

Feasibility Perspectives

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“Capable of being done or carried out.” That’s how Webster’s Dictionary defines feasibility. It’s a good definition, too, because it cuts to the core of a subject that has wide ranging interpretations and applications within the planning and economic development disciplines. Feasibility is often a muddled concept, partly because it is quite complex, and partly because perspectives on a project subject to feasibility analysis may vary, sometimes widely, according to the angle of view of the parties involved.

Let’s break this down a little. Feasibility, in the general sense, has different, important subsets. These include:

- **Financial feasibility** — Evaluation of the operational and financial performance of development models based on a forecast of revenues and expenses, net operating income, supportable debt and equity, and residual land value.
- **Market feasibility** — Determination of sufficient market support to drive operational sustainability of a project.
- **Economic feasibility** — Accounting for macro influences including national and international trends in demographics, technological advancement, climate and energy considerations, economic fluctuations, changes in the workplace and communications.
- **Physical feasibility** — Geography, topography, density and height parameters, construction methods, building materials, transportation access and parking, and other factors including zoning and development regulations, also affect the feasibility of a project.
- **Accounting feasibility** — The overall economic feasibility of a project will be impacted on a highly individualized basis by the business model of the developer/owner, their internal profit and loss thresholds, overall portfolio performance, financial capacity, and accounting procedures.

- **Political feasibility** — Economically and financially feasible projects may be either buoyed or derailed by the political will expressed by a community or elected body.

These subsets of feasibility interrelate and should be a part of any thorough analysis. Taken together, they lead to a deeper understanding that meeting an “economic feasibility threshold” may differ from a private enterprise reaching a “profitability threshold” or a city reaching a “public benefit threshold.” Feasibility is a function of the tension between these subsets. When balance is achieved, and feasibility demonstrated, a Zen-like state can exist, or so I like to think.

The enlightened result of achieving this balance can be an answer to one or both of the following questions: Either “What is feasible?” or “How can feasibility be achieved?” That we refer to as “solving for feasibility” — the harmonic convergence of understanding the energetic tension and harnessing of the feasibility dynamic.



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