

# AN OPEN LETTER TO THE CLINTONVILLE COMMUNITY.

I am writing this in response to Mr. Cliff Wiltshire's recent commentary concerning the vacant property my family owns at Westview and High Streets, in the March 17, 2010, issue of The Booster. Although I do not represent the developer (The Skilken Organization) or the proposed tenant (Turkey Hill/Kroger), I do represent my family as the Landlord and property owner, and I feel a little background is in order.

I have worked on redeveloping this property for 14 years, and have taken a keen interest in the Clintonville community as owner of the former Keim Ford property and Indianola Plaza Shopping Center. I directly participated in the creation of the "North of Morse Road Overlay," much of which I disagreed with, being the only large-scale commercial Realtor/Developer on the committee.

From a developer's perspective, I knew from experience that a number of the development guidelines would pose a serious hardship in successfully redeveloping not only our property, but also virtually every other commercial property along North High. That's because the limitations on the placement of buildings and parking areas combined with the higher construction costs would require rent higher than 99% of retail tenants could pay. Moreover, many of the proposals are not realistic to attract the few tenants who could even consider paying a premium rent to locate in Clintonville.

As Developers, we live and die by the numbers; being the rent we collect less the expenses and mortgage payments. If you think about it, it's no different than financial decisions we all make, such as can we afford a home that costs 30-50% more to buy in New Albany versus Clintonville, or buying a Ford sedan vs. a BMW. And more importantly, what is the wiser choice today, in the midst of an economic crisis we haven't seen since the Great Depression?

Apparently, what Clintonville wants us to do is build a mixed commercial/residential development as evidenced by the most recent area plan update that includes a color architectural rendering for the High/Westview corner. It shows two 2-story buildings with 4 retail storefronts on High Street and 7 apartments, with only 26 parking spaces for the tenants and their customers.

Think about this for a minute. There are no garages, no green space, and totally inadequate parking. I would have difficulty leasing these spaces at any rent; much less a premium rent higher than virtually anybody else in the neighborhood pays. This would be financial suicide, and the two story buildings would also dwarf the adjacent homeowner who would lose virtually all privacy for his 1/3 acre property.

I know this because I have met with him, and I have negotiated an agreement to buy his property within a year of the opening of the Turkey Hill, assuming Columbus City Council approves the zoning.

The primary reason to make this offer is to be a good neighbor. He is concerned that the Turkey Hill project will devalue his property, which it may or may not. No one will know for sure if that will occur until after the project has been completed. But, the next buyer can decide that.

It's a nice house with a two-car garage and a large piece of land. My family doesn't want to profit at his expense, so we'll buy it and resell it after the Turkey Hill store is open. My family will absorb the loss, if any, that he might otherwise incur. But he can also stay if he can't buy a comparable home on a large piece of land elsewhere in Clintonville.

I'm sure there are people who may view this as a bribe, but I can tell you that the owner, Stephan Thompson, is thrilled, and thinks this is both a kind and generous offer. The buildings and improvements will be strategically placed to minimize noise and light pollution, and will be screened with fencing and landscaping. Plus, there is almost a 6 feet difference in grade between Mr. Thompson's property and ours, so an 8-foot high buffer becomes 14 feet high, running along the entire east side of his property.

Right now his back yard faces an empty parking lot and a raggedy old chain link fence, so this may actually improve his property. But it's hard for most people to look at site plans and building elevations and be able to visualize exactly what the site will look like when it's completed. The truth is that it may not be the horrible project he initially feared.

Whether he stays or chooses to move will be strictly up to him. And with the Turkey Hill proposal versus other development proposals, there will be no curb cut on Westview, so there won't be as much traffic on that street, nor people parking in front of his house if the site's parking lot would become overcrowded. Plus, there's also the convenience factor of buying food and beverage and everything a convenience store sells. If you lived next door, wouldn't you shop there once it's open?

In 14 years, Turkey Hill is the only tenant who has agreed to construct a custom building and try to meet the general goals of the overlay plan, addressing virtually every other objection voiced in public planning meetings. The proposed development plan has been revised dozens of times, and Turkey Hill's intentions to be a good neighbor are plainly evident.

Moreover, despite the controversy, the Turkey Hill store will actually benefit the community. Assuming the store gets built, I seriously doubt if the vast majority of Clintonville residents will notice the difference in traffic on High Street. Residents are already going somewhere to purchase gas and convenience store items, likely along High Street. When I participated on the Overlay committee, I was told that residents wanted a destination they could walk to, and this convenience store meets that goal with bells on.

The other benefit is Turkey Hill not only sells gas (something we all need and use), but it's cheap gas through the Kroger fuel perks program. Who doesn't want cheap gas available close by and be able to save hundreds of dollars annually? In today's economy, this is big money for most people. And this one isn't going to be the typical convenience/fuel station as found in most commercial districts, but a customized facility designed exclusively for this site and this neighborhood.

I'm not writing to debate the benefits, but asking Clintonville residents to look at all sides of the issue and not blindly follow those who protest the loudest, focused strictly on the negative. The future of this property is uncertain under any circumstances, and I can't predict how long it will be before another tenant comes along who is willing to make the same concessions as Turkey Hill. In today's economy, it wouldn't surprise me if it takes many years, maybe even another 14 years. Fortunately, my family can afford to wait if we have to, but we have zero interest in any future development that we don't think will be a good long-term investment.

This, with the preceding explanation, is my response to Mr. Wiltshire's proposal to lease our land to Wesley Glen for parking. In theory, it appears to be a win-win compromise. While it's true that Wesley Glen needs parking, and we need a tenant to pay rent, such an arrangement is not even a close substitute for either Wesley Glen's needs or ours. It's an apple vs. oranges comparison, and here's why:

1. Wesley Glen needs adjacent parking and wants to own its parking lot, not lease it from someone else, and as I have stated in public meetings, my family has no interest in selling our property to anyone.
2. A remote parking lot would create a logistical nightmare getting people to and from Wesley Glen, particularly in cold weather.

3. My goal has always been to develop our property with commercial income-producing structures and lease to high quality tenants who provide goods and services to the community. Turkey Hill accomplishes this goal, and is the only tenant willing to even consider the rigid development guidelines for the north-of-Morse-Road district.

While Mr. Wiltshire's proposal sounds logical in theory, neither party would meet its needs or objectives. As someone who has managed commercial real estate for over 30 years, I can tell you that this Great Recession has severely impacted retailers of all sizes. Many retailers, including big chains, are struggling just to survive, let alone open new stores. Business start-up financing is virtually non-existent except for those who are already wealthy.

With this in mind, I predict three future scenarios for our property. First, if the Turkey Hill store is developed, the community will appreciate having it there, and it will serve them for many years. Second, that even many of the current protestors will use it because the fight would be over, and the benefits of cheap gas at a beautifully customized facility are obvious. Right now the vacant lot does nothing for any Clintonville resident.

Third, if the Turkey Hill store doesn't get built, this site may likely remain vacant indefinitely. It's already been vacant for 14 years, so this is no exaggeration. When it does get developed, it will likely have a freestanding commercial building, though I have no idea who the tenant might be. We could build a restaurant or hundreds of other uses within our existing commercial zoning. For instance, a tire center previously considered the site. Realistically, which would be more highly prized in the community – a high-end convenience mart that many people can walk to and also offers huge savings on fuel costs, or another tire center along High Street?

Despite my obvious interest in the former, I think there is a lot to be said for the old expression, "a bird in the hand is worth two in the bush." I appreciate the opportunity to respond to Mr. Wiltshire's suggestions, and to explain the other side of the issue as it affects the entire Clintonville community. The benefits are there and, I believe, just as worthy of consideration as all the negative views that have been widely publicized.

Thank you for taking time to read this letter.

George Hadler, CEO  
The Hadler Companies

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