

RESOLUTION NO. 19 - 47

**A RESOLUTION
OF THE CITY OF NAPERVILLE
AUTHORIZING AN INCENTIVE TO LITTLE FRIENDS
IN EXCHANGE FOR RECORDING A PROTECTIVE COVENANT
ON THE KROEHLER MANSION**

RECITALS

1. **WHEREAS**, the City of Naperville, DuPage and Will Counties, of the State of Illinois is an Illinois municipal corporation and home rule unit of government under the laws and Constitution of the State of Illinois; and
2. **WHEREAS**, Little Friends, Inc. ("**Little Friends**") is a charitable organization dedicated to education, treatment, housing and growth for those with intellectual/developmental disabilities and autism; and
3. **WHEREAS**, Little Friends owns the 3.79-acre property located at 140 North Wright Street in Naperville (the "**Property**"). For the past 44 years Little Friends has operated the Property as a not-for-profit teaching and educational facility for students and adults with autism and other intellectual/developmental disabilities. The school is not self-sustaining and the ability for Little Friends to continue to provide services to those with disabilities has always been reliant upon very substantial fundraising, charitable gifts and donations; and
4. **WHEREAS**, Little Friends needs to relocate the teaching and educational programs to a new site. To accomplish this relocation, Little Friends intends to demolish all buildings on the Property and sell the Property for residential development; and
5. **WHEREAS**, Little Friends contends that the demolition of all the buildings on the Property is necessary to maximize the sale value of the Property, which Little Friends needs to purchase the new site and facilities. Without the funds generated from the sale of the Property the relocation is not economically viable; and
6. **WHEREAS**, the Kroehler Mansion ("**Mansion**") is located on the Property has significant historical significance and is worthy of preservation in that it was designed and constructed for Peter Kroehler (a local and national figure of historical prominence) and his wife Josephine in 1908. Kroehler was a graduate of North-Western College (now North Central College) and became a partner and later president of the Lounge Company, which became the Kroehler Manufacturing Company, the world's largest furniture manufacturer and a U.S. Armed Forces military contractor during WWII. Kroehler Manufacturing Company was a major employer in Naperville for decades; by WWI the company was the City's largest employer with about 500 workers. In addition to his furniture business ventures,

Kroehler also served as a two-term mayor of the City of Naperville. A community philanthropist, Kroehler was one of the original founders of Naperville's YMCA; and

7. **WHEREAS**, Little Friends has represented that it believes it may make significantly more money on the sale of the Property if the Mansion is demolished; and
8. **WHEREAS**, Little Friends has the authority to demolish the Mansion; and
9. **WHEREAS**, the City Council desires to provide an incentive to Little Friends in exchange for recording a covenant on the Property prohibiting the demolition of the Mansion to secure the preservation of this historically significant building; and
10. **WHEREAS**, Little Friends is eager to move forward with the sale of the Property, but, is amenable to soliciting purchase offers for the Property that include the Mansion remaining preserved if the City commits to a specific incentive to offset the loss in the value of the Property if the Mansion is preserved; and
11. **WHEREAS**, the City currently receives no property tax revenues from Little Friends' non-profit use of the Property and it is estimated that the anticipated residential development of the Property will result in the City receiving approximately \$562,000 in property tax revenues over 20 years once the Property is fully developed; and
12. **WHEREAS**, the City of Naperville, DuPage and Will Counties, of the State of Illinois is a duly constituted home rule public agency of the State of Illinois; and
13. **WHEREAS**, the City of Naperville, as a home rule unit of government may according to the Illinois Constitution "exercise any power and perform any function pertaining to its government and affairs"; and
14. **WHEREAS**, the City has the authority, pursuant to the laws of the State of Illinois and its home rule authority, to use its credit, revenues, and other resources to pay costs and service debt related to activities which involve a public purpose; and
15. **WHEREAS**, the City Council, in exercise of the City's home rule authority, finds that it is in the public interest to secure the preservation of the historically significant Mansion by offering an incentive to preserve the Mansion in exchange for Little Friends recording a covenant running with the land to the effect of prohibiting the demolition of the Mansion and providing that any amendment or release of the covenant shall require City Council approval.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NAPERVILLE, COUNTIES OF DUPAGE AND WILL, ILLINOIS, in exercise of its home rule authority, as follows:

SECTION 1: The foregoing recitals are incorporated as though fully set forth in this Section 1.

SECTION 2: The City Council is supportive of offering an incentive to preserve the Mansion subject to the following conditions:

1. The City will contribute up to \$562,000 in exchange for Little Friends:
 - a. forfeiting its Certificate of Appropriateness ("COA") to demolish the Mansion; and
 - b. recording a covenant running with the land to the effect of prohibiting the demolition of the Mansion; and
 - c. providing that any amendment or release of the covenant shall require City Council approval; and
 - d. including in the covenant running with the land that: (1) unless specifically permitted through a COA, any demolition of all or part of the Mansion shall require the property owner to tender to the City an amount equal to the incentive paid by the City to Little Friends; and (2) the requirement that the property owner obtain insurance covering said liability prior to any relocation of the Mansion.
2. If Little Friends receives an offer "with" the Mansion that is within \$562,000 of its best offer "without" the Mansion, (or such other offer that Little Friends is willing to accept) then the City will tender to Little Friends the difference between the "without" and "with" offers, up to \$562,000, in exchange for recording the covenant generally described above upon the Property in order to preserve the Mansion from demolition.
3. If said incentive is conveyed and said covenant recorded, any changes to the Mansion other than demolition, would remain subject to the COA process as other buildings in the Historic District are treated. This would result in only facades that are visible from the right-of-way being subject to COA approval and would allow other minor changes, even to the front façade, without amendment of the covenant.

SECTION 3: Since Little Friends anticipates that developers interested in maintaining the Mansion on the Property may want to relocate the Mansion to another area on the Property; and since relocation of the Mansion would require a separate COA, which would require a fresh HPC review; in order to expedite the process and maximize the likelihood of attracting purchase offers that include keeping the Mansion, Council hereby authorizes the City's Zoning Administrator, subject to his or her discretion, to issue administrative COA approval for the relocation of the Mansion on the Property and for any changes to the side or rear facades of the Mansion resulting from disconnection of the Mansion from the existing structures.

SECTION 4: This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED this 3rd day of December, 2019.

AYES: CHIRICO, BRODHEAD, GUSTIN, HINTERLONG, KELLY, WHITE

NAYS: COYNE, SULLIVAN

RECUSED: KRUMMEN

APPROVED this 4th day of December, 2019.



Steve Chirico
Mayor

ATTEST:



Pam Gallahue, Ph. D.
City Clerk

