

Tracy Hughes

From: glenn Hughes <tracyhughes522@gmail.com>
Sent: Friday, September 28, 2018 6:57 AM
To: Tracy Hughes
Subject: Fwd: Kenwood Project
Attachments: Property Values.pdf

▲ EXT MSG:

Sent from my iPad

Begin forwarded message:

From: Christian Dial <christian.dial@cigproperties.com>
Date: August 13, 2018 at 12:42:06 PM EDT
To: Tracy Hughes <tracyhughes522@gmail.com>
Cc: Gregg Fusaro <gregg.fusaro@cigproperties.com>
Subject: RE: Kenwood Project

Tracy,

Here are a few pieces of backup data on the home values. Happy to answer any questions you have regarding this info.

In regards to some of your other comments, I wanted to clarify some more details that may change your assessment of things we have done to satisfy your concerns.

Setbacks:

Sycamore Township requires the minimum building setback from the back of the multifamily to residential housing to be **20 Feet**.

We are proposing building setbacks of **42 feet 9 inches, 162 ft 3 inches, and 39 ft 4 inches** along those boundary lines. So, we are going well above and beyond the sycamore township requirements here and have reduced the size of our building so we can fit even more buffer yard and plantings on our property. In addition to all of what we put on our site, we are offering to put mature pine trees on tree easements if that is wanted by residents. (See drawing below for setback dimensions)

*** This is an EXTERNAL EMAIL. Stop and think before clicking a link or opening attachments.**

Thank you,

Christian

Christian Dial
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From: Gregg Fusaro [mailto:gregg.fusaro@cigproperties.com]
Sent: Monday, August 13, 2018 11:58 AM
To: Tracy Hughes <tracyhughes522@gmail.com>
Cc: Christian Dial <christian.dial@cigproperties.com>
Subject: RE: Kenwood Project

Tracy:

I appreciate you following up with us, and Christian will forward to you some of the information we have on home values. I am somewhat shocked by your comments in your email on the development. These seem to be distinctly different from the dialogue we had on Thursday. We have made significant changes to the development plans in response to the neighborhood concerns regarding proximity of the development to the homes, visual screening, etc. And we have reduced the footprint of the building to have a landscape buffer on our side of the fencing. Most importantly the size and density of the development become an issue primarily as it relates to traffic and we have presented solutions that will mitigate that concern. We will have revised plans later this week and we will be glad to share those with you. Also, you had mentioned putting together a meeting with several residents and I was wondering if that is still being planned. When you know something please notify me.

Best regards,
Gregg

Gregg A. Fusaro
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From: Tracy Hughes [mailto:tracyhughes522@gmail.com]
Sent: Monday, August 13, 2018 9:11 AM
To: gregg.fusaro@cigproperties.com; christian.dial@cigproperties.com
Subject: Kenwood Project

Gregg and Christian -

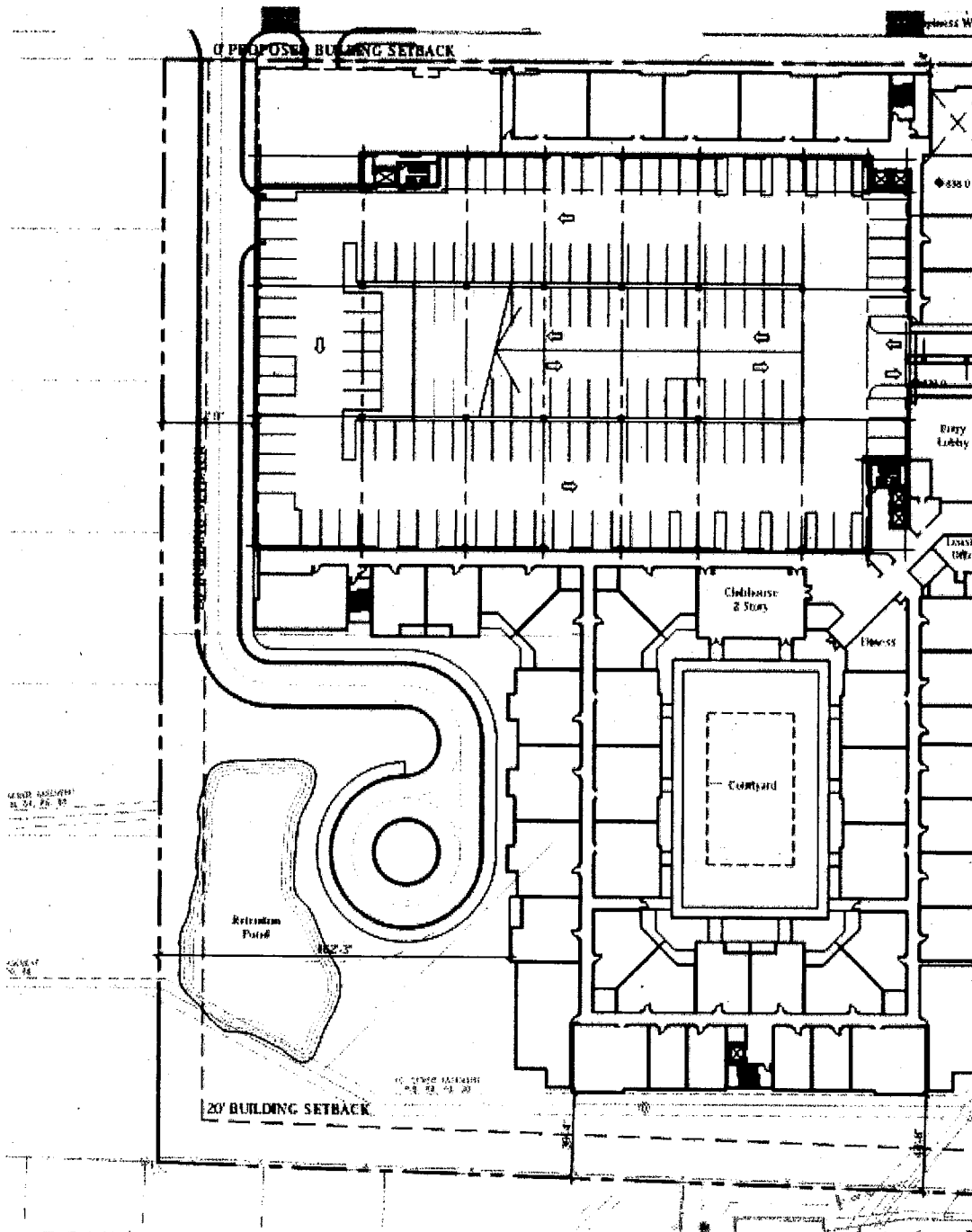
Thank you for the meeting last week. I have taken a few days to process all that was discussed before responding. First, I meant to ask to see the study that supports the claim that property values will increase for the homes around your development. Gregg, you stated there was a study or research supporting this claim at the zoning meeting and at our meeting. I would like to read it and see the statistics and sources.

My main takeaway is that there have been no changes to the development based on neighbors concerns. The changes actually on the project site are based on requirements of the township, such as lighting. The change made based on neighbors concerns is the landscaping which will be on the homeowners' properties which will require easements. Capital Investments is not

willing to reduce the size of the development for tree planting on it's property. Closing Happiness Way is not on your project and the township or county will close it.

Based on this, I still oppose this project as presented. The project is too dense for the site and location. I look forward to receiving the information on property values before the Trustee meeting on September 6. If you have plans that contradict my assessment of the changes made to the project, please forward that as well.

Respectfully,
Tracy Hughes



Pages on Property Values from Higher Density Myths and Facts

By: ULI

MYTH

Higher-density developments lower property values in surrounding areas.

FACT

No discernible difference exists in the appreciation rate of properties located near higher-density development and those that are not. Some research even shows that higher-density development can increase property values.

The precise value of real estate is determined by many factors, and isolating the impact of one factor can be difficult. Although location and school district are the two most obvious determining factors of value, location within a community and size and condition of the house also affect value. Several studies have examined whether multifamily housing has any impact on the value of nearby single-family detached houses. These studies have shown either no impact or even a slightly positive impact on appreciation rates.

PROFILE



HAILE PLANTATION CORPORATION

Haile Plantation

Haile Plantation is a Gainesville, Florida, icon. Although it is denser than surrounding communities, the values of homes in Haile Plantation are often higher than the values of houses in neighboring lower-density communities, because the traditional neighborhood design employed there makes Haile Plantation more desirable and valuable. Beginning with the master plan in 1979, Haile Plantation has been called one of the first new urbanist communities in the country. Developers Bob Rowe and Bob Kramer in conjunction with the Haile Plantation Corporation developed the 1,700-acre site to include more than 2,700 units, ranging from single-family homes to townhouses and garden apartments. The sense of community has only grown with the expansion of the development to include a town center, a village green, trails, civic uses, and offices. Indeed, it is density and diversity that together add value to this popular Florida community.

Homes in Haile Plantation sell for more than neighboring homes because prospective buyers view the traditional neighborhood design as a valuable and desirable amenity.

For instance, one study by the National Association of Home Builders looked at data from the American Housing Survey, which is conducted every two years by the U.S. Census Bureau and the Department of Housing and Urban Development. It found that between 1997 and 1999, the value of single-family houses within 300 feet of an apartment or condominium building went up 2.9 percent a year, slightly higher than the 2.7 percent rate for single-family homes without multifamily properties nearby.¹⁸

Another study, commissioned by the Family Housing Fund in Minnesota, studied affordable apartments in 12 Twin Cities neighborhoods and found “little or no evidence to support the claim that tax-credit family rental developments in [the] study eroded surrounding home values.”¹⁹ And a long-term study by Harvard University’s Joint Center for Housing Studies published in 2003 also confirms that apartments pose no threat to nearby single-family house values, based on U.S. Census data from 1970 to 2000.²⁰

Not only is there compelling evidence that increased density does not hurt property values of nearby neighbors: researchers at Virginia Tech University have concluded that over the long run, well-placed market-rate apartments with attractive design and landscaping actually increases the overall value of detached houses nearby.²¹ They cite three possible reasons. First, the new apartments could themselves be an indicator that an area’s economy is vibrant and growing. Second, multifamily housing may increase the pool of potential future homebuyers, creating more possible buyers for existing owners when they decide to sell their houses. Third, new multifamily housing, particularly as part of mixed-use development, often makes an area more attractive than nearby communities that have fewer housing and retail choices.²²

PROFILE

Echelon at Lakeside

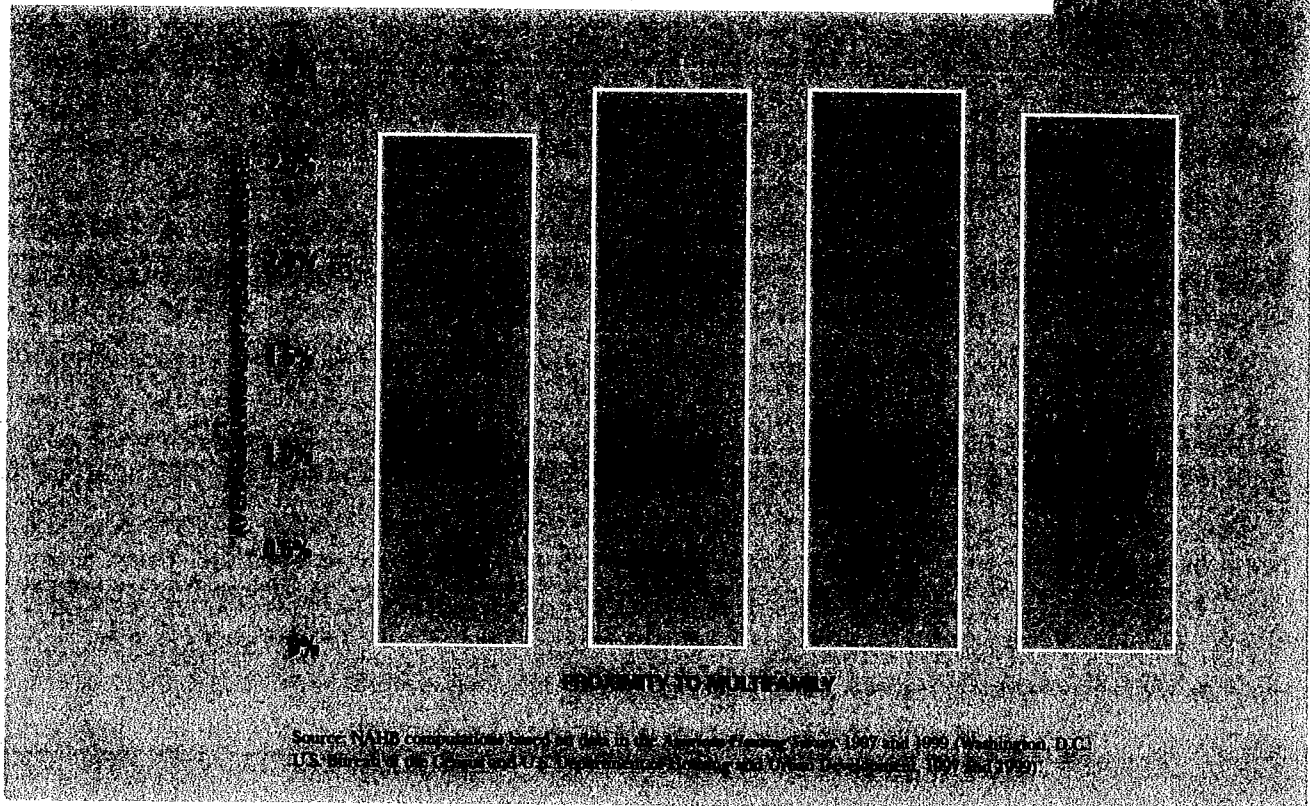
Echelon at Lakeside is the only multifamily development in an upscale, master-planned single-family suburban neighborhood of Lakeside on Preston in Plano, Texas a suburb of Dallas. Florida-based developers Echelon Communities, LLC, overcame initial community opposition from area residents through high-quality innovative design. The award-winning architecture blends seamlessly with the surrounding neighborhood’s traditional style. Larger-than-normal floor plans, individual entries, and attached garages combine to mirror the grand



The award-winning apartments at Echelon at Lakeside were designed to blend with the neighboring luxury homes.

estates in the surrounding communities. Although street elevations make the buildings appear to be one single-family home, they actually house several multifamily units. Memphis-based architects Looney Ricks Kiss used five building types and three building styles. All units include high-quality interior finishes; community amenities include a resort-style pool, fitness facility, clubroom, business and conference center, and full-time concierge.

AVERAGE ANNUAL APPRECIATION FOR SINGLE-FAMILY DETACHED HOMES BY NEARNESS TO MULTIFAMILY BUILDINGS



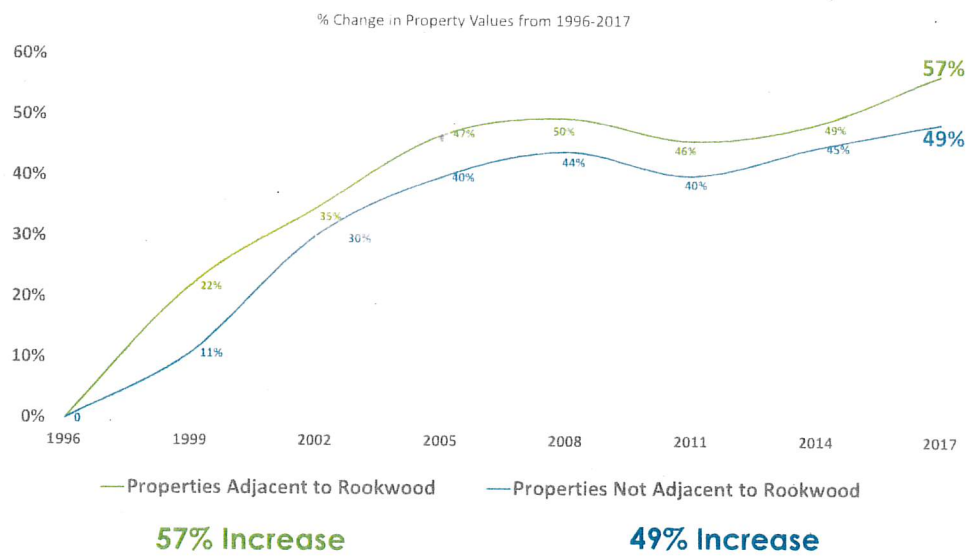
Concerned citizens should use the entitlement process to demand high-quality development in their communities while understanding that density and adjacent property values are not inversely related. Higher-density real estate developers and investors in higher-density real estate need to appreciate the fact that most Americans' wealth is held in their home equity. Therefore, changes in property values can have very real consequences to existing property owners. Likewise, homeowners would benefit from knowing that developers make a substantial financial commitment when investing in new higher-density projects. This investment is an incentive to make the project successful, which can give the community leverage in working with the developer. Such interrelated and overlapping economic interests among these stakeholders make it all the more likely that a mutually beneficial agreement can be reached. Such an agreement can result in a project that enhances the existing community, ensures the appreciation of residents', developers', and the local government's financial interests, and addresses the needs of current and future residents of the community and region.

Property Values near Rookwood Study

By: CIG

Methodology of study: CIG tracked the home values based on the Auditor's website data for ten properties directly adjacent to Rookwood Shopping Center within Hyde Park and Oakley and compared the percentage increase over time to ten randomly chosen properties within the Hyde Park neighborhood not located anywhere near Rookwood.

- Studied property values adjacent to Rookwood Shopping center vs. properties not adjacent.



Year	3655 Burch Avenue	% Change yoy
1996	\$103,800.00	
1999	\$114,700.00	10%
2002	\$133,500.00	14%
2005	\$132,500.00	-1%
2008	\$141,770.00	7%
2011	\$166,490.00	15%
2014	\$207,500.00	20%
2017	\$190,530.00	-9%

46%

3666 Burch Avenue	% Change yoy
\$70,200.00	
\$91,200.00	23%
\$113,000.00	19%
\$129,000.00	12%
\$138,030.00	7%
\$137,160.00	-1%
\$149,400.00	8%
\$152,620.00	2%

54%

Properties not located adjacent to Rookwood

Year	2831 Rosella Ave	% Change yoy
1996	\$79,700.00	
1999	\$80,000.00	0%
2002	\$90,800.00	12%
2005	\$140,400.00	35%
2008	\$148,500.00	5%
2011	\$136,840.00	-9%
2014	\$149,160.00	8%
2017	\$169,340.00	12%

53%

3511 Saybrook Ave	% Change yoy
\$108,000.00	
\$127,200.00	15%
\$162,100.00	22%
\$165,000.00	2%
\$178,160.00	7%
\$173,230.00	-3%
\$188,820.00	8%
\$197,780.00	5%

45%

*Rookwood Phase II Built in 2003

3673 Stettinius	% Change yoy	3670 Stettinius Avenue	% Change yoy	3740 Edwards Road	% Change yoy
\$64,400.00		\$114,100.00		\$81,800.00	
\$78,400.00	22%	\$141,200.00	24%	\$130,600.00	60%
\$91,200.00	16%	\$164,400.00	16%	\$152,100.00	16%
\$124,200.00	36%	\$202,000.00	23%	\$180,200.00	18%
\$132,900.00	7%	\$216,140.00	7%	\$176,600.00	-2%
\$121,390.00	-9%	\$207,880.00	-4%	\$150,570.00	-15%
\$132,320.00	9%	\$226,590.00	9%	\$164,120.00	9%
\$131,160.00	-1%	\$195,000.00	-14%	\$253,180.00	54%
51%		41%		68%	

3598 Saybrook Ave	% Change yoy	3300 Westside Ave	% Change yoy	2930 Portsmouth	% Change yoy
\$89,500.00		\$ 171,300.00		\$ 123,600.00	
\$104,300.00	17%	\$ 220,400.00	29%	\$ 146,800.00	19%
\$190,200.00	82%	\$ 256,500.00	16%	\$ 179,900.00	23%
\$216,500.00	14%	\$ 263,700.00	3%	\$ 227,120.00	26%
\$248,500.00	15%	\$ 282,160.00	7%	\$ 242,990.00	7%
\$248,000.00	0%	\$ 249,850.00	-11%	\$ 227,120.00	-7%
\$270,320.00	9%	\$ 272,340.00	9%	\$ 247,560.00	9%
\$216,420.00	-20%	\$ 303,100.00	11%	\$ 256,280.00	4%
59%		43%		52%	

3742 Edwards Road	% Change yoy	2705 Willard Ave	% Change yoy
\$82,600.00		\$142,800.00	
\$144,400.00	75%	\$155,300.00	9%
\$164,100.00	14%	\$167,400.00	8%
\$144,400.00	-12%	\$179,600.00	7%
\$164,100.00	14%	\$195,770.00	9%
\$160,820.00	-2%	\$192,690.00	-2%
\$139,900.00	-13%	\$181,130.00	-6%
\$190,940.00	36%	\$199,840.00	10%
57%		29%	

3623 Herschel Ave	% Change yoy	20 Arcadia Place	% Change yoy
\$ 86,300.00		\$ 137,300.00	
\$ 116,400.00	35%	\$ 158,500.00	15%
\$ 128,500.00	10%	\$ 184,500.00	16%
\$ 156,400.00	22%	\$ 213,200.00	16%
\$ 167,350.00	7%	\$ 228,130.00	7%
\$ 174,700.00	4%	\$ 212,020.00	-7%
\$ 190,430.00	9%	\$ 231,100.00	9%
\$ 199,500.00	5%	\$ 297,470.00	29%
57%		54%	

3752 Edwards Road	% Change yoy	3916 Edwards Road	% Change yoy	3914 Edwards Road	% Change yoy
\$116,200.00		\$71,500.00		\$69,500.00	
\$132,300.00	14%	\$71,500.00	0%	\$105,600.00	52%
\$154,000.00	16%	\$75,700.00	6%	\$122,900.00	16%
\$200,400.00	30%	\$260,000.00	243%	\$140,000.00	14%
\$196,400.00	-2%	\$283,400.00	9%	\$137,200.00	-2%
\$166,320.00	-15%	\$182,790.00	-36%	\$161,830.00	18%
\$181,290.00	9%	\$199,250.00	9%	\$176,390.00	9%
\$282,310.00	56%	\$230,070.00	15%	\$210,520.00	19%
59%		69%		67%	

2842 Astoria Ave	% Change yoy	3560 Raymar	% Change yoy	3142 Victoria Ave	% Change yoy
\$ 96,900.00		\$ 324,500.00		\$ 360,600.00	
\$ 151,200.00	56%	\$ 335,700.00	3%	\$ 367,300.00	2%
\$ 176,000.00	16%	\$ 427,000.00	27%	\$ 477,500.00	30%
\$ 197,000.00	12%	\$ 581,200.00	36%	\$ 564,000.00	18%
\$ 210,790.00	7%	\$ 621,880.00	7%	\$ 603,580.00	7%
\$ 207,470.00	-2%	\$ 568,620.00	-9%	\$ 535,210.00	-11%
\$ 208,000.00	0%	\$ 619,790.00	9%	\$ 583,380.00	9%
\$ 225,000.00	8%	\$ 674,060.00	9%	\$ 638,850.00	10%
57%		52%		44%	

3664 Burch Ave	% Change yoy	3634 Besuden Ct	% Change yoy	Average Value of Properties
\$69,100.00		\$59,100.00		\$87,091.67
\$94,500.00	37%	\$76,800.00	30%	\$111,375.00
\$164,000.00	74%	\$95,100.00	24%	\$133,116.67
\$169,000.00	3%	\$99,600.00	5%	\$163,408.33
\$180,830.00	7%	\$106,570.00	7%	\$172,475.83
\$163,200.00	-10%	\$120,000.00	13%	\$160,928.33
\$148,500.00	-9%	\$130,800.00	9%	\$169,765.83
\$222,500.00	50%	\$157,500.00	20%	\$201,347.50
	69%		62%	
				56.75%

3561 Paxton Ave	% Change yoy	3415 Stettinius Ave	% Change yoy	
\$ 170,300.00		\$ 279,100.00		\$168,925.00
\$ 184,200.00	8%	\$ 279,400.00	0%	\$189,283.33
\$ 253,900.00	38%	\$ 370,500.00	33%	\$241,450.00
\$ 274,800.00	8%	\$ 370,500.00	0%	\$280,818.33
\$ 294,040.00	7%	\$ 396,430.00	7%	\$301,875.83
\$ 274,260.00	-7%	\$ 381,110.00	-4%	\$282,369.17
\$ 298,940.00	9%	\$ 415,410.00	9%	\$306,270.83
\$ 330,320.00	10%	\$ 454,140.00	9%	\$330,188.33
	48%		39%	
				48.84%



ADDRESSING REAL ISSUES WITH REAL FACTS



Special: Does Mixed-Use Housing Decrease Home Value?

Published on June 14, 2016 — in Addison Grove/Addison Texas Council/Economics/Infrastructure/Sam's Club — by Bette Price

Ever since plans were approved to build mixed-use housing on the old Sam's property, rumors have been abundant. Most of the negative rumors have dealt with the apartment phase of the project. Perhaps the most disturbing is the latest rumor being touted by, of all things, a resident realtor. "You'd better put your home on the market now before the values crumble," one resident was told by this realtor.

To discern some reality about the impact of multifamily on single-family homes, Facts Matter decided to do a little research and provide you with some factual information.

Menu

Value?



According to research, the simple bottom line is—“large, dense, multi-family rental developments do not negatively impact the sales price of nearby single-family homes.” This was the conclusion of case studies reported by the **Harvard University Joint Center for Housing Studies** and backed up by a longtime Dallas realtor.

According to the Harvard study, lack of information and exaggerated fears feed the misconceptions. To provide some factual information to counter these misconceptions, we decided to share with you some of the research from this **Harvard University Joint Center for Housing Studies** report. Also, to bring some insights to the situation from a local perspective, and to avoid any partiality from any Addison realtors, we reached out to Virginia Cook Realtors, a highly respected Dallas real estate agency. There we interviewed Mayo Redpath who has been selling real estate in the area for the past 28 years.

Resistance vs Reality

It's little secret that resistance to multifamily rental housing has been a growing phenomenon in communities around the country. The resistance has even spawned its own vocabulary with such acronyms as “LULUs” (Locally Unwanted Land Users) and “NIMBY” (Not In My Backyard). Those resisting have been referred to as “CAVEs” (Citizens Against Virtually Everything) who want “BANANAs” (to Build Absolutely Nothing Near Anyone).

Setting these silly acronyms aside, the Harvard study points out that the reality is that the opposition runs smack up against a powerful demographic trend. As the population growth continues at a high level it will require considerable new residential construction. Add to that the fact that growth in individual households will be even greater than population growth itself. In 1960 single person households made up only 13 percent of all households, while married couples with children made up another 44 percent.

Setting the Record Straight:

To bring reality to these arguments, here's what the Harvard study found:

Opponents of multifamily housing often claim that apartment residents impose higher expenditures for local government services but the study found when it comes to infrastructure, high-density development actually is more efficient than low-density development. By their very nature, longer sewer lines and sprawling utility (water, gas and electric) supply systems are more costly in single-family areas. In single-family areas, local governments must provide fire and police protection over a larger area. By contrast, compact development benefits from economies of scale and geographic scope—and these benefits are large. Thus, rather than imposing a greater burden on local governments, higher density developments like apartments are actually more fiscally prudent than traditional suburban sprawl.

Traffic: One of the major complaints heard regarding the Addison Grove project dealt with traffic. That, according to the Harvard study, is an unfounded concern also. The study found that on average, apartment residents own fewer cars than single-family homeowners: single-family homeowners average two cars per household compared with only one for the apartment residents. Also, single-family housing generates more automobile trips per household as evidenced in the table below, reproduced from the Harvard report:

Automobile Trips Per Housing Unit			
	<i>Single-family detached</i>	<i>Apartment</i>	<i>Difference</i>
Weekday	9.57	6.72	42%
peak AM hour	0.77	0.55	40%
peak PM hour	1.02	0.67	52%
Saturday	10.10	6.39	58%
peak hour	0.94	0.52	81%
Sunday	8.78	5.86	50%
peak hour	0.86	0.51	69%



Menu



unit in an apartment. The difference is even greater on the weekend: 58 percent more trips on Saturdays and 50 percent more trips on Sundays. The difference is seen not only in totals, but also at the peak hours, morning and afternoon, weekdays and weekends. By any measure it is clear that single-family houses generate more automobile traffic than apartments or any other type of housing.

Redpath agrees with the Harvard study and also points out that retail also brings more traffic than apartments. "It's just like the traffic at that Whole Foods has brought to the former Sakowitz Village," she points out. "The traffic there is much more than if that was an apartment."

Finally we come to the personal investment issue—**Property Values**. The fear that housing density will hurt property values is primarily based on anecdotes the study states. Most research, however, has come to a different conclusion—**multifamily housing does not cause neighboring property values to decline**.

Extensive case studies in six research works measured a variety of relevant characteristics, including house price, price per square foot, house price appreciation, time on the market and ratio of sales price to asking price in order to assess "the worst-case scenarios of multi-family intrusion into a single-family neighborhood." Their conclusions:

"We find that large, dense, multi-family rental developments do not negatively impact the sales price of nearby single-family homes." (MIT Center for Real Estate)

Once again, Redpath agrees. "I don't think your property values are going to go down [with the Addison Grove project] because the apartment is surrounded by townhouses," she said. "To me your property values would go down more if you had another big box store there or retail." The townhouses, she notes, are buffers and "the people who buy the townhouses know they are going to be adjacent to apartments." Plus, she adds, "those apartments are going to be high rent."

the market? She laughs, and with a coy smirk says, “It seems like that’s self-serving, not based on facts because right now we are in a sellers market. There is not as much inventory so realtors are looking for listings right now.” This was confirmed in a June 11 article written by *Dallas Morning News* Real Estate Editor, Steve Brown who wrote, “In the Dallas-Fort Worth area, the inventory of pre-owned homes up for sale is about a third of what’s considered normal market.”

Overall Conclusion

The Harvard study concludes that available research is fairly strong that multifamily rental housing: 1) does not impose greater costs on local government; 2) does not increase traffic and parking problems; 3) when well-designed and appropriate to the right neighborhood, does not reduce (and may even enhance) property values; and 4) does not inherently attract residents who are less neighborly or more apt to engage in (or attract) criminal activity.

According to the study, the bias against multifamily rental housing must be overcome if we are to meet our housing needs in an environmentally sustainable and economically realistic manner. “Misconceptions, exaggerations and unfounded beliefs contaminate civic discussion about apartment development.”

Facts do matter. So don’t believe everything you hear—even if it’s from a resident realtor.

Photo courtesy of La Citta Vita via Flickr

The Facts Matter Website is made possible through the generous donations from Angels of Addison.

TAGS:

[ADDISON TEXAS CITY COUNCIL](#)[HOME VALUE](#)[MIXED USE HOUSING](#)[SAM'S CLUB](#)