

Building BLOCKS

The Seven Secrets of Successful Restaurant Construction

Secret #6: What Not to Do When Building a Restaurant

by John Klakamp

You may have heard of or even seen the TV show “What Not to Wear.” This month, I thought I would do my own take on this with a “What Not to Do When Building a Restaurant” column. In past articles I’ve showcased success stories; here, we’ll take a look at a not-so-successful project and try and figure out how it could have had a happier ending.

What Not To Do

Recently our company bid on a

restaurant project in Washington, DC. There were three qualified bidders, and the owner selected the lowest bidder who still came in with an estimate \$250K over the owner’s budget. Unfortunately, the owner’s budget was a best guess that turned out to be a very costly mistake. Because the owner did not assemble his team at an earlier stage, poor planning led to a number of setbacks including:

- Necessitating the architect to go back and down scale all of the finishes
- Necessitating the engineers to scramble to try and incorporate cost-saving ideas from sub-con-

tractors (value engineering)

- Adding at least another three weeks to the schedule in order to make the changes and resubmit these changes to the city for approval
- Paying a total additional cost of at least \$50K for the loss of time and the cost for the additional services of the architect, engineers and permit expeditor

In the end, the owner may reduce some cost, however, it will be at the expense of; causing a delay, wasting a good deal of money, and the entire process will have been a very stressful one for all involved.



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effects and leads to more problems. This, added to the incurrence of at least \$50K in unnecessary cost, will create chaos until completion and beyond.

Building a successful project is a result of good planning – it really is that simple! Today’s restaurant projects are highly sophisticated and complex. Consideration must be given to a number of elements including the landlord’s portion of the work, the landlord’s requirements, existing conditions, code compliance, the latest materials and finishes, the owner’s needs and vision and more. All of these challenges have to be addressed and then incorporated into a design.

Obtaining pre-lease or pre-design services is crucial to the success of a restaurant project. Many times the contractor sees the design for the first time when they are invited to bid the project. As we see from our “What Not to Do” story, this is way too late. Construction of a restaurant project is a complicated process and an incorrect decision on a seemingly insignificant problem or lack of due diligence can set off a chain reaction that can be devastating.

So remember, develop your team early and systematically organize the process from the very start to set a smart course and make sure your next project is a success story instead of a “What Not to Do” story.

A Better Way

Conversely, a new project for a full-service pizza concept in College Park, Md. began early on when the owner asked for conceptual budgeting so he could properly negotiate his lease. Part of this process included concept review and site analysis. Next, an architect performed code compliance and provided test fit drawings. All of the information was then quantified and substantiated. The owner was able to complete his due diligence and properly negotiate his lease knowing upfront what the cost of project would be. In this scenario, no time was wasted, no money was wasted and there are no outstanding funding issues as the project is about to begin.

Choosing the Path to Success

Obviously, there is a stark contrast between these two projects. Experience tells me that the College Park project will continue to track along with minimal problems and in the end will be a successful project. The Washington, DC project, on the other hand, will most likely face continued difficulties. Making wholesale changes this late in the process usually has long-reaching

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