

June 1, 2020

City of Madison Common Council  
210 Martin Luther King Boulevard, Room 417  
Madison, Wisconsin 53703

Dear Council Members,

Like so many, the members of NAIOP Wisconsin are very concerned about stormwater management. Flooding is not only detrimental to private property and public spaces, but is a significant health concern. We understand and appreciate that this shared concern is at the root of Council file number 60351.

A foundational component to real estate development is a cost-benefit analysis to every project. If the project costs outweigh the benefits and/or returns, the project simply isn't viable. As we review file 60351 we are concerned about the viability of real estate development projects in the City of Madison if approved as drafted and believe that a more thorough discussion and review of the costs and benefits in the proposal's strategy would be well advised.

Specifically, we are concerned that the proposal would increase costs exponentially on real estate development while only minimally reducing actual flooding. An elevation of costs of this magnitude, which we believe may be as many as three times current, will dramatically increase the cost of housing and office space in the City of Madison. This will surely drive businesses to neighboring municipalities, or worse, outside the region/state, and put even greater strains on household budgets from even higher housing costs.

NAIOP, the Commercial Real Estate Development Association, agrees with Smart Growth Greater Madison and Downtown Madison Inc. and urges the Council to allow staff, citizens, and the real estate community to continue to work together towards a financially feasible solution that will address our shared concerns.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Villa".

James Villa, CAE  
CEO