



**HOUSING
OPPORTUNITY
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CORPORATION**

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May 10, 2017

Sam Hubbard
Development Planner
Department of Planning and Community Development
Village of Arlington Heights
33 S. Arlington Heights Road
Arlington Heights, IL 60005

Re: Heart's Place Potential Impact on the Neighboring Daycare Center

Dear Sam:

I am writing to follow up on a discussion from the April 26 Plan Commission meeting regarding the potential impact of our Heart's Place proposal on the adjoining La Joie Daycare center. During the discussion it was asserted that a previously proposed development on this site by a member of our development team was the direct cause of the day care center losing its tenant. No evidence was provided showing a causal relationship and we believe that there was in fact no direct correlation. While we certainly sympathize with the owner's concern regarding the loss of their tenant and income, it is not correct to leave the impression that just the proposal of providing supportive housing on this site caused the daycare to close since there are several outside factors that are more likely.

A stated concern for the 110 Boeger Drive property owner is the possibility that the construction of Heart's Place may cause clients of La Joie Daycare to terminate their enrollment, ultimately leading to the closing of the daycare and the loss of rental revenue based on experience with their previous tenant. We understand that the previous tenant, KinderCare, occupied the property from 1984 until 2012 when it closed due to enrollment issues. However, it is not demonstrable that KinderCare closing was directly tied to the previous development proposal (i.e. Boeger Place) on this site.

According to a member of our team, the Boeger Place proposal was introduced to the Village in 2010 but was denied zoning approval from the Village Board that year. As noted above, KinderCare closed two years later in 2012, when no proposals for the adjoining land were under the Village's consideration and the two lots had been removed from the Multiple Listing Service. In January, 2014, less than two years after the closing of KinderCare, the current tenant moved into the property. Based on the timeframe it is not possible to link the closing of KinderCare as a direct consequence of the earlier Boeger Place proposal since it had been denied two years earlier.



In fact, KinderCare's closing may have been related to a local shift in demand for daycare services as documented in the attached study published in 2011 by Illinois Action for Children that examined the reasons for the closing of a total 610 child care centers in Illinois between 1999 and 2004. The study finds that the most common reason for the closings was a combination of competition from the public school system and stagnant household income driving down enrollment. Not surprisingly, household income in Arlington Heights declined significantly after the recent recession, reaching some of its lowest levels in over a decade around 2012. In contrast, recent years have seen a steady increase in household income, both nationally and locally. It stands to reason that the improved overall financial condition of Arlington Heights' households today means there is a much smaller risk that La Joie Daycare may experience enrollment issues today due to the economy than was the case in 2012.

It is also worth pointing out that Greenbrier Elementary School in Arlington Heights, which has seen rapidly rising enrollment in recent years and hosts the Village's Early Childhood Program, has been recognized by the state as a top-quality public school and was 19th on a 2011 Chicago Tribune list of the top elementary and middle schools in the Chicago area. This suggests that it is very likely that competition from the local public school system may have also played a role in reduced enrollment and the closing of KinderCare in 2012.

Lastly as a direct comparison, our team member's supportive housing project in Mount Prospect, Myers Place, was built directly across from a daycare facility called Safari Childcare (see map enclosed). Members of our team spoke with Safari Childcare's director, Ms. Bernice Berry who related that although she is aware that Myers Place is a new residential development nearby, she did not know that it consisted of permanent supportive housing for low-income individuals with disabilities. Ms. Berry confirmed that she has not seen any form of negative impact on her business finances or enrollment levels due to the creation of Myers Place. She also stated that no parents have ever expressed a concern regarding the development or its residents, and that neither she, members of her staff, nor clients and their children had had any negative interactions with Myers Place residents.

Our development team strongly believes that Heart's Place will be an immensely beneficial development not only for its residents but also for its neighbors, surrounding community, and the Village of Arlington Heights. We want to be a good neighbor and are willing to discuss any concerns. Indeed, I personally contacted the son of the owner of the adjacent property after the April 26 Plan Commission meeting to listen to his concerns.

We look forward to continuing this conversation with the Village and our neighbors and encourage anyone to reach out to me and my team should there be any questions regarding the project. You can reach Housing Opportunity Development Corporation at (847) 564-2900 (rkoenig@hodc.org) and UP Development at (312) 451-7308 (alex@updevelopers.com).

Sincerely,



Richard Koenig, PhD
Executive Director, HODC





Myers Place

Culver's

Plaza United

China Garden

Approx. 300ft separation

Rosati's Pizza

Chungkiwa

YUPIN THAI KITCHEN

Ronis Hair Studio

Outdoor playground

Safari Childcare

Busse Rd

W Alg

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Google