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Via email to: mayor@naperville.il.us

May 10, 2021

Hon. Steve Chirico and Naperville City Council City of Naperville 400 S. Eagle St. Naperville, IL 60540

RE: City Gate West (20-1-022)

Dear Mayor Chirico and Members of the City Council:

As you know, we represent the Owner and Petitioner of the City Gate West Project. The topic of attainable/affordable housing in regard to the development entitlements for the project was raised as far back as last November, and has been a frequent topic of discussion by City Gate West representatives and City staff and elected officials. By letter dated January 29, 2021, I confirmed my client's commitment to support Naperville's efforts to increase attainable housing, as well as the City's initiative to develop an effective development and affordable housing program. The Owner and Petitioner promised to make a cash contribution to the City in the same amount that was paid by the owner and developer of the Lincoln at CityGate Centre in 2019 - \$200,000.

Our commitment was again stated at the City Council meeting of February 2, 2021, but it was communicated to us that the City Council's preference might be for our attainable/affordable housing support to be made in the form of dedicating part of the housing element at City Gate West to smaller, "micro units" like those approved by the City last year for the Horizon, Vantage apartment project. We agreed to consider that as an alternative but concluded that it would be far more costly for the Owner and Petitioner to do so. We restated our commitment to make the \$200,000 payment, however.

Continued discussions with City officials led my client to conclude that the best course for it to pursue would be the conversion of residential units to micro units with rental rates being market driven for the smaller, micro-sized units. As such, to confirm its support for the attainable/affordable housing initiative, my client committed to 10% of the City Gate West residential units being micro units as a substitute for the cash payment that had been offered. And we submitted plans detailing the unit types and sizes being committed to.

We wish to make clear that my client is not withdrawing its previous offer. If the City wants the cash payment rather than micro units, fine. If the City wants micro units instead of the cash, my client will agree to that as well. And if the City's preference is the micro unit alternative,

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we are confident that the City Gate West micro unit rental rates will be extremely competitive with rental rates for micro units now being marketed in Naperville.

In short, we believe that either of these two alternatives will significantly support the City's housing initiative. My client is pleased to do so and looks forward to receiving the City's support for this worthy project.

Very truly yours,

ICE MILLER LLP

Michael M. Roth

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