

1880

1900

1920

1940

1960

1970

1980

1990

2000



# From Knowledge Economy to Creative Economy

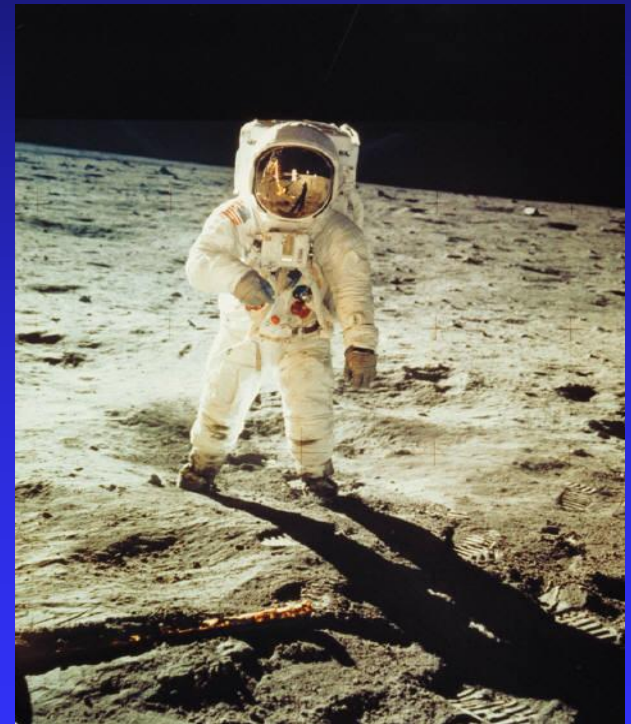
DESIGN



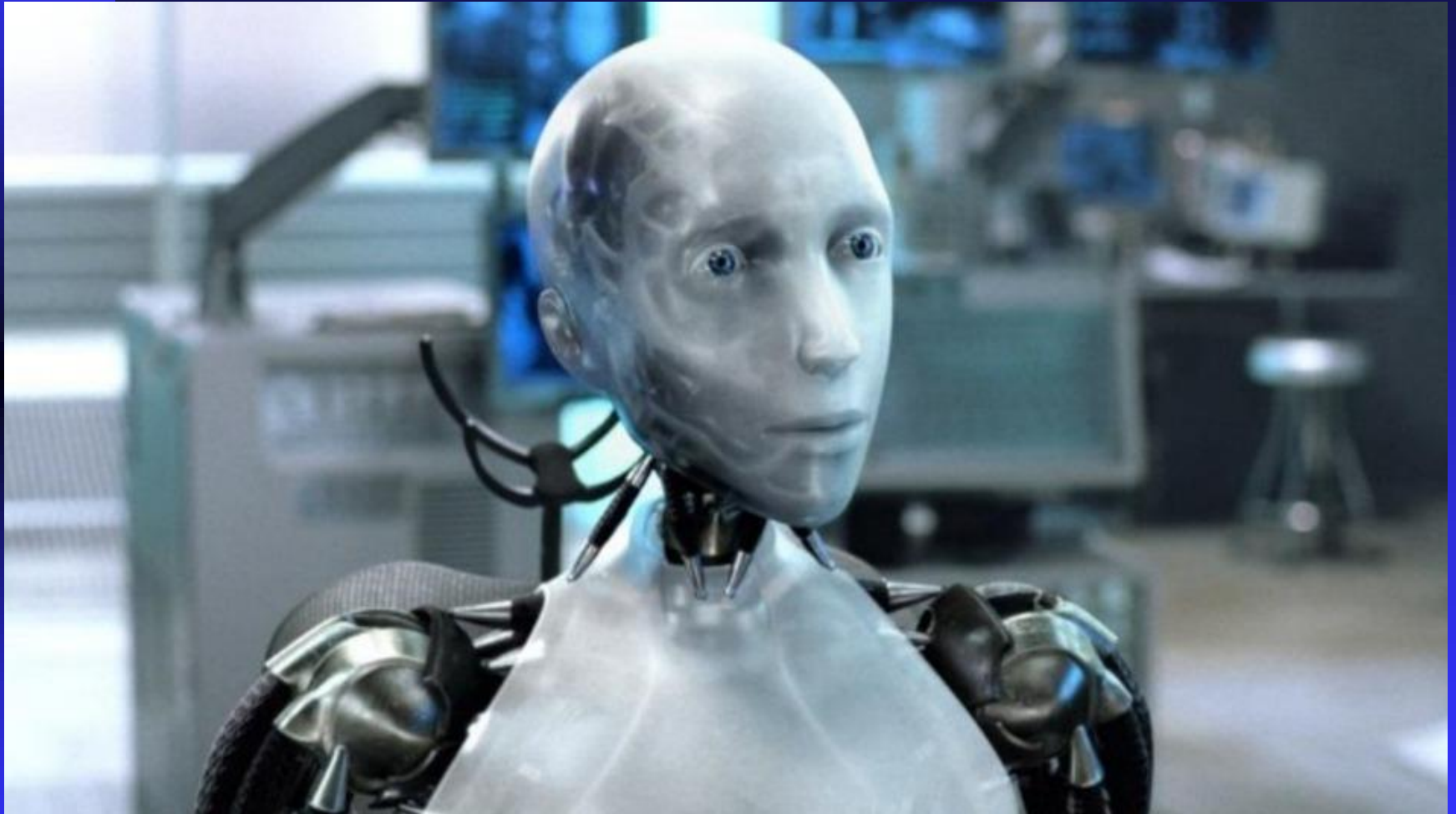
CREATE



IMPLEMENT



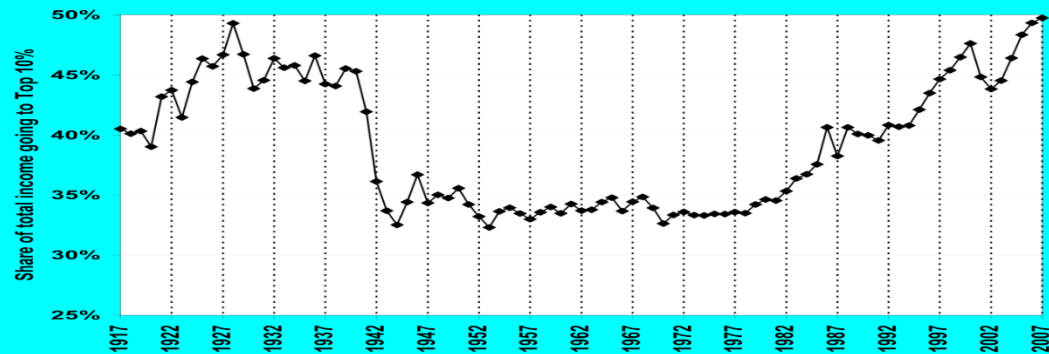
# Brilliant Machines (Deep Blue and Mr. Watson) AI Can I Help You Think?



As Outline in *The Second Machine Age* by Erik  
Brynjolfsson and Andrew McAfee 2014



# Income Share to Top 10 Percent 1917-2007



**FIGURE 1**

The Top Decile Income Share in the United States, 1917-2007

Source: Piketty and Saez (2003), series updated to 2007.

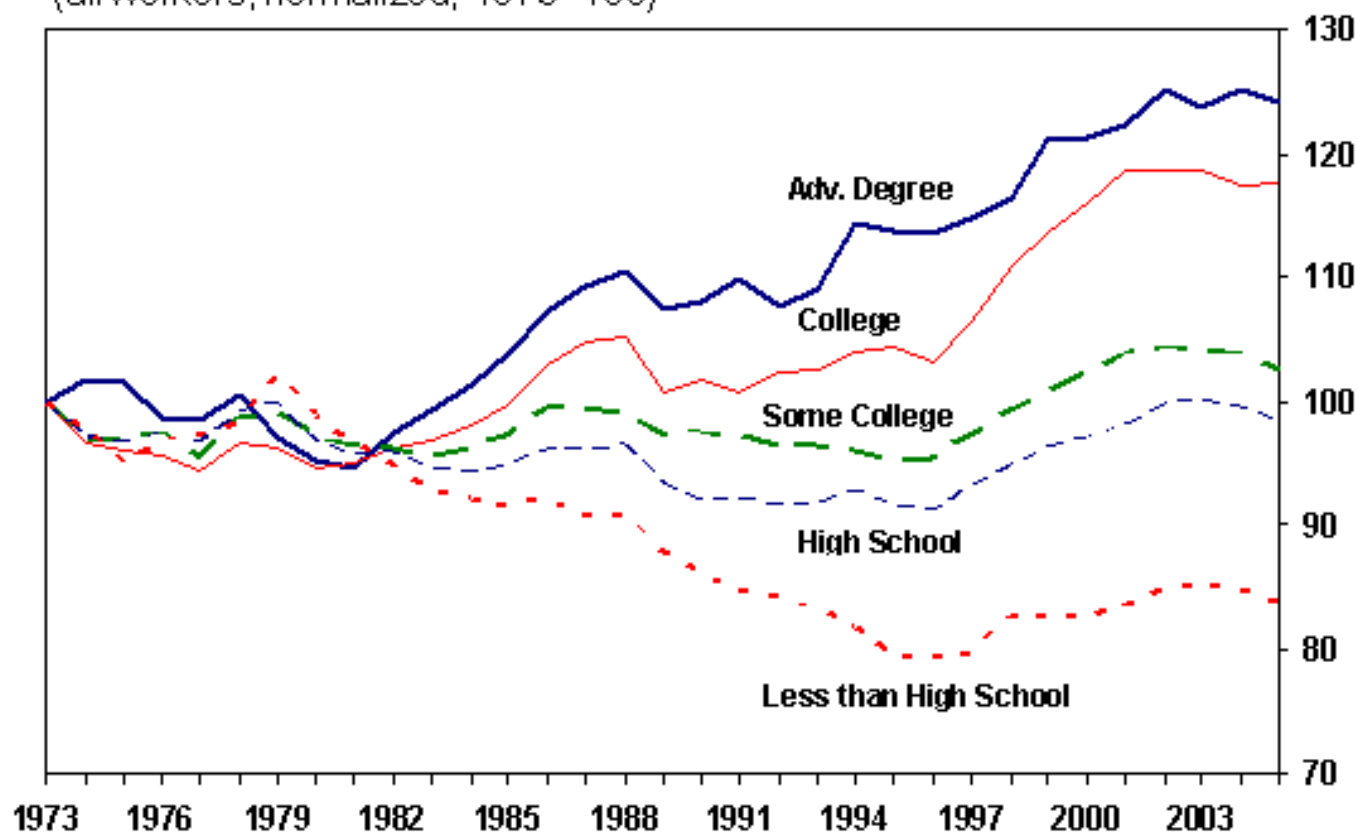
Income is defined as market income including capital gains.

In 2007, top decile includes all families with annual income above \$109,630.

# Growth in Wages by Education

**Figure 2: Real Hourly Wages by Education**

(all workers, normalized; 1973=100)

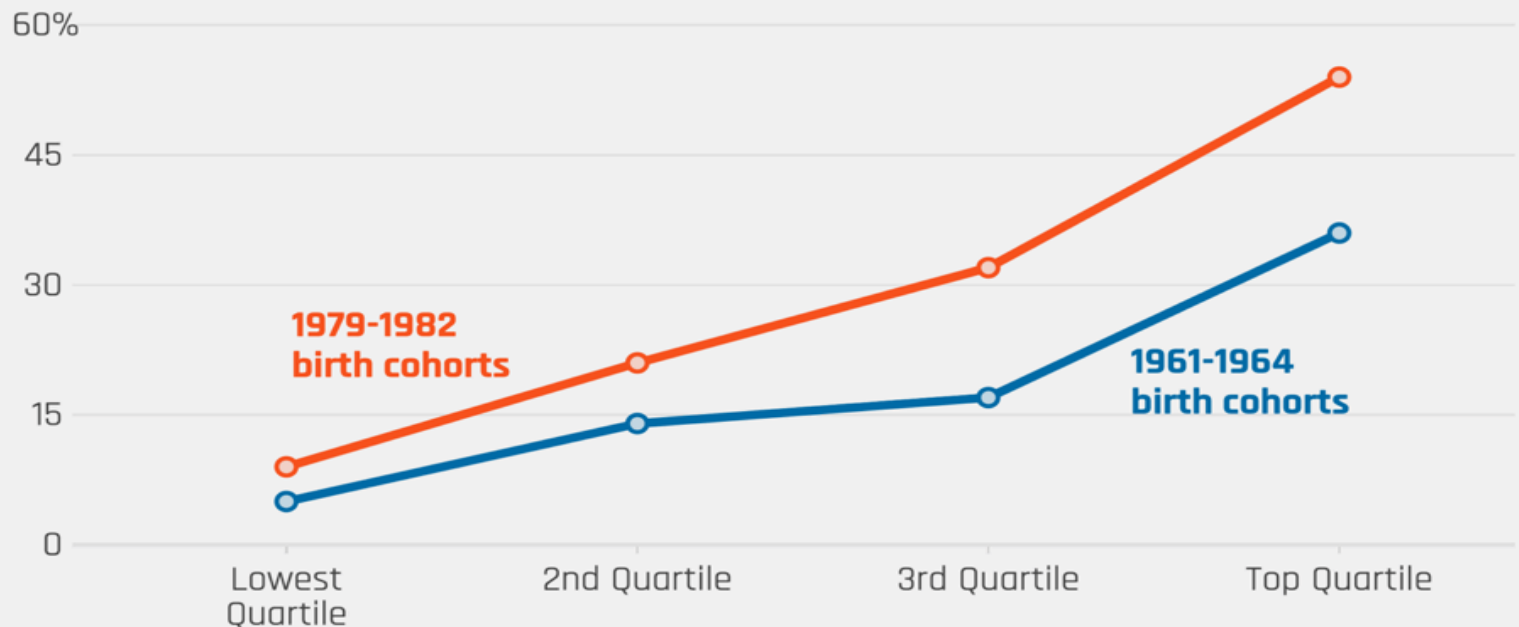


Source: Economic Policy Institute

# Income and College Education

## College completion gaps by income persist and grow

Share of students completing college in the United States by income quartile and year of birth



Source: Martha Bailey and Susan Dynarski, "Gains and Gaps: Changing Inequality in US College Entry and Completion," National Bureau of Economic Research, 2012.

# 21<sup>st</sup> Century Institutions of Higher Education Role in Economic Development

## Strategic Program Principles of Practice

- Embed Economic Engagement, Innovation, and Entrepreneurship Across Institutional Missions
- Value and Promote Scholarship Across A Continuum of Discovery and Application
- Be Good Community Partners
- Engage in Regional Innovation Ecosystems
- Identify and Strengthen the Institutions Strategic Competitiveness
- Serve Regional Human Capital and Workforce Needs
- Contribute to the Health and Well-Being of the Community and People Served
- Facilitate 21<sup>st</sup> Century Knowledge Creation at the Intersections, Collisions and Fusions of Academic Disciplines
- Affirm that, in Innovation and Engagement, Humanities, Arts, Social Science and STEM Disciplines are Vital
- Innovate Continuously in Teaching and Learning Practices
- Source: Higher Education Engagement in Economic Development, Association of Public and Land Grant Universities - Commission on Innovation, Competitiveness and Economic Prosperity – University Economic Development Association

# Demand for Entrepreneurship Education

Students have shown an increased interest in understanding business from the entrepreneurs' perspective. According to Stephen Spinelli, Babson College's President

- (1) students who are going to start their own businesses,
- (2) students who are going to seek to work for a small entrepreneurial firm with rapid growth potential,
- (3) students that want to understand entrepreneurship from a finance perspective and become involved in equity investing in new ventures,
- (4) students who are interested in corporate entrepreneurship and new product development and
- (5) those that end up in traditional business careers but feel that an entrepreneurial education gives them an advantage.

# New Realities in Business

## ■ Recommendations

- ◆ Access New Markets, Develop New Capital Structures, Develop New Business Structures
- ◆ Leverage Government Resources, Develop University Linkages, Support and Encourage Use of Technology, Use of Business Incubators
- ◆ The new realities in the business world have caused a revolution in thinking with respect to developing *entrepreneurship programs*

# Role of the University in Entrepreneurship Development

- **Academic Programs**
  - **Orientation of Business Degree Programs**
  - **Entrepreneurship Courses and Degrees**
- **Research, Grants and Contracting Projects**
  - **Small Business Consulting**
  - **Value-Added in the Supply Chain**
  - **SBIR/STTR**
  - **MSI Alliances and Collaborations**
- **Outreach**
  - **Small Business Development Centers**
    - **Educational Workshops and Training**
    - **Entrepreneurship Training**
  - **Business Incubation**
  - **Research Parks**
  - **Community Development Corporations**

# What is entrepreneurship?

- *Creative Destruction Joseph Schumpeter*
- *The Breakthrough definition:*  
“Identifying an opportunity regardless of the resources currently available.”
- *Babson definitional (r)evolution:*  
“**A way of thinking and acting that is opportunity obsessed, holistic in approach and leadership balanced.**”

Entrepreneurship is the use of innovative thinking to develop new products, services and processes that lead to the creation of wealth for individuals and society  
(Donald R. Andrews SEE 20 2004)



# Examples of Minority Entrepreneurs



- If we're talking successful black-owned businesses, it makes sense to start with the IT behemoth World Wide Technology. With more than \$10 billion in annual revenue and over 5,000 employees, WWT is one of the largest private companies in the U.S.
- David L. Steward founded the company in St Louis, Missouri, back in 1990, and he's still its chairman today. The company's success is a long way from the poverty and discrimination he grew up with:
- "I vividly remember segregation—separate schools, sitting in the balcony at the movie theater, being barred from the public swimming pool." Today, his net worth is estimated at almost \$4 billion, and his company topped this year's BE 100s list of the nation's largest black-owned businesses.
- <https://business.tutsplus.com/articles/successful-companies-black-entrepreneurs--cms-32691>

**Sheila Crump Johnson** is an American businesswoman, co-founder of BET, CEO of Salamander Hotels and Resorts, and the first African-American woman to attain a net worth of at least one billion dollars.



**Daymond John** has come a long way from turning a \$40 budget into FUBU, a \$6 billion fashion game-changer. “He achieved that, in part, by mortgaging his house in Queens to raise the money to make and sell his own tie-top hats with a group of friends. FUBU is now a global hip hop apparel brand, and its founder has expanded into consulting, speaking, a TV role on the business show *Shark Tank*, while still remaining as CEO of FUBU.



# Examples of Minority Entrepreneurs

- **Dangote Group**

- As promised, we're not sticking to the U.S. for this list. So let's head to Nigeria, where industrial conglomerate Dangote Group pulls in over \$4 billion in annual revenue and employs 30,000 people.
- Company founder and CEO, Aliko Dangote, was recently ranked by Forbes as the richest person of African descent in the world. His entrepreneurship started young:
- "I can remember when I was in primary school, I would go and buy cartons of sweets [candy] and I would start selling them just to make money. I was so interested in business, even at that time."

# **From Indian Country Comes Word: 'Native Business' Wants to Empower Native Entrepreneurship**

*Entrepreneurship means much more there than casinos and tribal gift shops. Just ask Gary and Carmen Davis.*

*Source: Entrepreneur - Native Americans August 6, 2018*

**Joan Oleck**

**ENTREPRENEUR STAFF**

*Associate Editor*



# Entrepreneurship Resources

- Entrepreneurship Textbook Openstax link

<https://openstax.org/details/books/entrepreneurship>

- Movie October Sky

<https://www.youtube.com/watch?v=gnX6yU8PJHE>

# EDA University Center for Economic and Entrepreneurial Development

**Southern University and A&M College,  
College of Business  
Baton Rouge, Louisiana**

## Team Members

- Dr. Donald R. Andrews,
- Dr. Ghirmay S. Ghebreyesus,
- Dr. Sung C. No
- Dr. Aloyce R Kaliba
- Dr. Ashagre Yigletu
- Dr. Kimberly Powell

## □ Program Focus

### Economically Distressed and Underserved Communities in Louisiana:

- Workforce development
- Small Business and Entrepreneurship
- Applied research

### Global Competitiveness:

- Advancing entrepreneurship
- Innovation
- International trade.



# State of Louisiana Economic Development Planning Districts

## Focus Regions:

- ☐ Region 2 (11 parishes),
- ☐ Region 6 (8 parishes)
- ☐ Region 8 (12 parishes)



## □ Needs of the Service Regions

### Objectives

- Job Creation and Workforce Development
- Advancing Entrepreneurship and Innovation
- Promoting International Trade

### Activities

- Technical Training and Assistance
- Applied Research and Economic Analysis
- Information Dissemination

# □ Create neighborhood development program



## **CREATING SUSTAINABLE NEIGHBORHOOD DEVELOPERS PROGRAM**

### **CURRICULUM OVERVIEW**

This program delivers a practical introduction to neighborhood development. Ten subject matters will walk you through how to begin your journey to property development in your neighborhood. Through a combination of lectures and hands-on software training, eighteen subject-matter practitioners will demonstrate their specialties on: (1) Sustainable Neighborhood Development, Entrepreneurship and Small Business fundamentals, and Understanding the Impact of Business Cycles and Financial Market Conditions; (2) Acquisition & QuickBooks; (3) Personal Finance 101: Personal Money & Credit Management; (4) Provisional Capacity Assessment; (5) Funding; (6) Development and Construction; (7) Licenses-Permits-Certifications; (8) Understanding Blueprints, Bidding Projects, and Construction Documentation; (9) Estimating & Xactimate Training; (10) Project Management, Contract Management and Scheduling. The Center also administers its program exam to certify the participants' understanding of these nine topics.

## Creating Neighborhood Developers' Program: 10 Saturdays, 34 Hours

[1 ] Entrepreneurship and Small Business Fundamentals & Understanding the Impact of Business Cycles and Financial Market Conditions

4 Hours Sat.  
9:00 -1:00 PM

[2] Acquisition & QuickBooks

4 Hours Sat.  
9:00 -1:00 PM

[3] Provisional Capacity Assessment

3 Hours Sat.  
9:00 -12:00 Noon

[4] Personal Finance 101: Personal Money & Credit Management

2.5 Hours Sat.  
9:00 -11:30 AM

[5] Funding

4 Hours Sat.  
9:00 -1:00 PM

[6] Development and Construction

3 Hours Sat.  
9:00 - 12:00 Noon

[7] Licenses – Certifications -Permits

2.5 Hours Sat. 9:00 -11:30  
AM

[8] Xactimate Training

5 Hours Sat.  
9:00-12:00 & 1:00– 3:00 PM

[9] Project Management

3 Hours Sat.  
9:00 -12:00 Noon

[10] Risk Management, Disaster Management,  
Emergency Preparedness

3 Hours Sat.  
9:00 -12:00 Noon



## The 3<sup>rd</sup> Generation of Certified Sustainable Neighborhood Developers, Monroe, December 14, 2019



# OUTCOMES & IMPACTS:

## *“Creating Neighborhood Developers Program”*

### Outcomes

- Y2019, Y2020, Y2021: **184** participants and **139** Certified Sustainable Neighborhood Developers (CSNDs)
  - • Monroe Program (2019): **46**
  - • Baton Rouge Program (2020): **35**
  - • Baton Rouge Program (2021): **58**
- **Winner of Best Practice Award, the 2018 University Economic Development Association**
- **Winner of the Editor’s Choice Award, the Journal of Economic Development in Higher Education, 2018.**

### IMPACTS

- **52** houses developed
- **250** jobs created
- **57** jobs retained
- **\$9,288,541** indirect private sector investment generated
- **\$6,192,361** indirect public sector investment generated
- **12** working groups in the area of neighborhood development



# The SU EDA University Center's other Program: Strategic Leadership in Times of Crisis



College of Business



## Southern University Leadership Forum "Strategic Leadership in Times of Crisis"

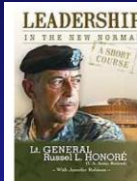


Short Course on Leadership  
Development:

Ronald Jackson, PhD  
Training Coordinator  
Email: ronald\_jackson@subr.edu  
Tel: 225-938-2533

- ❖ This strategic leadership program will not only develop your leadership skills with a focus on crisis situations, but will also teach participants how to engage partners enterprise-wide to leverage cross-functional capabilities in your response efforts, stimulate innovative thinking in challenging times, and ensure your organization's resiliency. As an example the COVID-19 pandemic is one of the direst public health crisis the global population has faced in recent times.
- ❖ Seven-week online course from September 28, 2020—November 9, 2020, 6:00pm—9:00pm.
- ❖ Presenters include Ambassador James A. Joseph, Lt. Gen. Russel L. Honore' (Ret.), Dr. John S. Butler, and Dr. Ronald Jackson.
- ❖ Technical assistance available to qualifying organizations to aid in recovery efforts and plan for future crises.
- ❖ Certificate of Completion from the Southern University College of Business upon successful course completion.
- ❖ University Center for Economic and Entrepreneurial Development  
Southern University Baton Rouge 225.921.3890

Please Advance to Next Slides on Course Description and  
Presenter Bios



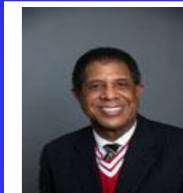
Russel Honore

LT. General Russel L. Honore', US Army (Ret), was widely hailed by the media as the Category 5 General who led Task Force Katrina in the aftermath of the devastating hurricanes that struck the Gulf Coast in the summer of 2005. General Honore' is currently a Senior Scientist with The Gallup Organization, where he is working on developing questions to determine levels of preparedness, and a CNN Preparedness Contributor.



James A. Joseph

Former United States Ambassador to South Africa James Alfred Joseph graduated from Southern University where he served as class president, president of the Baptist Club and as the debate team champion. He graduated with his B.A. degree in political science and social studies. Joseph received his master's degree in Divinity from Yale University. At Yale, Joseph became active in civil rights protests and marches while serving in the ROTC in a non-combatant unit.



John Butler

John Sibley Butler holds the J. Marion West Chair for Constructive Capitalism in the Graduate School of Business (Department of Management). He is a professor in the Management Department and holds a joint appointment in Organizational Behavior in the College of Liberal Arts, where he holds the Darrell K. Royal Regents Professorship in Ethics

**EDA University Center for  
Economic Development  
Southern University, BR**



# Collaboration, Partnership, Leadership:

## *“Creating Neighborhood Developers Program”*

- The CSNDs Program delivered its services to the public with the collaboration of 45 different private, non-profit, or public institutions and government agencies:



225-771-5943

[www.SubrUniversityCenter.org](http://www.SubrUniversityCenter.org)





# Entrepreneurship Links Babson College

- **Babson Definition of Entrepreneurship**
- <https://entrepreneurship.babson.edu/entrepreneurship-definition/>
- **The Economic Advantage of Entrepreneurship Education**
- <https://entrepreneurship.babson.edu/economic-advantage-entrepreneurship-education/>
- **Four Approaches to Teaching an Entrepreneurship Method**
- <https://entrepreneurship.babson.edu/four-approaches-to-teaching-an-entrepreneurship-method/>
- **Teaching Entrepreneurship: An Interview with Heidi Neck**
- <https://entrepreneurship.babson.edu/teaching-entrepreneurship-an-interview-with-heidi-neck/>

# Entrepreneurship Links

- **Ten Entrepreneur Statistics You Should Know for 2021 Blog Link**
- <https://www.oberlo.com/blog/entrepreneur-statistics>
- **Entrepreneurship and the U.S. Economy**
- <https://www.bls.gov/bdm/entrepreneurship/entrepreneurship.htm>
- **McKinsey Report on Small Business and COVID-19**
- <https://www.mckinsey.com/featured-insights/americas/which-small-businesses-are-most-vulnerable-to-covid-19-and-when>

# Entrepreneurship Links COVID Impact

- **THE IMPACT OF COVID-19 ON SMALL BUSINESS OWNERS:  
EVIDENCE OF EARLY-STAGE LOSSES FROM THE APRIL 2020 CURRENT  
POPULATION SURVEY**

**Robert W. Fairlie**

- [https://www.nber.org/system/files/working\\_papers/w27309/w27309.pdf](https://www.nber.org/system/files/working_papers/w27309/w27309.pdf)
- **Rob Fairlie testifies before Congress on inequality in pandemic economic impacts**
- <https://news.ucsc.edu/2021/02/fairlie-house-testimony.html>

# Entrepreneurship Links Minority Business

- **Minority Business Development Agency (MBDA)**
- [https://www.mbda.gov/sites/default/files/migrated/files-attachments/2012SBO\\_MBEFactSheet020216.pdf](https://www.mbda.gov/sites/default/files/migrated/files-attachments/2012SBO_MBEFactSheet020216.pdf)
- **20 Black-Owned Business Statistics for 2021**
- <https://www.fundera.com/resources/black-owned-business-statistics>
- **U.S. Black-Owned Firms Make Surprise Comeback to Pre-Covid Level**
- [https://www.washingtonpost.com/business/on-small-business/us-black-owned-firms-make-surprise-comeback-to-pre-covid-level/2020/10/28/be1e3100-194b-11eb-8bda-814ca56e138b\\_story.html](https://www.washingtonpost.com/business/on-small-business/us-black-owned-firms-make-surprise-comeback-to-pre-covid-level/2020/10/28/be1e3100-194b-11eb-8bda-814ca56e138b_story.html)

# Entrepreneurship Link

## ■ Bill Aulet Disciplined Entrepreneurship

<https://www.d-eship.com>

## Toyota and Lean Manufacturing

- <https://www.rcbi.org/updates/lean-manufacturing-made-toyota-the-success-story-it-is-today/>

# America's New Business Plan

- [https://www.startusupnow.org/anbp?utm\\_source=google&utm\\_medium=cpc&utm\\_campaign=refresh&gclid=Cj0KCQjwhr2FBhDbARIsACjwLo0hAaTvpoHsxWDDTU2kHzm-3eQHM9PlxkutcwSDkecx6R6I7sZ6AewaAiJjEALw\\_wcB](https://www.startusupnow.org/anbp?utm_source=google&utm_medium=cpc&utm_campaign=refresh&gclid=Cj0KCQjwhr2FBhDbARIsACjwLo0hAaTvpoHsxWDDTU2kHzm-3eQHM9PlxkutcwSDkecx6R6I7sZ6AewaAiJjEALw_wcB)

Questions ?



# DOING BUSINESS WITH MUNICIPALITIES

CEDRIC GRANT, PRESIDENT  
GRANT MANAGEMENT GROUP





## RELATIONSHIP AND ACCESS WHO IS INVOLVED AND HOW ARE DECISIONS MADE

- 
- Mayor
  - City Council
  - City Attorney
  - Community Leaders
  - Regulators
  - Citizens

---

## KNOW THE COMMUNITY ISSUES AND PRIORITIES

Crime

Blight

Sanitation

Infrastructure

Housing

Homelessness

Poverty

# KNOW THE RULES RELATED TO WHAT YOU ARE TRYING TO ACCOMPLISH

---

State Law

Local  
Ordinances and  
Code

Comprehensive  
Zoning Code

Comprehensive  
Plan

Community  
Development  
Plans

Strategic  
Initiatives

Special  
Districts

# RESOURCES AVAILABLE

---

Federal Funds

State Funds

Local Funds

Private Funds

Is it in the City Budget

# WHAT RESOURCES DO YOU BRING TO THE PROJECT

---



Expertise  
and  
Commitment

Financing

Political and  
Community  
Support

Partners

# CAN YOU DO WHAT YOU SAY YOU CAN DO

---

1

Track Record of  
Delivering Projects

2

Meet Deadlines

3

Present You and  
Your Organization in  
a Professional  
Manner

4

Be Flexible

5

Be Patient

6

Execute the Project  
on Time and Budget



QUESTIONS

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# CONTACT INFORMATION

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Cedric Grant, President  
Grant Management Group

[cedricsgrant@gmail.com](mailto:cedricsgrant@gmail.com)

(504) 508-8859





LACY BAAHETH  
& ASSOCIATES

**February 24, 2024**

**The Real Estate Market**

# Credentials

**Lacy Baaheth & Associates**

**BROKER/Owner**

**Established 2008**

**(Licensed for 25 years)**

**Louisiana Real Estate Commissioner 2016-2022**

**Member of Baton Rouge Association of Real Estate Brokers (BRAREB)**

**Past President of BRAREB**

**National Award: 2012 Realtist of the Year (NAREB)**

**Member of the National Association of Real Estate Brokers (NAREB)**

**Member of Local State and Nat'l Assoc of REALTORS (GBRAR, LR, NAR)**

**Licensed in Louisiana and Mississippi**

**Right-of-Way and Relocation Agent for Federal, State, and Local Gov't**

**Louisiana Realtor's Executive Committee 2022**

## **Professional Designations:**

**Accredited Buyer Representative (ABR)**

**Graduate's REALTORS Institute (GRI)**

**Vendor Resource Management (VRM)**

**Certified Distressed Property Expert (CDPE)**

**Certified Veteran Housing Counselor**

**C2EX and Fairhaven**

**At Home With Diversity**

**Real Estate Negotiation Expert (RENE)**



# “THE MARKET”

Defined as the overall state of Real Estate based on supply and demand

- ◉ Analyze Cycles
- ◉ Predict Cycles
- ◉ Leading Indicators
- ◉ 4 Phases
- ◉ Where are we today?
- ◉ Participation



# ANALYZE CYCLES

Analyzing cycles in the real estate market involves several key steps:

- ◉ Data Collection
- ◉ Trend Analysis
- ◉ Seasonal Patterns
- ◉ Statistical Analysis
- ◉ Leading Indicators
- ◉ Market Sentiment

# PREDICT CYCLES

Predicting cycles in the real estate market involves analyzing various factors:

- ⦿ Economic indicators
- ⦿ Interest rates
- ⦿ Supply and demand
- ⦿ Demographics
- ⦿ Government policies
- ⦿ Market sentiment

# LEADING ECONOMIC INDICATORS

Leading economic indicators can provide valuable insights into the direction of the real estate market. Some key leading economic indicators to consider include:

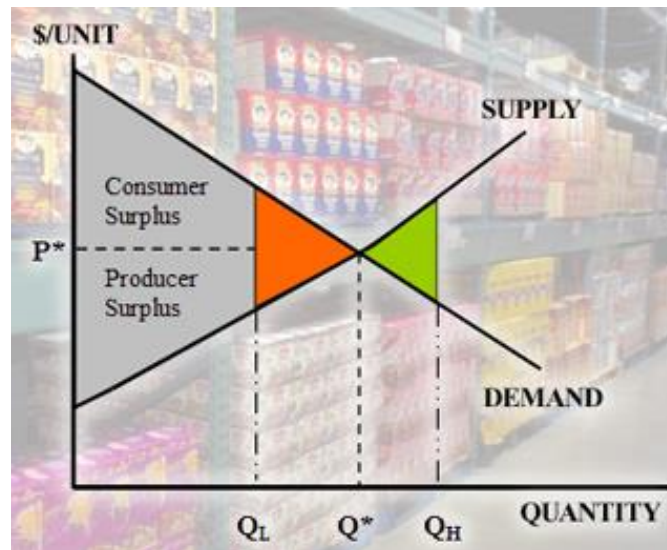
- ⦿ Gross Domestic Product (GDP) Growth
- ⦿ Employment Rates
- ⦿ Income Levels
- ⦿ Consumer Spending
- ⦿ Interest Rates
- ⦿ Inflation
- ⦿ Housing Affordability Index

# OTHER INDICATORS

- ◉ Building permits
- ◉ Housing starts
- ◉ Mortgage applications
- ◉ Home sales volume
- ◉ Inventory levels
- ◉ Consumer confidence
- ◉ Interest rates

# THE MARKET

- Supply and Demand
- Psycholigically and Emotionally Driven
- Complicated
  - General Economic Condition
  - Particular Niche
    - Single Family Housing
    - Investment Property
    - Multi-family Property
    - Commercial Buildings

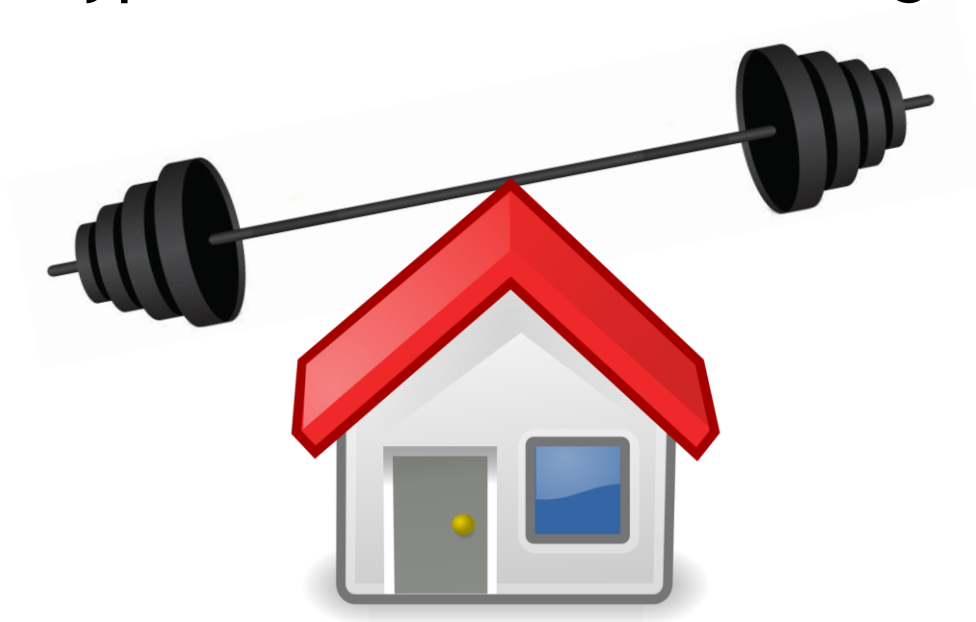




# STRENGTH OF THE MARKET

The **MOST IMPORTANT QUESTIONS** to Help to  
Analyze and Predict Market Cycles

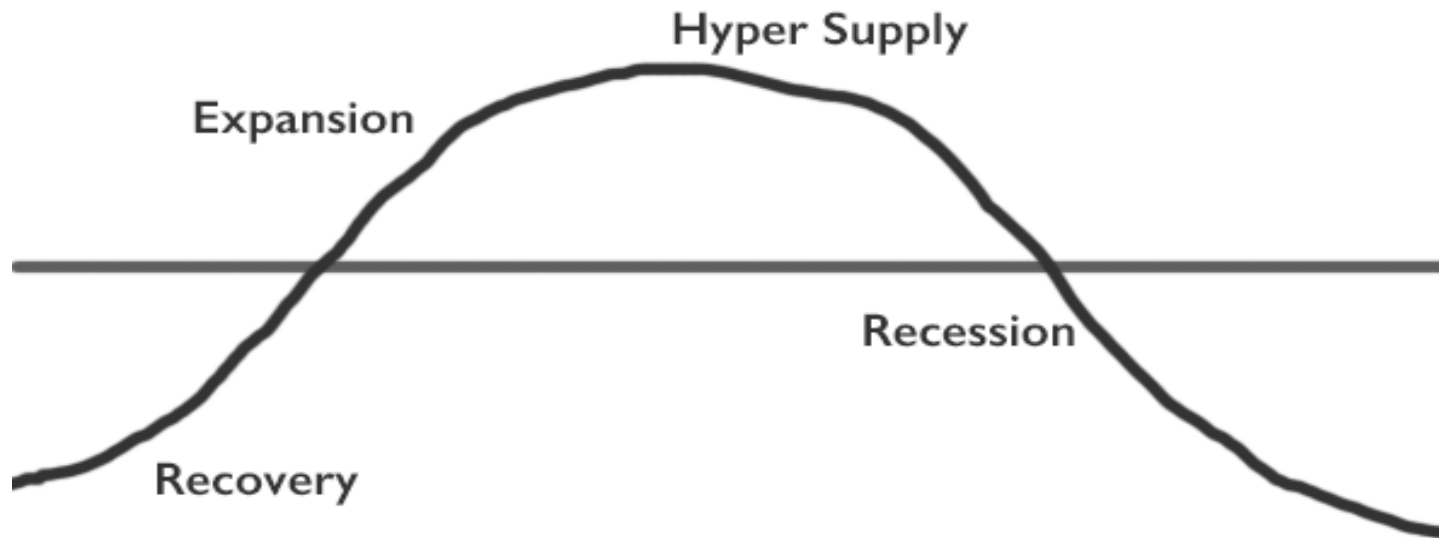
- ◉ **WHERE** is it strong?
- ◉ For **WHOM** is it strong?
- ◉ **WHAT** type of Real Estate is strong?



# THE REAL ESTATE CYCLE

## 4 PHASES

- |            |              |        |
|------------|--------------|--------|
| ■ Phase 1: | Recovery     | Spring |
| ■ Phase 2: | Expansion    | Summer |
| ■ Phase 3: | Hyper Supply | Fall   |
| ■ Phase 4: | Recession    | Winter |



# PHASE 1: RECOVERY

## Spring Time

- ◉ RECOVERY from WINTER (Phase 4)
- ◉ RECOVERY from Downturn
- ◉ RECOVERY from Free Fall

REPRESENTED BY:

High Unemployment

Home Foreclosures

FEAR in the General Population



# PHASE 2: EXPANSION

## SUMMER TIME

- EXPANDING # of Businesses
- EXPANDING Businesses (size)
- EXPANDING Housing Market (start of)

## REPRESENTED BY:

- HIGHER Property Pricing
- LOWER Supply of Property
- CONFIDENCE of the General Population



# PHASE 3: HYPER SUPPLY

FALL

- HYPER-Prices
- HYPER-Building Projects
- HYPER-Market - “BULL Market”



REPRESENTED BY:

- Sky-Rocketing Prices
- Over-Development
- Rising # of Vacancies
- OVER-CONFIDENCE



# PHASE 4: RECESSION



## COLD-COLD WINTER

- ◉ Market Collapse
- ◉ DECREASING # Businesses
- ◉ DECREASING Businesses (size)
- ◉ Property Owners Drowning (under water)

## REPRESENTED BY:

- ◉ RISING Unemployment Rate
- ◉ Decreased Rents and Increased Vacancies
- ◉ FEAR



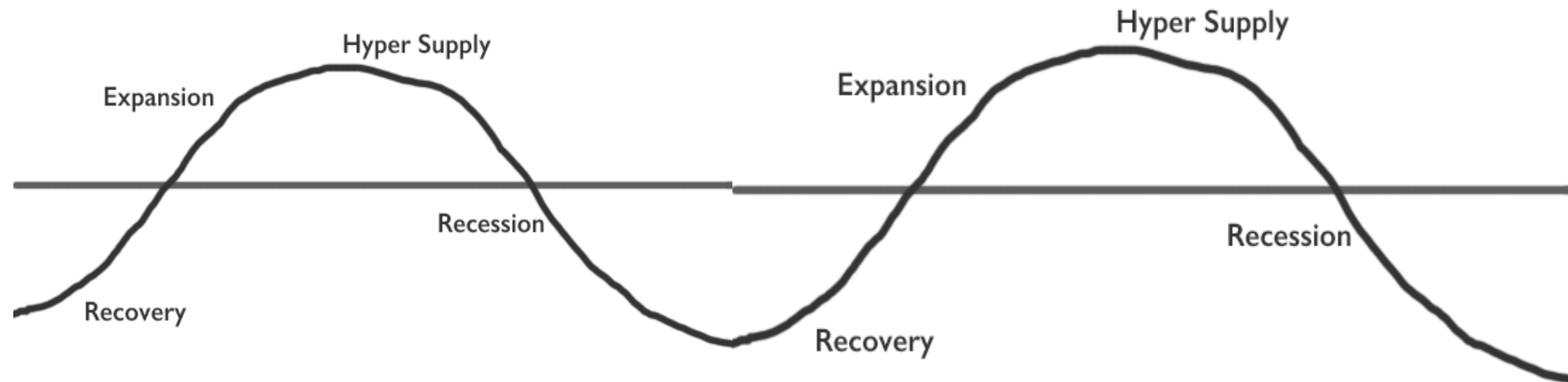
# PHASE 4: RECESSION

## THE SAVVY INVESTOR

- PLAY VERY IMPORTANT ROLE
- PREVENT MARKET COLLAPSE



# THE REAL ESTATE CYCLE



Fred E. Foldvary – “The Depression of 2008”

18-Yr Cycle

1989 – 2007

2007 - 2025



# WHERE ARE WE TODAY?

- ◉ Ask the important questions
  - WHERE is it strong?
  - For WHOM is it strong?
  - WHAT type of Real Estate is strong?
- ◉ Many factors can affect “The Market”
  - Interest Rates
  - Insurance Rates
  - White House
  - War
  - ....AND, Of Course



# “NATURAL DISASTERS”

- ARTIFICIALLY inflate
- ARTIFICIALLY deflate
- INSTANT Phase Shift
- INSTANT Multi-Phase Shift



# WHERE ARE WE TODAY?

## ◉ NATIONALLY

- Phase 3: EXPANSION
- New Construction is INCREASING
- Unemployment Rate remained steady
- CONFIDENCE in the General Population



## ◉ LOCALLY

- Phase 2: EXPANSION
- **Market** Driven by FEAR and CONFIDENCE
- **TIME** OF THE SAVVY INVESTOR
- **Sellers** Sell & Investors Buy

**MY OBSERVATIONS and MY PREDICTIONS**



# My Observations

2024

## ⦿ Increase

- Home Values
- Rental Rates
- New Construction
- Blighted and/or Foreclosed Properties
- Investment Properties
- Homes for Sale

## ⦿ Decrease

- Days on Market



TM

# My Projections

2024

- ◉ Population Shift
- ◉ Seller's and Buyer's Market
  - More concessions for Buyer
    - ◉ More Seller-contributed closing costs
    - ◉ Negotiations for repairs and maintenance
  - All Cash Offers
  - Quick Closings
  - Multiple Offer Situations - STILL
  - Owners attempting to navigate sales alone
  - Rising Investment Purchases (**WHY?**)
  - Rental Market Values Increase (**WHY?**)



# What the Industry is not Doing

## 2024

- ⦿ Real Estate Industry
  - Disclosure Documents
  - Changes in Processes
- ⦿ Real Estate Appraiser's Board
  - Relaxing industry entry
  - Careful appraising
- ⦿ HUD
  - Consider ways to assist homebuyers
  - Affordability
    - **Lenders can/may add additional overlays**





# OTHER CHANGES OCCURRED

- PSYCHOLOGICALLY

- Mind Shift in Average Home Buyer
- Mind Shift in Home Seller

- EMOTIONALLY

- “Buyers Buy with **EMOTION**...
- Sellers Sell with **LOGIC**”

- FINANCING

- 203 K - Rehab Loan
- Fannie Mae Rehab Loans

- “THE MARKET”

- **Has Become Empathetic** to BUYERS
- Always RIPE for Investors



# TYPES OF INVESTMENTS

## ◉ LONG-TERM

- Land Purchases
- Income Producing - Income Supplement
  - Rentals
  - Retirees
  - Generation X and Y

## ◉ SHORT-TERM

- Flipping





# FLIPPING

“THE DEVIL IS IN THE DETAILS”

## GOOD TEAM MEMBERS

- REALTOR®
- CONTRACTOR
- LOAN REPRESENTATIVE
- GENERAL MAINTENANCE
- TITLE ATTORNEY
- CPA
- INSURANCE AGENT
- SU COB
- YOU!
- REALTOR®



# A GOOD & “KNOWLEDGABLE” REALTOR®

- ◉ UNDERSTAND TOTAL COSTS
- ◉ HAVE RELATIONSHIPS
- ◉ HAVE FAVOR
- ◉ BE FLEXIBLE
- ◉ HELP DEVELOP YOUR GOALS
- ◉ HAVE A GOOD REPUTATION
- ◉ HAVE EXPERIENCE
- ◉ UNDERSTAND FINANCING
- ◉ AVOID PITFALLS



**LACY BAAHETH**  
**& ASSOCIATES**  
Real Estate Sales & Property Management

ANY QUESTIONS?  
I'M AVAILABLE



Lacy Baaheth  
2226 Wooddale Blvd  
Baton Rouge, LA 70806

(225) 906-9350 Office  
(225) 954-0768 Cell  
Lacy@SellsWithLacy.com

An aerial photograph of a suburban neighborhood, showing rows of houses with dark roofs and light-colored siding. The houses are arranged in a grid-like pattern with streets and sidewalks. The image is slightly blurred and has a dark, semi-transparent overlay, making it suitable for text placement.

# **The Role of Local Government in Community Development**

Presented by: Councilwoman Chauna Banks  
East Baton Rouge Metropolitan Council



# What is the Role of Local Government in Community Planning?

- Local governments can initiate a community's economic planning efforts to build on their official community plan and role of shaping community growth and determining land use.
- In EBR, The FUTUREBR Plan guides housing, economic development, transportation, land use, the environment, community design and other areas through the decision-making processes.
- It should remain viable for 20 years or more with updates every five to 10 years to reflect changing conditions.



# Future BR-Community Design and Neighborhoods

Baton Rouge's neighborhoods are among the community's greatest assets. Baton Rouge is fortunate to have a significant amount of remaining historic housing stock from the early 1900s, and the City-Parish is committed to maintaining and rebuilding older neighborhoods in cooperation with owners and the community.

As new communities grow and reinvestment in existing neighborhoods continues, the City-Parish should be guided by a vision for strong interconnected neighborhoods and districts which are healthy and comfortable environments.

## Community Design and Neighborhoods Goals

- Enhance community character by upgrading components of the built environment.
- Support a distinctive community identity; an enriched sense of place, and high quality of life.
- Promote development patterns that encourage connectivity and pedestrian orientation.





# FutureBR: Housing

The housing element in FUTUREBR identifies the housing market segments that are well-served in East Baton Rouge Parish now, as well as those that will meet the needs of target segments in the City-Parish's future population. As demographics change, local government planning must ensure that its housing profile is well matched to meet the needs of the City-Parish's future population and economy.

## HOUSING GOALS

- Create a balanced housing supply.
- Coordinate housing planning with communities.
- Ensure that local housing in existing neighborhoods are stable and strong.
- Coordinate housing and economic development efforts.
- Promote sustainable, energy-efficient housing in transportation-efficient neighborhoods.

## AFFORDABILITY

- Conventionally, housing was determined to be affordable if it consumed no more than 30 percent of a household's income. Affordability is more accurately measured by considering housing and transportation costs. According to the Housing and Transportation Index, on average, housing and transportation costs comprise 48 percent of income in East Baton Rouge Parish; housing costs 25 percent of income, while transportation costs 23 percent of income.



# Planning Commission-Governance

Baton Rouge, appointed by the Metropolitan Council for a term of four years.

All land development regulations including zoning and mapping, subdivision regulations, roadway plan, public improvements, public facilities and all City-Parish regulatory actions shall be consistent with the comprehensive plan, element or portion thereof as adopted.

For purposes of planning and land development process, the various types of local regulations or laws concerning the development of land may be combined in their totality in a single ordinance known as the Comprehensive Land Use and Development Code for the City of Baton Rouge and Parish of East Baton Rouge.

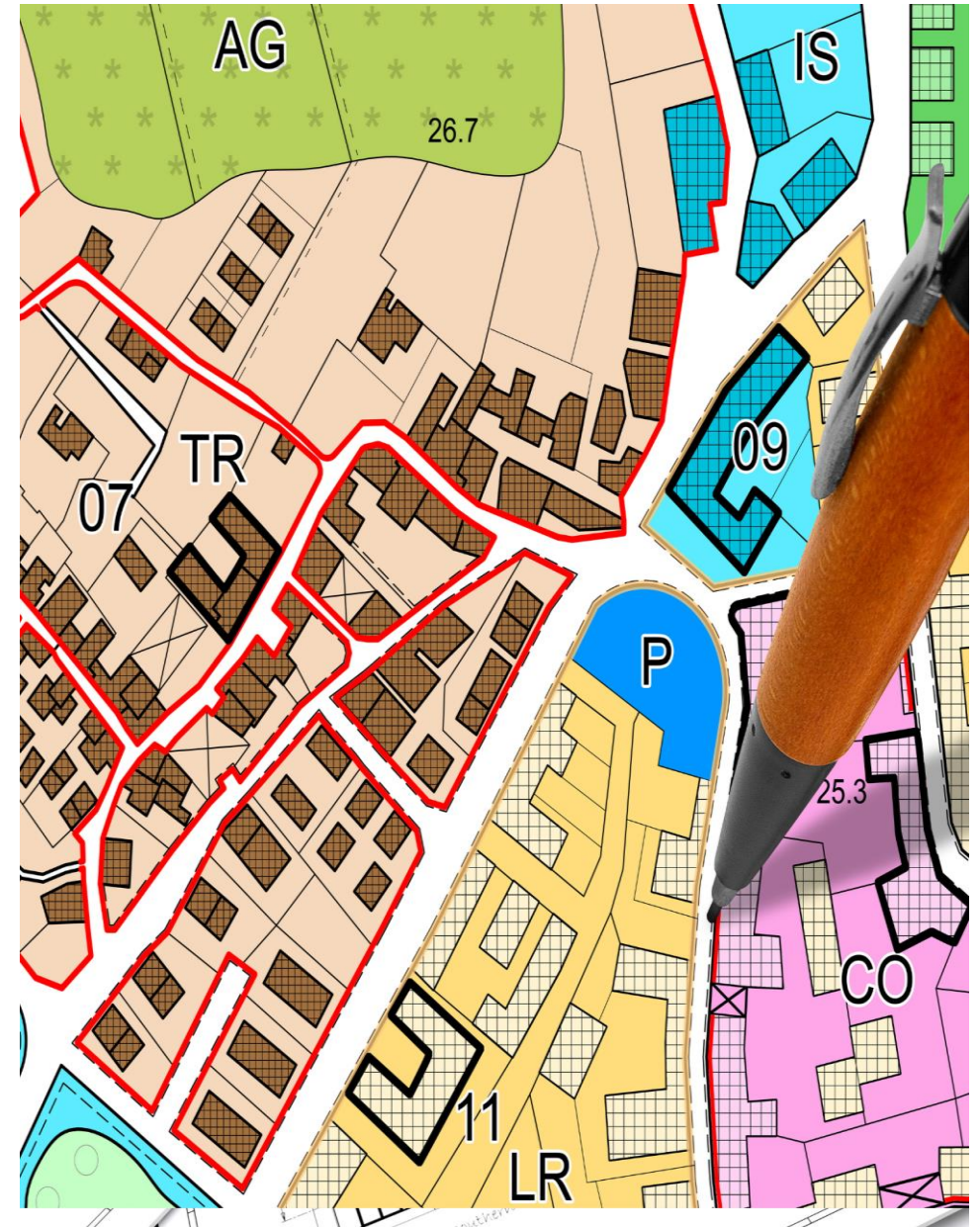




# Zoning

The Planning Commission, in its capacity as the City Planning Commission, shall constitute the Zoning Commission provided for by such laws.

No ordinance or resolution adopting, amending, supplementing, changing or modifying any regulation or restriction or district boundary shall be passed by the Council until prior submitted to and approved by the Planning Commission. An ordinance or resolution disapproved by the Planning Commission may be adopted by the Council by not less than eight affirmative votes.



# Permits & Inspections

The Permits & Inspections Division is responsible for the permitting of residential and commercial improvements (plan review and approval); code inspections; and code enforcement for zoning, building, occupancy, mechanical, plumbing, and electrical construction.

## Commercial Permits & Applications

### Commercial Plan Review Fees

- Fees are Based on Construction Valuation. Minimum Fee is \$100
- For valuations less than or equal to \$500,000, the fee shall be \$3 per thousand dollars.
- For valuations greater than \$500,000, the fee shall be \$1,500 dollars plus \$0.50 per thousand above \$500,000

### Commercial Permit Fees

- Fees are Based on Construction Valuation. Minimum Fee is \$100:
- For valuations less than or equal to \$100,000, the fee shall be \$5 per thousand dollars.
- For valuations greater than \$100,000 through \$500,000, the fee shall be \$500 plus \$4 per thousand above \$100,000
- For valuations greater than \$500,000, the fee shall be \$2,100 dollars plus \$1.50 per thousand above \$500,000





# Residential

## Obtaining a Permit

- A permit can be found online at [www.MyGovernmentOnline.org](http://www.MyGovernmentOnline.org).

## Typical Situations That Require a Permit

- Any accessory structure over 200 square feet
- Any fencing that is 4 feet tall or higher
- Any modification of floor plan or structural aspect
- Covered patios
- Home additions and renovations
- A new residence
- Pools, in-ground and above ground
- Relocation of a house or mobile home
- Roofing and decking that exceeds 100 square feet

## Work Exceeding \$7,500

- Note: Residential work exceeding \$7,500 must be performed by a registered home improvement contractor or licensed residential contractor. A homeowner may apply for the permit and construct their own home. Homeowner contractors must submit a notarized "Affidavit claiming exemption from licensure" to obtain permit; form will be forwarded to the Louisiana State Licensing Board for Contractors.

## Permits as a License

- A Permit shall be construed to be a license to proceed with the work within provisions of the City of Baton Rouge, Parish of East Baton Rouge Code of Ordinances.



# ENOUGH PLANNING, NOT ENOUGH DOING

## Community Improvement Plans

- In 2011 and 2012 **Build Baton Rouge** led comprehensive planning efforts over eighteen months to create Community Improvement Plans for five districts within East Baton Rouge Parish, including the **Choctaw Corridor**, **Northdale**, **Melrose East**, **Scotlandville Gateway**, and **Zion City & Glen Oaks**.
- Only one of the plans, the **Scotlandville Gateway** plan, was incorporated into the **FutureBR** master plan. In October 2018, the Metropolitan Council approved the plan areas and additional redevelopment focus areas as targeted areas for redevelopment, requiring **Build Baton Rouge** to deliver quarterly updates on progress under the plans.



IT'S NOT  
ENOUGH

# Who Can Develop Neighborhoods?

- Individuals
- Non-Profits
- For Profits
- You





# What Needs To Be Developed?

- Vacant Lot
- Single Family Houses
- Multi-Family Houses
- Commercial Buildings
- Mixed-use Facilities



# The Master Plan

Center for Planning Excellence (CPEX) in partnership with Southern University, Southern University System Foundation, and the Scotlandville community, creating synergistic plans designed to unite and transform these special places.

Especially important is the plan's aim to strengthen connections with the surrounding community and create a **Main Street** with housing, mixed-use development, and entrepreneurship opportunities.

CPEX also worked with the **Scotlandville community** to develop a community-driven strategic plan to guide revitalization and enhance quality of life in the area. The plan includes strategies to expand housing opportunities, spur mixed-use development, address blight, and guide redevelopment.



# East Baton Rouge City-Parish Property Programs

## Office of the Parish Attorney

- An individual interested in a piece of adjudicated property can proceed to purchase directly through the Office of the Parish Attorney or our partner, CivicSource.
- CivicSource offers an online process for the sale of adjudicated property that has been adjudicated in excess of 5 years.
- In My Father's House
- Mow To Own



**CITY OF BATON ROUGE**  
**PARISH OF EAST BATON ROUGE**



# EBR Sherriff's Office

## Tax Lien Sale:

- Properties are put up for sale because the property owners have not paid their real estate taxes.
- The buyer becomes responsible for liens, mortgages, judgments, and other title-related issues.

## Sheriff's Sale

- A lender takes a debtor (usually the property owner) to court due to an unpaid loan (such as a mortgage), the lender becomes a “judgment creditor.”
- Successful bidders gain ownership of the property.



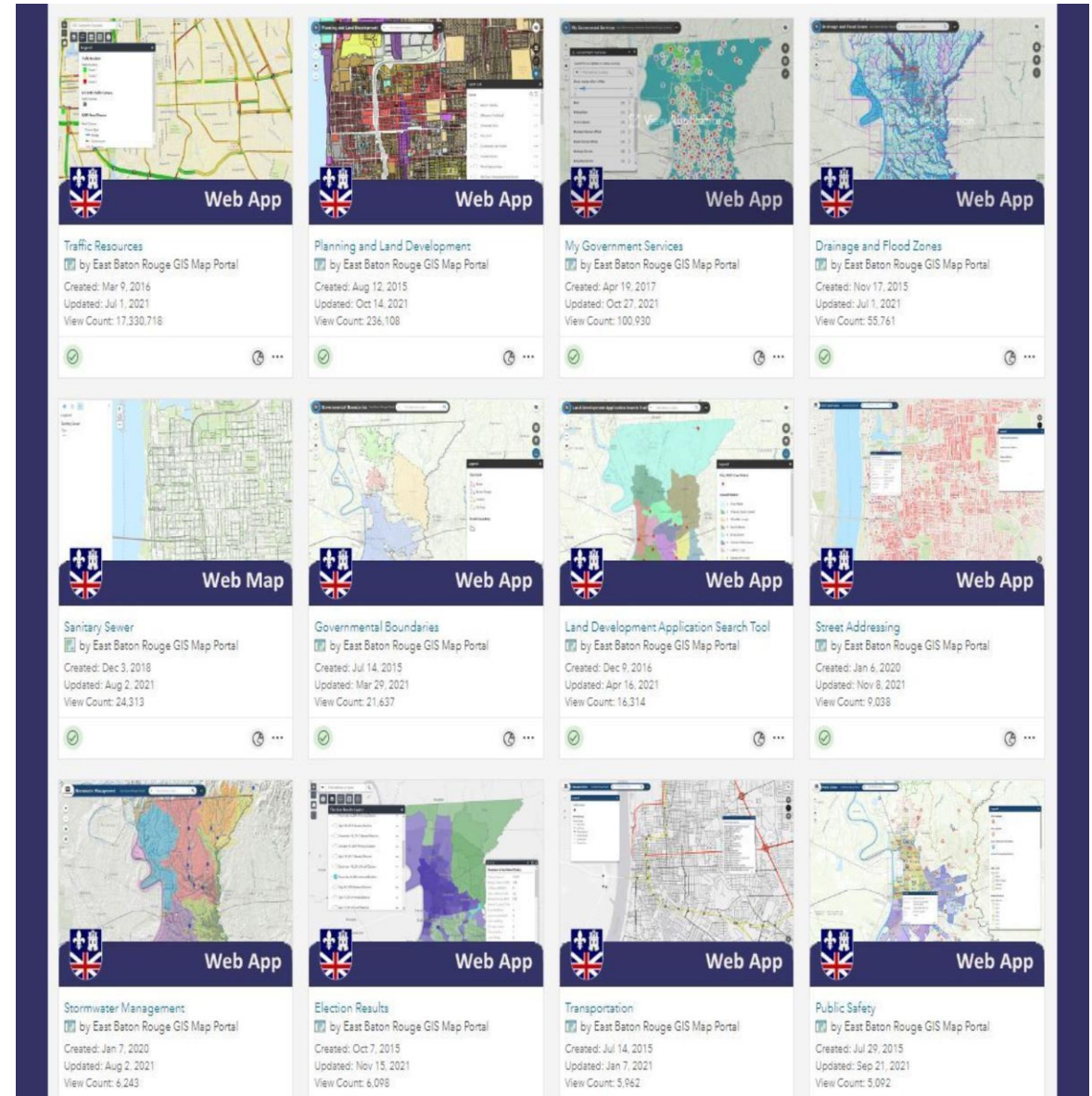
# EBR Property LookUp

<https://city.brla.gov/gis/propertylookup.asp>

## Top of Form

This lookup tool has been developed to provide quick access to the property information stored in the EBRGIS Enterprise GIS data repository.

Searches can be executed for all properties within East Baton Rouge Parish including those in the cities of Baker, Baton Rouge, Central, and Zachary, as well as the unincorporated area of the parish.



# Department of Housing and Urban Development

City-Office of Community Development focuses on four categories of funding, each designed to address critical community needs and foster positive change.

- Community Development Block Grants (CDBG) - *dedicated to enhancing living conditions and economic opportunities for low- and moderate-income individuals, as well as revitalizing neighborhoods.*
- HOME Investment Partnership Grants (HOME) – *can be channeled into various activities, such as constructing new affordable housing units and rehabilitating existing properties.*
- Emergency Solutions Grants (ESG) - *intended to provide essential services and shelter to homeless individuals, offer rapid rehousing assistance, and support homelessness prevention efforts.*
- Housing Opportunities for Persons with AIDS (HOPWA) - *funds are utilized to provide rental assistance, utility payments, and various tailored support services to meet the unique needs of individuals living with HIV/AIDS.*





An aerial photograph of a suburban neighborhood. The image shows a grid of streets with houses on either side. The houses are mostly two-story, with light-colored siding and dark roofs. Some houses have large front yards with green grass. The streets are paved and have some parked cars. The overall scene is a typical suburban residential area.

# THANK YOU!

The Role of Local Government in Community Development