STATEMENT OF RICK STRAWBRIDGE ON BEHALF OF THE NAPERVILLE AREA HOMEOWNERS CONFEDERATION (NAHC) TO THE PLAN <u>COMMISSSION ON JULY 25</u>, 2007

I am here tonight on behalf of the Homeowner's Confederation Board of Directors.

Let me state up front and with emphasis: the Confederation has taken no position on whether or not this project should be approved.

However, I have been asked to share with you the Board's collective concerns regarding this Project, which we ask you, the City and the developers to consider and address.

Joining me tonight as speakers will be members of the Confederation's Zoning and Planning Liaison Committee, who will discuss some of our Board's areas of concern in a bit more detail.

Again, to be clear, any opinions you hear from our speakers tonight that go beyond stating and generally explaining the areas of concern are the opinions of the committee members themselves, and do not necessarily reflect the opinions of the Board or the Confederation as an organization.

The reason we take this approach is because the Confederation Board does not believe it has sufficient information at this point to take any position, or to recommend a position to our Members. We nevertheless hope that by expressing to you our areas of concern we will assist in advancing the public discussion over this project.

Brief Background

- The NAHC is an umbrella organization of well over 100 individual homeowner associations throughout the Naperville Area.
 Collectively, we are by far the largest single Stakeholder group in Naperville.
- While serving primarily as a "top-down" funnel of information of interest to our Member Associations, the Confederation is also charged with certain duties that bring us here tonight. These, include acting:
 - o to establish public policy, on issues that affect Confederation members at all levels, and to take concerted actions that secure policies consistent with the Confederation.
 - o To operate as an independent entity that will allow the Confederation to take positions on substantive issues as described in the By-Laws
- As Homeowners and Stakeholders in this great Community, we have an abiding interest in the future success of our Downtown. As is wellstated in our July Newsletter, which is posted on our website, www.napervillehomeowners.com:

"While some may question why homeowners would be concerned about Downtown commercial development, as a Board we recognize that downtown is one of the economic and social engines that helps our property values and makes Naperville a unique place to live."

 As I have previously reported to you, over 18 months or more ago we took an informal opinion survey of that revealed a near unanimous opinion among respondents to limit Downtown buildings to 3 stories, or to otherwise follow the City's Downtown Plan adopted by the Council in 2000.

- At the Confederation's general meeting in June, we heard an excellent presentation on the Water Street project given by Bill Novak of City Staff.
- At the gracious invitation of the developers' legal counsel, our liaison committee met with members of the developers' team on Friday, June 29th, in order to acquire more information about this hugely significant proposed development to pass along to our Board and to our Member Associations.
- On July 11th, the Board heard the report of our liaison committee, and discussed the reported information at some length, which leads to our appearance before you tonight.
- Going forward, the Confederation may or may not seek to sponsor a
 project-specific opinion survey, but we recognize that anything
 meaningful must be detailed and objective, in full fairness to the
 developers and their project, as well as to our own Members. We
 have not considered ourselves to be in a position to devise such a
 survey up to the present time.
- In any event, as we learn more, and as this project moves through the approval process, we will continue to pass along to our Members the information that we believe will help them form their own opinions. As always, we invite our Members to express their opinions as they deem appropriate.

NAHC Board Concerns

Before I mention the Board's areas of concern, let me first say that the Board has taken note of the many positive features of this project, which, to name some, include:

- The opportunity this project presents to develop several individual parcels under a more comprehensive concept, with a single (and locally-based) development group,
- The project as proposed follows the Water Street Vision Statement in many areas;
- The project will provide significant improvements to, and expansion of, our Riverwalk, with proposed tie-ins to future development along the Riverwalk;
- A project may provide (or at least hopes to provide) possible solutions to storm water retention issues;
- The project will provide upgrades to utilities and other infra-structure elements, some of which are said to be desirable, or even needed, no matter what development occurs in the Water Street District;
- The project will provide a parking facility to help accommodate the increased traffic, not only of this development, but also for some future developments;
- The project offers some creative and attractive architecture.

All that said, the Confederation's concerns include the following subjects:

- Building height, as stated previously; although the underlying issue, driven in large part by building height, is the overall intensity of use in a fairly confined space, which in turn may very well reduce, or even compromise, the intended pedestrian-friendly character of this project;
- The impact of the 5-story structures on Riverwalk, the Jewel of our Community, especially given the relatively small setbacks that are proposed;
- The amount of traffic this development will generate on Downtown streets that are already highly challenged, plus the traffic problems associated with this project that include those that were identified by TAB;
- The potential precedental effect this development will probably have on future re-development projects in the Downtown area, which could substantially change the character of Downtown and possibly put at risk the "charm" and "uniqueness," the preservation of which is clearly a major goal of the Water Street Vision Statement. (see very 1st para.)

The speakers who follow me will discuss some of these points in more detail.

Unresolved Economic Issues

The developers told our Committee on June 29th that they cannot afford to go through with this project unless they are allowed to have the 5-story buildings they propose.

On the other hand, it would appear that the building height and the intensity of use would tend to drive up the need for, and the costs of, at least some of the needed infra-structure improvements, the size of the parking deck, and perhaps other potentially problematic features of this project as well.

We're not sure whether we have sufficient financial information to evaluate this issue, so we ask whether you do.

The developers also stated that they cannot go through with this project without a TIF.

However, the Confederation has heard commentary from the Naperville Township Assessor, among others, against the proposed TIF, although we take no position on this issue at this time, either.

In any event, we were told by the development group that they will be submitting additional financial and economic information in support of their position in August.

We cannot determine whether these statements by the developers are absolute truths, or if in reality there is room for further negotiation with the City. So tonight, these economic issues remain open questions for the Confederation, as I respectfully suggest they remain for you.

The developers have requested many variances, and given the foregoing open economic issues, I'm sure you recall that our City Code provides as follows:

"Plan Commission <u>shall not recommend</u> a variance unless it makes findings based on the <u>evidence</u> presented to it in each specific case that *the property cannot yield a reasonable return* if permitted to be used only under the conditions allowed by this title." (6-3-5.2 Standards For Variances.)

The financial and economic evidence, when fully presented, may very well support granting the variances being requested for this project, but since there is additional financial and economic evidence yet to be produced, this Code issue would seem to be presently open and unresolved. But that of course is for you to decide.

Concluding Comments

Again let me state that we of the Confederation are here tonight neither to oppose nor to support this project. Rather, we come as the representatives of Naperville's largest group of Stakeholders solely to express our concerns, which we trust you, the City and the developers will consider, address, and hopefully resolve.

And with that, I commend to you the others of the Confederation's committee, all of whom have demonstrated their very considerable abilities as leaders within our Community. Our next speaker will be Pat Meyer, to be followed by Dan Bulley, and then Thom Higgins.