

Bill Jacobs Volkswagen

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Volkswagen

October 8, 2018

Ms. Ying Liu
Project Manager
TED Business Group
City of Naperville
400 S. Eagle Street
Naperville, IL 60540

RE: Bill Jacobs Volkswagen
2155 Aurora Ave

Dear Ms. Liu,

We were recently made aware that our approval for a Temporary Use for a Parking Facility at 2155 Aurora Ave expired on December 31, 2014. We are hopeful that the City Council will consider our request set forth in this letter to obtain approval for an extension of the Temporary Use for a Parking Facility through December 31, 2023. The following is an outline of our current plans for the site, our existing businesses, and other developments, all as support for our request.

Since the approval in 2012 for a Temporary Use Parking Facility we have seen significant upheaval in the Volkswagen brand. Since 2015 VW has dealt with multiple recall issues, most famously the "dieselgate" emission scandal. While these issues were recently rectified, the impact on national sales numbers over the past three years was devastating. We had planned to renovate/expand our existing facility by this time, but due to these unforeseen issues the timeline has been moved back.

VW has yet to announce any plans for a national facility upgrade program but we anticipate this to be communicated shortly. Our assumption is we will have to begin facility adjustments and/or renovations sometime in 2020-2021. The existing frontage of 2155 Aurora Avenue has continued to be a key aspect to retailing more new and pre-owned vehicles out of our Volkswagen store. Once we begin construction to expand, this space will become even more important.

Our current plans to develop the rear portion of the 2155 Aurora Avenue property is necessary for two reasons. First, and most importantly, we need more space for our expanding operations at all of our Naperville stores. Sales volume at BMW, MINI, and VW has collectively grown to a level that we are leasing parking spaces at multiple adjacent lots. One of the lots we had been leasing spaces from was Fair Oaks Ford, 1564 Ogden Ave, but upon Currie Motors' acquisition, we lost all of those spaces. The development of the rear portion of 2155 Aurora Ave will enable us to offset that loss and lease fewer remote parking spaces. The proposed improvements to the rear portion of the 2155 Aurora Avenue property is scheduled to be completed by the end of November, 2018. The estimated cost of these improvements is \$625,000.

The second key aspect of this development is that it will leave room for construction of a new facility towards the front of the property. We plan to utilize this front portion for a future VW showroom, or possibly another new car franchise. By leaving the front portion as-is, we will have the flexibility to develop it in whatever fashion necessary down the road. If we are able to continue using it, until that time, for VW inventory it will ensure we can maximize sales during that period of time.

The inability to extend the Temporary Use for a Parking Facility would negatively impact our VW operation and sales. We are on pace to sell more cars than we did in 2015 (before the VW recalls) and are continuing to grow. We do not believe that this Temporary Use will have an adverse impact on the surrounding properties nor on the public health, safety or general welfare of the residents of Naperville.

We truly appreciate the City Council's consideration of our short-term plan and look forward to continuing the growth we've seen over the past few years. Please let me know if you require any more information or have any questions regarding this request.

Thank you,

A handwritten signature in blue ink, appearing to read "Kevin Jacobs", with a stylized flourish at the end.

Kevin Jacobs
Bill Jacobs Volkswagen