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December 30, 2020

Mr. Terrence Ennes and Members of
the Plan Commission of the
Village of Arlington Heights
33 S. Arlington Heights Road
Arlington Heights, Illinois 60005

**Re: Request for Modification of Arlington 425 Preliminary Plat and Planned Unit
Development**

Chairman Ennes and Members of the Plan Commission,

Please consider this letter the formal request of CCH LLC (the "Petitioner") to modify the previously approved preliminary plat and Planned Unit Development for the project commonly known as "Arlington 425".

As you are aware, on June 3, 2019, the Village Board unanimously adopted Ordinance No. 19-019 (the "Ordinance") approving a Planned Unit Development, a Preliminary Plat of Subdivision, a Land Use Variance, and certain other variations from Chapters 28 and 29 of the Arlington Heights Municipal Code (the "Current Entitlements"). The project, known as "Arlington 425", consists of a Class A mixed-use development on the 2.868 acre parcel of vacant land identified as "Block 425" in the Village of Arlington Heights Downtown Master Plan (the "Project"), located between Campbell Street on the north, Highland Avenue (and the Vail Street parking garage) on the east, Chestnut Avenue on the west, and 150' north of Sigwalt Street on the south. The undersigned has been authorized to submit this letter to the Village for and on behalf of the Owner/Petitioner of Project.

Since the adoption of the Ordinance, Petitioner has pursued construction and development pricing as well as debt and equity financing. Unfortunately, due to the high costs of construction, the potential return on investment, as well as other factors, the Project as currently configured could only not be built to make a profit, it could not be built to break even. Petitioner remains keenly interested in moving forward with the Project, but in light of the issues



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referenced above, Petitioner believes that the Project can be successfully developed by reducing the size, scale, and density.

Rather than go through the matter as if it were a new project, set forth below are the most significant changes being requested.

1. **44 S. Highland Building** – The most significant changes in the Project are in the Highland Building which include the following:
 - a. the removal of all 125 residential units;
 - b. elimination of the rooftop and first floor commercial uses comprising a total of 4,119 square feet; and
 - c. reduction in the size of the Parking Deck to 3.25-4.5 levels.

Thus, a 13-story building that was 140 feet in height will be reduced to a parking garage (“Parking Deck”) with a height of approximately 41 feet.

2. **225 W. Campbell Building.** In order to achieve economic viability of the Project, 52 of the residential units eliminated from the Highland Building will be relocated in the Campbell Building. The significant changes to the Campbell Building are as follows:
 - a. one additional floor of 26 residential units has been added, increasing the Campbell Building from 9 stories to 10 stories;
 - b. the retail, restaurant and office uses on the second floor have been eliminated and replaced with 26 residential units; and
 - c. retail uses on the first floor have been eliminated, except for the approximately 7,500 square feet on the east side of the first floor designated primarily as restaurant space.

The remainder of the first floor space is currently designated as Project amenity space; however, Petitioner will reserve the right to use the west half of the first floor for commercial purposes should it become usable by one or more commercial tenants in the future.

In summary, Petitioner is adding 52 residential units to the Campbell Building which will now consist of 234 units. The previously approved 33,660 square feet of restaurant, retail and office space has been reduced to approximately 7,500 square feet.



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3. **33 S. Chestnut Building.** In order to retain the economic viability of the Project up to 31 of the residential units eliminated from the Highland Building will be relocated in the Chestnut Building. The significant changes to the Chestnut building are as follows:

- a. one additional floor will be added to the Chestnut building, which will now go from 4 to 5 floors;
- b. the Chestnut Building will consist of a maximum of 85 units on 5 floors; and
- c. the proposed below ground parking will now be 44 spaces, as opposed to the 84 underground spaces that were previously approved, with Petitioner reserving the right to move some or all of the underground parking into the Parking Deck.

4. **Parking**

Project Parking. As previously stated the Highland Building will now be primarily the Parking Deck with no residential or retail components. The initial phase of the Parking Deck will consist of 273 vehicles on 3.25 levels. The parking required for the Chestnut Building will be located in a combination of the Parking Deck, that will be expanded to 4 levels, as well as below the Chestnut Building. Petitioner shall have the option to locate all of the parking in the Parking Deck, in which case the Parking Deck will be expanded to 4.5 levels

Campbell Building Parking. As can be seen from the parking matrix, Village Code requires 248 residential parking spaces and 19 restaurant parking spaces for a total of 267 spaces. However, Petitioner is requesting a credit of one parking space for each occupied affordable unit as provided in the Village's Affordable Housing Ordinance. Since Petitioner will be providing 12 affordable units in the Campbell Building, the total Code required parking will be 255 spaces.

There will be 273 spaces provided in the currently proposed 3+ level Parking Deck, which exceeds Code by 18 spaces, or 7%. Petitioner proposes to provide additional parking on the existing vacant parcel owned by Petitioner located at the southwest corner of Campbell and Chestnut that can accommodate 48 surface spaces, if necessary, to satisfy parking demand. In such case, this lot will be privatized for the residents and employees of Arlington 425. Upon completion of the Chestnut Building, the use of the surface lot will be eliminated, and all required parking for the Project will be located on site in the expanded Parking Deck, and/or below the Chestnut Building.

Chestnut Building Parking. Based on the proposal of a maximum of 85 units in the Chestnut Building, 86 parking spaces will be required (which includes a 4 space credit for the additional required Affordable Housing units). 44 of those spaces will be located under the Chestnut Building, with the remaining spaces located in the expanded Parking Deck, or all 86 spaces will be located in the Parking Deck. The existing Parking Deck will be expanded to 4 levels that will accommodate 341 vehicles, with 44 spaces under the Chestnut Building, for a total of 385 spaces. The total residential spaces required by code for residential use will be 341 spaces, with an additional 19 required by Code for the retail use, for a grand total of 360 required spaces. The total number of additional spaces will be 25. When all spaces are added for both buildings there will be a total of 384 spaces in the Project with required parking for 344 vehicles. There will be 44 spaces, approximately 14% more spaces than required by Village Code.

5. **Commercial Use.** The existing approved plan includes a total of approximately 38,000 square feet of retail, restaurant and office uses. The revised plan proposes a total of 7,500 square feet, or a reduction of 80%. The traffic and required parking generated by commercial uses will be significantly reduced.
6. **Courtyard.** Due to the necessity of a heavy weight-bearing foundation, the area between the Highland Building and the Chestnut Building (the "Courtyard"), the Petitioner was unable to use that area to provide significant green space and project amenities. Since there will not likely be a continuing requirement for a hard heavy load-bearing surface in the Courtyard, Petitioner is proposing a restoration of its previously proposed plan for green space and park-like amenities in the Courtyard.
7. **What is Not Changing.** The above items are limited to what is being proposed as changes. It should be noted and clarified as to what is not:
 - a. The architectural design features and style of both the Campbell Building and the Chestnut Building remain the same.
 - b. All points of ingress and egress remain the same.
 - c. The overall site plan and building locations remain the same.
 - d. No additional variances are being requested.
 - e. Petitioner's commitment to Affordable Housing remains the same.
 - f. All sustainable characteristics of the Project remain in place



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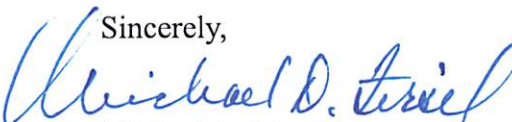
Petitioner strongly believes that proposed modifications to the current plan enhance the viability of this Project without losing the style and character of what was previously approved. The three areas of density, parking and height have all been significantly reduced.

<u>Criteria</u>	<u>Existing Plan</u>	<u>Revised Plan</u>
Density	361 Units 38,000sf of Commercial	319 Units 7,500sf of Commercial
Parking	544 total spaces	388 total spaces
Max. Height	140'	117'

Lastly, as recommended by the Concept Plan Review Committee, we held a (virtual) public meeting on December 16, 2020. We sent out 540 letters to neighbors within 250' of the project, and approximately 20 people signed up and attended the virtual meeting. A presentation of the changes enumerated in this letter was made by Mr. Adreani, and all posed questions were answered.

Petitioner looks forward to presenting these proposed changes to the project before the Village Plan Commission and Board of Trustees for review and approval.

Thank you for your cooperation and consideration in this matter.

Sincerely,

Michael D. Firsell

Arlington 425 Unit Mix and Parking
12.7.20

PHASE I

225 W. Campbell Building

10 Stories = 1/2 Story Retail + 9 Stories Residential

Floor	Area (S.F.)	Retail (1st Floor East)	Amenity (1st Floor West)	Common Sq. Ft.	Rentable Sq. Ft.	Studio (1 Stall Per)	1 Bed (1 Stall Per)	2 Bed (1.25 Stalls Per)	Total DU	Parking Required	Height
B	24,515										-11'-8"
1	18,300	7,962	7,032	3,306							0'-0"
2	24,733			3,696	21,037	6	14	6	26	27.5	18'-0"
3	24,429			3,696	20,733	6	14	6	26	27.5	30'-0"
4	24,429			3,696	20,733	6	14	6	26	27.5	40'-0"
5	24,429			3,696	20,733	6	14	6	26	27.5	50'-0"
6	24,429			3,696	20,733	6	14	6	26	27.5	60'-0"
7	24,429			3,696	20,733	6	14	6	26	27.5	70'-0"
8	24,429			3,696	20,733	6	14	6	26	27.5	80'-0"
9	24,429			3,696	20,733	6	14	6	26	27.5	90'-0"
10	24,429			3,696	20,733	6	14	6	26	27.5	100'-0"
Roof	7,382		5,905								111'-0"
Parapet											117'-0"
Total DU						54	126	54	234		
Area/DU						300	300	400			
Total DU SF						16,200	37,800	21,600	75,600		
Total SF	270,362	7,962	12,937	36,570	186,901						

Typical Residential Floor Average Unit Sizes (26 Units Per Floor)

Average Studio Size Per Floor (6):	534 Sq. Ft.
Average One Bedroom Size Per Floor (11):	768 Sq. Ft.
Average One Bedroom + Den Size Per Floor (3):	981 Sq. Ft.
Average Two Bedroom Size Per Floor (6):	1,002 Sq. Ft.

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PHASE I - PARKING

Initial Required Residential Parking Stalls:	248
Less Affordable Housing Credit-12 Units	-12
Total Required by Code	236

RETAIL PARKING

1st Floor - East: 3,000 sf of Restaurant Seating (1/200=15)
and 3,500 sf of Retail (3,500-1,500=2,000; 1/500=4)

Total Retail Stalls Required: 19

Total Required Phase I Parking Stalls: 255

44 S. Highland Building

Initial 3+ Story Parking Gdeck

Floor	Area (S.F.)	Initial Parking Stalls	Height
1	30,600	75	0'-0"
2	30,600	89	11'-0"
3	30,600	90	21'-0"
Top		19	
		Total Initial Deck Parking Stalls:	273
		Lot 2 Additional Parking	48
		Total Phase I Parking Stalls	321

Total Stalls above Code 74
Parking Stalls Per Unit Ratio: 29.0%

PHASE II

33 S. Chestnut Building

5 Stories Residential

Floor	Area (S.F.)	Amenity	Common Sq. Ft.	Rentable Sq. Ft.	Studio (1 Stall Per)	1 Bed (1 Stall Per)	2 Bed (1.25 Stalls Per)	Total DU	Parking Required	Potential Parking Stalls	Height
-1	17,095									44	-14'-0"
1	17,184		3,132	14,052	2	11	4	17	18		4'-0"
2	17,244		2,341	14,903	0	13	4	17	18		14'-8"
3	17,244		2,341	14,903	0	13	4	17	18		25'-4"
4	17,244		2,341	14,903	0	13	4	17	18		36'-0"
5	17,212		2,341	14,871	0	13	4	17	18		46'-8"
Roof Parapet	8,442	6,660									58'-2" 61'-8"
Total DU					2	63	20	85			
Area/DU					300	300	400				
Total DU SF					600	18,900	8,000	27,500			
Total SF	111,665	6,660	12,496	73,632							

Total Required Residential Parking Stalls: 90.00

Less Affordable Housing Credit-4 Units -4.00

Total Required 86.00

Total Potential Parking Stalls: 44

Typical Residential Floor Average Unit Sizes (17 Units Per Floor)

Average One Bedroom Size Per Floor (11): 837 Sq. Ft.

Average One Bedroom + Den Size Per Floor (2): 984 Sq. Ft.

Average Two Bedroom Size Per Floor (4): 932 Sq. Ft.

Average Studio Size Per 1st Floor Only (2): 566 Sq. Ft.

44 S. Highland Building

4 Story Parking Deck

Floor	Area (S.F.)	Parking Stalls
1	30,600	75
2	30,600	89
3	30,600	90
4	30,600	90
Total Required Development Parking Stalls:		344

Total Parking Stalls: 388

Total Stalls above Code 44

Parking Stalls Per Unit Ratio: 13%

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DEVELOPMENT UNIT AND PARKING SUMMARY

		Studio (1 Stall Per)	1 Bed (1 Stall Per)	2 Bed (1.25 Stalls Per)	Total DU	Required Residential Parking	Total Parking Stalls
225 W Campbell	270,362	54	126	54	234	236	0
226 W Campbell	Retail					19	19
33 S Chestnut	111,665	2	63	20	85	86	44
44 S Highland		0	0	0	0	0	344
						341	388
Total Units		56	189	74	319		
Total SF	382,027	16,800	56,700	29,600	103,100		
% Mix		17.55%	59.25%	23.20%	100.00%		