

Ask the Professionals

Business answers to pressing B2B matters

COMMERCIAL RE

How has commercial real estate been affected by the extreme weather conditions?

This year in Colorado, the weather has been threatening. The lack of snow in the mountains and an unseasonably dry spring spawned many destructive and uncontrollable wildfires across the state. These demanded the need for relief and repair to a number of commercial and residential buildings throughout Colorado. As 14 wildfires burned across the state, an enormous number of homes were lost and President Obama declared a national disaster in Colorado. The American Red Cross responded quickly and had volunteers on the ground within hours of this declaration.



Dawn McCombs
Industrial Services

Jones Lang LaSalle donated time and effort to locate temporary office and warehouse spaces for the American Red Cross' Disaster Relief effort. This included coordinating with Denver Wholesale Florists, at 4800 Dahlia Street, to donate 24,689 square feet of warehouse space to the American Red Cross for the storage and distribution of disaster response materials, tools and equipment. In addition, we organized a 14,000 square foot space in the Gateway Business Center for the disaster response teams, donated by Glenborough / Blackstone. They plan to occupy these temporary spaces through the duration of the wildfire season, through September.

Additionally, summer hailstorms inflicted damage to many roofs causing home and business owners to hire roofers to replace what was destroyed. This in turn resulted in new leases for roofing supply companies throughout Denver. There are currently three major roofing companies securing industrial properties.



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ACCOUNTING

How can leaders encourage ambition in their female employees?

We often think of ambition as a trait people are born with and then bring to the workplace. But recent research demonstrates that ambition is developed through a much more dynamic process. Exploring the role that gender may play in influencing someone's ambitions can help all of us improve our coaching skills with both men and women. By remembering three important guidelines, leaders can play a significant role in encouraging the aspirations of their female employees:



Rowena Cipriano-Reyes
Partner, PwC

Encouragement is critical for women. Ask your staff about their long-term career plans instead of waiting for them to voluntarily voice their goals. When discussing the future, provide specific feedback about strengths and how those talents could lead to potential leadership roles.

Studies show that men are extremely confident in their abilities, and therefore, more eager to compete than women. Explicitly encourage women employees to "throw their hats in the ring" for opportunities. If women don't automatically raise their hands, invite them to volunteer and illustrate why you think they are qualified for the role.

Motherhood is a critical milestone where women reassess their ambitions. Encourage your staff to hold on to their long-term ambitions, even if they need to slow down their career progression in the short term. Although juggling work and family is challenging, proper support goes a long way.



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LAW

What do I need to know before I rent space to a medical marijuana business?

There are a number of issues that any property owner/manager should consider before leasing to a medical marijuana business. Most importantly, marijuana remains illegal for all purposes at the federal level. Thus far, federal authorities have generally refrained from enforcing federal drug laws with respect to state-licensed medical marijuana businesses in Colorado. However, under federal law, it is clear that landlords leasing to medical marijuana businesses could face federal criminal prosecution and/or forfeiture of their property. In those cases, Colorado law provides no defense. That said, it is still important to ensure that the tenant maintains its compliance with Colorado's medical marijuana regulatory scheme.

Landlords should also consider their other relationships. For example, many mortgages, insurance policies and leases with other building tenants preclude leasing to medical marijuana tenants. There are a number of important practical considerations as well, including the unique safety and security issues involved with medical marijuana businesses, and whether leasing to a medical marijuana business might adversely affect other tenants.

This introductory discussion is not exhaustive and property owners/managers should seek the advice of a knowledgeable attorney before leasing property to a medical marijuana business.



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WEALTH

Why should you convert your regular IRA to a Roth IRA in 2012?

Obamacare - effective January 1, 2013 - imposes a 3.8% income tax on investment income. Add this to the Bush tax cuts possibly expiring this year, and tax rates may increase from 15% to 43% in 2013!

With these pending changes, why convert your regular IRA to a Roth IRA in 2012?

Unlike regular IRAs, there aren't required minimum distributions in Roth IRAs and growth and withdrawals are 100% tax exempt. You can utilize expiring net operating loss and charitable contributions to offset conversion income and take advantage of lower tax rates by converting in 2012 to avoid the higher 2013 income tax rates. Finally, if rates aren't increased in 2013, you can recharacterize (undo the conversion) until the extended due date of your 2012 tax return.

All or part of your Roth IRA can be recharacterized back to a regular IRA in 2013 for tax year 2012 if your Roth investments decline, your tax rates remain the same, or you have other income windfalls.

Converting in 2013 might cost thousands more than 2012 as illustrated below:

Mr. & Mrs. Taxpayer report their 2013 Adjusted Gross Income (AGI) of \$250,000 which includes \$50,000 of investment income. They also convert a \$250,000 Roth IRA. AGI would now be \$500,000. The couple's entire \$50,000 investment income would be subject to the 3.8% additional tax (\$1,900) plus the Bush tax cuts would result in thousands of dollars more in tax.



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BUSINESS COACHING

What is a Business Coach?

A Business Coach helps with sales, marketing, management, team building and more. Most importantly, just like a sporting coach, the Business Coach will make the business owner focus on the game. Providing both short-term assistance and long-term training through an affordable mentoring approach. Additionally, potentially providing training modules for the business's team promoting enthusiasm and commitment of success.

A Business Coach will show how to, on a day-to-day basis, get more work done with less effort in three (3) ways:

1. Striving for 100% focus on achieving set goals along with strategies to getting there.
2. Holding the business owner accountable to accomplishing the steps set forth, not just for the day-to-day tasks, but for the dynamic growth of the business.
3. Dedication to teaching the business owner one-on-one profit building strategies, whether the goal is making more money, work less hours, or both.

Based on sales, marketing, and business management systems, business coaches not only show how to increase business revenues and profits, but also how to develop their business so that the owner, can work less, relax more, and finally enjoy business ownership. Business coaches have broad, deep business experience, many of which are fellow business owners who have invested their time, money and energy to make their own business ventures successful.

Let's keep advancing Colorado businesses and economy!



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ActionCOACH
business coaching

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