

As seen in *Neighbors of Greater Oak Brook Magazine*

## City's big leap

by Tim Sullivan

Nestled in a somewhat secluded area of York Township are 91 attractive acres of mostly undeveloped land. This prime real estate is just North of Butterfield between Summit Avenue and Meyers Road in unincorporated DuPage County. The property will be developed by Royce Realty & Management Inc.

"We are a community development company," said Kim Plencner, CEO and President of Royce Realty. "We turn large tracts of land into full communities with all types of residential components from apartments to condos, townhomes, [single] family homes of different categories. There is usually a golf course component. We have been involved in development in almost every suburb in the Chicagoland area including Carol Stream, South Barrington, North Barrington, Lakemoor, Naperville, Schiller Park, Niles, Long Grove, DesPlaines and Oakbrook Terrace. Also, we have done projects out of state in Tennessee, Florida, Nevada, Colorado and Indiana."

"Oak Brook Lakes is our proudest new project. Oak Brook Lakes has an elderly component, town center with hotel, loft type living, condominiums, townhomes, and even some living facilities with concierge services. Lots of amenities. This is a very sustainable community. We're using all of the environmental practices to be as green as possible."

With walking paths throughout, residents can walk to shopping, to a restaurant, do some minor shopping, or just have a nice safe place to go for a long walk.

The way water is managed is an important part of the green initiative. "We are building a sustainable storm water system," Kim points out. "Run off water will be used for fountains, irrigation and reuses like that. We have a water system here in the Oak Brook Lakes project that is shared with a few of the surrounding buildings." Now water is supplied through DuPage County water commission. "We are in the process of getting Lake Michigan water through the

County of DuPage."

Sewer is through Hinsdale sanitary District. They have always been the sewer utility company for this entire area. York Center provides fire protection and the police protection is provided by DuPage County sheriff. They use the Villa Park post office.

Fiber optic cable lines are available for high-speed Internet access which will be offered throughout the development. As Kim Plencner points out "This area has a lot of international companies and access to the fiber optic cable system is very important to them."

New construction is scheduled to begin sometime later in 2010. "It will probably take another 6 to 12 months to finalize all the platting which involves finalizing storm water, environmental issues, planning our streets, finalizing some preliminary architectural components for the property and designating park areas," notes Mr. Plencner.

The total cost of the project will be approximately \$750 million including land, buildings and all development costs. There will be many benefits for the entire community including schools, police and fire.

The real estate tax revenue will be significant. Real estate taxes always go to benefit schools, park district, police and fire departments. Naturally, they are all looking forward to the taxes that will be generated from this project. According to the Fiscal Review Statement, after completion of the project, DuPage County can expect to receive approximately \$434,000 in property tax revenue annually. With a predominantly adult population, both school districts 45 and 88 will benefit from the development. The low number (390) of school age children projected will be

absorbed into existing school facilities. So projected tax revenues to expenditures will represent a positive fiscal impact of approximately \$3,485,000 for Grade School District 45 and \$2,365,000 for DuPage High School District 88.

Royce Realty is working with York Center and Oakbrook Terrace Park Districts to build a nature center on the southwest corner of the development. Oakbrook Terrace has a nature center now but they would like to expand. What they have now is not big enough. "York Center has Lake Helen, which is a fishing lake," Kim Plencner added, "so we are talking about bringing it in here and making it larger."

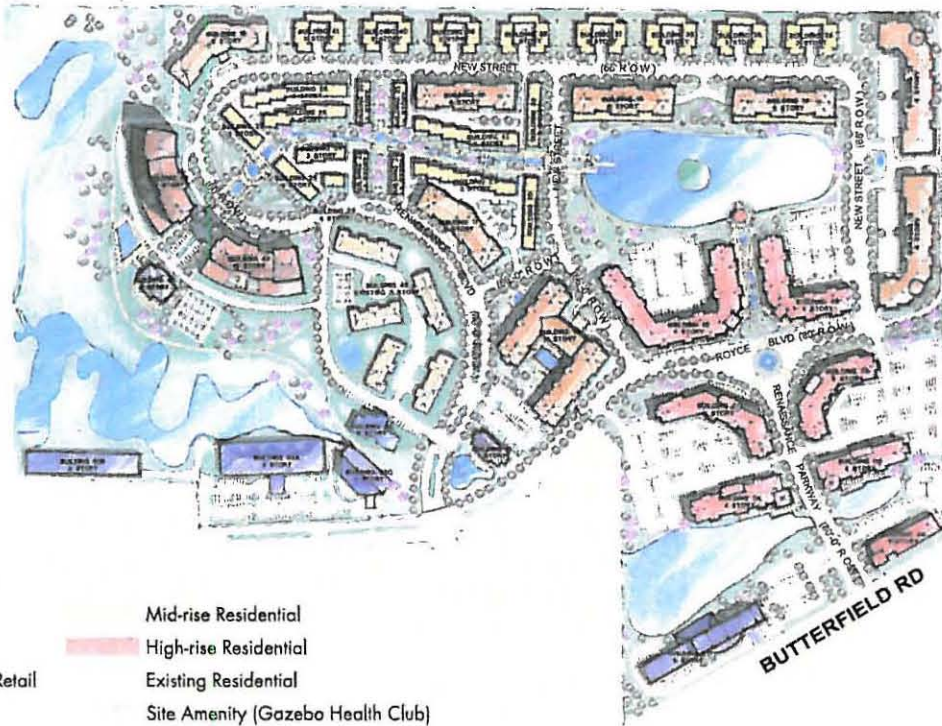
The tax revenue is just one component of the many benefits to the local economy. With this many new residences (over 4,000) there will be a lot of spending in the area generating sales tax...at the retail stores, in the restaurants and for other various other services including groceries, buying vehicles, etc. All of this will have a significant impact on the community and surrounding areas. Royce Realty forecasts total household income to be over \$265 million. Approximately \$51 million, or 20%, will be spent on general merchandise and registered/titled goods.

Tax revenue, consumer spending and the hundreds of jobs that the development will open makes Oak Brook Lakes one of the most exciting developments in DuPage County. But how does all of this play out in the current stagnant economy?

According to Kim Plencner, "We just finished our planning and we're getting into our platting process which has taken place during the downturn in the economy. So by the time we get everything ready there is going to be a big upswing in the economy



## Leap into the future



Kevin Plencner, Vice President; Rose Cortina, Sales and Marketing Director; and Kim Plencner, President and CEO of Royce Realty and Management

again and we should be a part of that. But what also benefits us is that we're in a nice community within a close proximity to transportation and highways. I-88, and 355 expressways are very close. You can get to Midway Airport or O'Hare fast and downtown Chicago is easily accessible...even the far western suburbs are easy to get to. Trains are also very close. We will have a bus stop within our community as part of the town center. We're bringing a downtown environment to the suburbs which a lot of people are really looking for. We're unique because of that. We have a lot of baby boomers who will be downsizing and starting to retire soon. Many of those people want to get rid of their larger homes and downsize but they don't want to leave the community. Some people

are renting from us because they have a second home somewhere else. It becomes a nice turnkey situation for them. They can just lock their doors and not worry about it for months at a time, or for a full season."

There will be approximately 2000 total units. Some of the units will just be one person; the majority will probably be two, maybe three people. Three or four people in a unit will be the exception.

There will be apartments for executives who will be transferring in and need a more temporary situation. "It will also be ideal for young executives...this could be their first home," Plencner added. "We see a lot of that now in the existing units and that's something we want to expand on. There are a lot of national and international

corporations based here who have executives coming for consulting work from around the country and around the world who may need a place for one or two months at a time. And also, some people are not in a position to make a long term commitment so we can lease them a place for a year or whatever they need."

Currently there are 26 units with two-car garages, approximately 2300 sq. ft. each, with tennis courts and swimming pool. There is also an executive office building with restaurant and banquet facility next to it. The company is in the process of finishing the interior of the restaurant and banquet facility. The existing executive short term rental building has six units composed of one and two-bedroom units. There is about a 10 acre park area. And a

3 acre lake with a small island that is a wildlife habitat.

Looking forward, the first new facility that will open is the restaurant followed by a new entrance onto Butterfield Road. Next will be a new Crown Plaza Hotel. Royce Realty owns the franchise rights to the Crown Plaza. It will have 203 rooms. They are finalizing the architectural plans for the hotel now, but with the franchising, license and all approvals necessary to open, construction can begin in six to twelve months, and open in as little as 18 months from now. With the hotel completed the small retail "town center" will follow with retail on the ground floor and living areas above. Renaissance Parkway will be realigned to follow the path of the plan to go along with the way we have designed

the buildings. The new entrance at Butterfield will have to line up with the light across the street from the Home Depot for the safest and best traffic flow. The development follows a logical flow from the east, around the three acre lake to the west and back around.

"A lot of how we roll this out will depend on marketing and the interest level in the different areas," explains Mr. Plencner. "We are thinking that the senior living buildings will precede some of the other parts. We are working with two large companies, one is privately owned and one is a public company of real estate that develop apartments and various real estate components around the country. We also have people that are interested in looking at the elderly housing which is planned for Oakbrook Lakes with age restricted buildings. There is the more senior type housing to include facilities for everything from no-care to nursing facilities all combined in one building. The building lining up with the east side of the property will be age restricted, probably 50 years and older."

The whole town center is then wrapped with the residential. It'll be a different kind of townhouse

community. These are similar to row houses in Chicago: three story buildings with a roof top deck. Then along the north edge of the development are courtyard townhomes with a wrought iron entrance gate. These two-story units will each have a two-car garage and are complete with backyards.

The taller buildings to the far east portion are upscale condominium living with a lot amenities including underground parking and concierge services. "One of the visually exciting things we've incorporated is a lot of underground parking so you don't see acres and acres of concrete parking lots. This is probably one of the highest percentages of green spaces that have been built in this area," Spencer added.

On the northwest corner is a condo building. The exact use, or market, has not yet been determined. The tallest buildings planned with 18 stories have a mix of young execs, to retired. It is a little different type of living, with valet services and a lot of amenities, clubhouse, swimming, tennis courts.

North of the project is the Brandywine Association. It is all townhomes and backs up to the development.



## Leap into the future

### Villa Venice restaurant will open in May

The name of the restaurant is the Villa Venice. The lounge is called the White Martini lounge. It will be an Italian steak house. There will also be a banquet facility as part of the restaurant. The facility is 20,000 sq. ft. The first phase is 10,000 sq. ft.; the next phase will be the additional 10,000 sq. ft. The first phase will include the restaurant, lounge and banquet facility; the second phase will be a banquet meeting hall. The restaurant will open in May.

Why is it called the "White Martini Lounge"? "It's becoming a more popular namesake for bars," Plencner explained. "There's a Blue Martini lounge in Fort Lauderdale. There are some lounges in Chicago with martini related themes and names. So we just thought that was a good fit for us. White refers to the decor and to the theme. There will be a white onyx bar that will be under lit. The décor will be white and black throughout; sort of a throwback to the 1920s and 1930s Hollywood look. We are actually custom making a lot of our furniture and booths which are under construction right now."

What's in a White Martini? White Godiva chocolate with vodka or gin. That will be the signature drink with a big Martini menu to go along with it. They will also specialize in lot of wine. Villa Venice will be a great gathering place...very upscale atmosphere, comfortable and inviting.

Kim Plencner added, "We share this area with hundreds of major corporations: McDonald's, Ace Hardware...the list goes on and on. That's actually another good part of our residential component. If you

put a pin in the center of our development and go out to a one mile radius, we are talking about 5 million sq. ft. of occupied office space. And that was ten years ago. Today it could be double that. There is not enough residential within a short commute of all of these offices."

"Our project will probably take about 10 years before it is totally completed and finished. We feel this is Dupage County's great leap into the future. This is an urban development in a suburban setting. We are raising the bar."

Kim Plencner started in late 1981 in the construction side of the business. Over the years he moved up through the company into marketing and sales, rentals, financial, building, management as well as all facets of the business including land planning, zoning etc. Kim Plencner is from the area. He grew up in Park Ridge. His family moved to Wisconsin for eight years in between where he went to high school. He eventually moved to Oakbrook Terrace. His brother and partner, Kevin, currently lives in Oakbrook Terrace.

The corporate headquarters of Royce Realty & Management is located in the existing office building at Oak Brook Lakes. For a full overview of the development visit [Roycerealty.net](http://Roycerealty.net).

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