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PUTTING THE 'KEYS' IN TURNKEY CONSTRUCTION

SCGWest Development helps jump-start businesses
by defining comprehensive strategies

by Ralph Fuller

When the folks at *SCGWest Development* (SCGWest) say they help clients build restaurants, shops and clinics from the ground up, they mean more than just showing up and erecting the brick-and-mortar structures to house them, says Managing Partner Brandon Lehman.

"Whether clients are opening new businesses or renovating existing ones, we can provide them with services from start to finish, from initial concepts through feasibility studies, design and construction, all the way to turnkey completion," he says.

"If they're opening a new location, we can help them find the right property, analyze its demographics and access, and determine if the site is feasible before they pull the trigger and sign the lease."

Says Managing Partner Kyle Gorman, "If their project involves creating or refreshing their brand, we can assist them with defining their look—logos, signage and color palettes—even before we get to the design and construction phases. We can help them refine their vision for their enterprise, develop a business plan, settle on furniture, and deal with fixture and equipment installation.

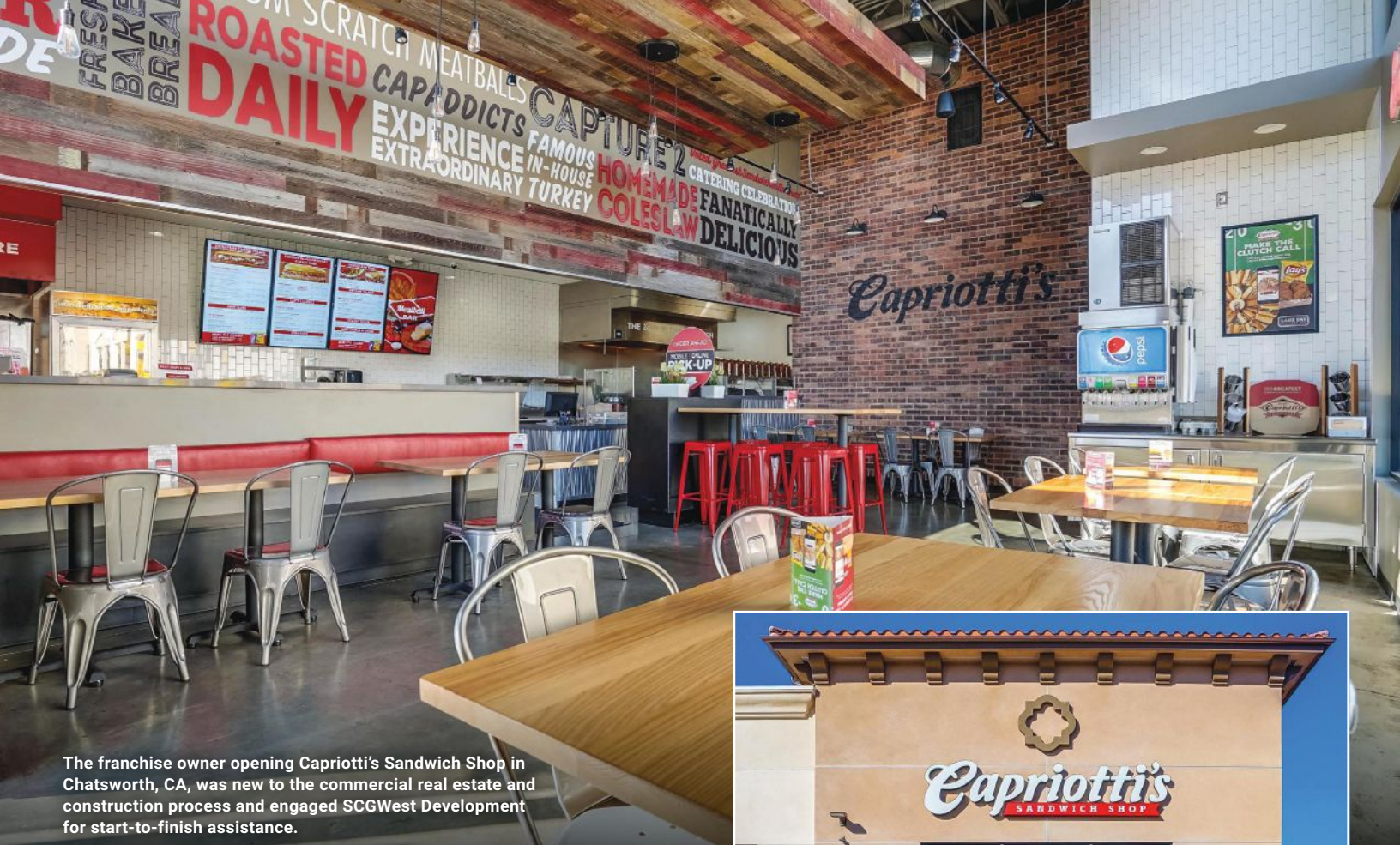


SCGWest Development Managing Partner Brandon Lehman.



SCGWest Development Managing Partner Kyle Gorman.

ALL PHOTOS COURTESY OF SCGWEST DEVELOPMENT



The franchise owner opening Capriotti's Sandwich Shop in Chatsworth, CA, was new to the commercial real estate and construction process and engaged SCGWest Development for start-to-finish assistance.

"We'll hand the key over and turn on the 'Open' sign," he says. "We'll even take care of the landscaping. Our goal at all times is to take the stress off owners and let them do what they do best—concentrate on their businesses."

He adds: "Of course, we'll help them with any of the individual stages along the way, if that's what they need."

BROAD VISION, NICHE FOCUS

Kyle and Brandon founded SCGWest in 2012 with a vision to focus on service businesses that people need or want to come to, such as restaurants, medical clinics and retail operations like hair salons, yoga studios and health clubs.

"We established our company in the days when everyone was saying Amazon was going to push brick-and-mortar retail out of existence," Kyle says. "We didn't think that was going to happen. We saw that retail was going to change but that there were service sectors that could prosper, and our strategy was to home in on them."

Mostly, this means concentrating on small businesses, split about 50-50 between one-time, one-location entrepreneurs like Famous Apples in Los Angeles (offering gourmet

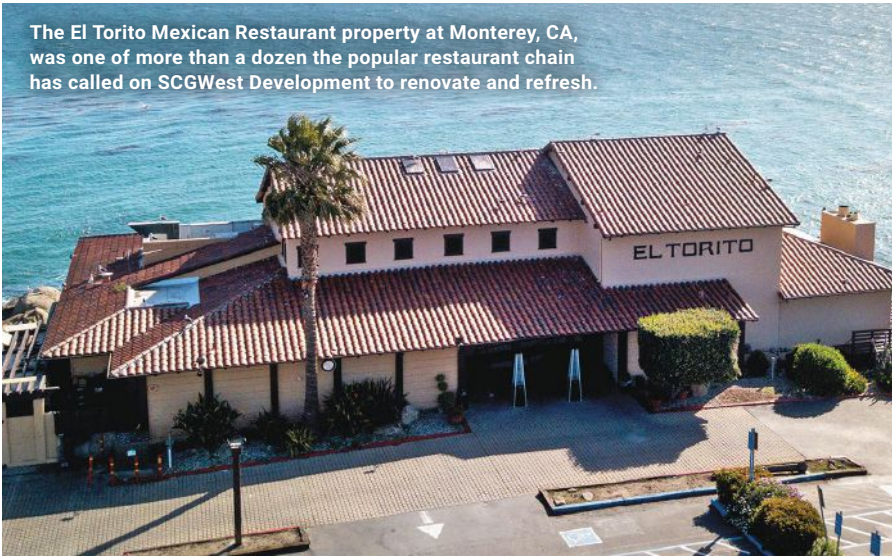


Site selection, lease negotiations, architectural design and construction build-out were all part of SCGWest Development's turnkey services for the new Capriotti's Sandwich Shop in Chatsworth, CA.

specialty apples and other edibles) and local properties of national and regional chains—restaurants like Capriotti's Sandwich Shop and salon enterprises like European Wax Center.

Prominent among repeat customers are chains and franchises such as El Torito Mexican Restaurant, Acapulco Mexican Restaurant and Cantina, Rock & Brews Restaurant and Waters Edge Wineries. The company has built or renovated 1,000 or so projects since 2012, including multiple AT&T stores and more than 250 Chase Bank branches. And, one bikini shop—specifically, the San Lorenzo Bikinis outlet in El Segundo, California.

The El Torito Mexican Restaurant property at Monterey, CA, was one of more than a dozen the popular restaurant chain has called on SCGWest Development to renovate and refresh.



SCGWest Development rebuilt the underlying structure supporting the El Torito Mexican Restaurant property at Monterey, CA, and renovated its interior.



“Our goal at all times is to take the stress off owners and let them do what they do best—concentrate on their businesses.”

Kyle Gorman, Managing Partner,
SCGWest Development

LONGTIME PARTNERSHIP

Kyle and Brandon met while students at Arizona State University, Kyle studying business, Brandon industrial engineering. Following graduation, both worked in real estate and construction in Arizona. In 2009, they co-founded an Arizona-based company called Eco Sun Systems LLC, focused on helping residential and commercial clients reduce their energy use. In 2013, that firm was acquired by a national engineering entity that was building its energy-conservation expertise.

By then, Brandon and Kyle had moved on to the idea of a construction and development company that would provide more than just brick-and-mortar construction services. They founded SCGWest in Scottsdale, Arizona. However, due to increased opportunities for growth in Southern California, they moved the headquarters to Irvine. They still maintain offices in Scottsdale and opened a third



Due to hidden structural damage under previous owners, SCGWest Development's renovation of the El Torito Mexican Restaurant property at Monterey, CA, required significant structural reconstruction as well as interior renovations.

location in Houston. Besides California, Arizona and Texas, the company's project reach extends to Montana, Nevada, Ohio, Oregon and Utah.

SCGWest's in-house staff averages around 15 employees, including managers, supervisors and estimators. The company has architectural support on staff but outsources engineering services.

For its logo and branding services, utilized by some 20 percent of its clients, SCGWest relies on a core group of outside designers who specialize in the types of businesses involved. For one client opening a cannabis shop, SCGWest brought in a designer who specializes in cannabis store branding.

"We also get called in to work on specific stages of other contractors' projects," Brandon says, "but we like leading

design-build projects best because it lets us coordinate all the aspects of a project's design, engineering and construction from the beginning. It's more efficient, more creative and it benefits the owner by reducing costs and shortening the whole process."

FAR-RANGING ENTERPRISES

The depth of SCGWest services is evident in several examples:

- The new owners of the El Torito Mexican Restaurant chain, which has about 70 properties in California and other states, came with their own branding but have hired SCGWest to refresh more than a dozen of their locations so far. Most were straightforward renovations but work on the shorefront El Torito in Monterey in 2019 stands out. "Lack of maintenance by the previous owners caused the building to become structurally unsound, which 'band aid' repairs had covered up,"

Kyle says. “We found that supports underneath the kitchen area had deteriorated to a point of no return and taken main plumbing lines and electrical lines with them.

“Consulting with the owners, we developed a plan to minimize the restaurant’s closure time and expedite city inspections. We met with city officials to understand exactly how they wanted to see the rehabilitation performed, drafted plans and details accordingly and went to work. Everything was done within 30 days.”

- Waters Edge Wineries, a chain of some 20 wine bistros throughout the United States, has identified SCGWest as its preferred development partner for new locations, Brandon says. Work in 2020 for the company’s Long Beach franchise, Waters Edge Winery of Long Beach, represented a start-to-finish process, beginning with site selection and lease negotiations. The team identified a century-old

building in the city’s downtown area as a promising location.

“Along with the renovations and signage and brand enhancements,” Brandon notes, “the building required structural reinforcement to house the wine-making area and accommodate the weight of the tanks. We consulted closely with Long Beach officials to ensure that we met all codes. The structural work meant additional expense, but we communicated with the owners throughout to plan and implemented efficient, satisfactory solutions. It was a terrific result.”

- The Eisenhower Health system of medical and primary care centers in California’s Coachella Valley called on SCGWest in 2017 and 2018 for expedited construction of primary care sites to free up main campus hospital resources for emergencies and specialized surgeries.

“The need was urgent,” Brandon says, “so we consulted early

and closely with local officials to make certain that our plans met their codes and that they agreed with what we were doing.

“Since the sites were often shared with other medical-related facilities and utilized during daytime hours and on the weekends, we approached the construction phase with an emphasis on minimizing disruption to clinicians and patients.”

- Founded as an online merchant in 2017, Famous Apples, the gourmet specialty apples business, enlisted SCGWest in 2019 for start-to-finish help in setting up its first brick-and-mortar location in Los Angeles’ Northridge area. The SCGWest team helped the owner establish preliminary budgets, align funding, develop designs and navigate permitting.

Along the way, a challenge arose around parking criteria tied to the site’s conversion from its previous designation as a retail store to a business serving food. In consultation with city officials, SCGWest was able to develop a workaround in-store design to meet the criteria, and the project proceeded to turnkey completion without difficulty.

“A key element in all these projects,” Kyle notes, “is close consultation with both owners and relevant city and county agencies to ensure we’re all on the same page about their building codes and other standards. Working our way through code requirements to keep projects on track is essential.”

He adds: “We have more than a few clients who have never started a



Joshua Santos, SCGWest Development Design and Project Development Manager, creates 3D renderings for a national restaurant client.

SCGWest Development helps companies small and large with every stage of establishing or refreshing a business, from branding through construction to turnkey completion.



Evan Smith (left), SCGWest Development's Business Development and Construction Manager, and Joshua Santos, Design and Project Development Manager, meet with Managing Partner Brandon Lehman (back to camera).

business before, so we guide them in developing business plans, steps to get financing, branding considerations and the like. Walking them through those sorts of things is an add-on that brings value to our services."

CHECKLISTS, COORDINATION AND ATTENTION TO DETAIL

Each project is different, yet in many ways the same. A restaurant chain's layouts may vary from location to location, but the chain's brand, signage, colors, look and equipment are consistent.

"Restaurants encompass two worlds in one business," Brandon says. "For the dining room component, you have to make sure that the layout and ambience give people

a good feeling when they walk in. You want them to feel comfortable and relaxed. The kitchen component is really a food factory, where function and efficiency are essential. It requires heavy electrical capacity for commercial kitchen-ready refrigerators, fryers, hoods, turbo ovens and walk-in freezers.

"We pay close attention to an internal checklist of essential issues we've encountered over time so that we don't get blindsided by unforeseen problems. The same concepts apply to medical clinics and retail establishments."

He adds: "Creative thinking, careful planning, close coordination with owners and regulators and attention to detail are our keys to successful turnkey projects." 🦉

Freelance writer Ralph Fuller has covered topics as diverse as tropical diseases, alternative fuels, and the fishes and critters on coral reefs.