

HPC FINDINGS OF FACT REGARDING COA 19-2840

On Thursday, October 24, 2019 the Naperville Historic Preservation Commission considered a petition for a Certificate of Appropriateness (“COA”) to demolish all structures located on property owned by Little Friends, Inc. (“Petitioner”) generally located the northeast corner of Franklin Avenue and Wright Street within the City of Naperville Historic District (hereinafter, the “Property”).¹ The following members of the Historic Preservation Commission (“HPC” or “Commission”) were present: Phillip Garrison, Kevin Peterson, Carrie Doyle, Mark Urda, Chris Jacks, Emily Erickson Ory, Brian Eveslage, Patrick Kelly (non-voting), and Louise Howard (non-voting). There were no time limitations on Petitioner’s presentation or closing remarks, and there were no time limitations on testimony provided by Petitioner’s witnesses or the public. All testimony was given under oath. The Petitioner and members of the public had the opportunity to cross-examine, and the proceedings were recorded and televised.

Per Section 6-11-8.5 of the Code, review of COA applications are conducted based on the Factors for Consideration of a Certificate of Appropriateness Application. The Petitioner and the Historic Preservation Commission (“HPC” or “Commission”) concur that Factor 5.2 (Compatibility With Architectural Style) and Factor 5.6 (The City’s Historic Building Design and Resource Manual) are not applicable given the Petitioner’s request for total demolition of the existing buildings on Property. While Factor 5.4 (Energy Conservation Effect), is referenced in Petitioner’s Application for a COA (though no testimony on this Factor was presented by Petitioner before the HPC), Factor 5.4 is not applicable to Petitioner’s request for a COA since the energy efficiency suggested by Petitioner in its Application relates to potential new residences if the Property is redeveloped, which redevelopment may be the subject of future COAs but is not relevant to the pending COA.

The following is a description of the remaining Factors for Consideration of a COA and the HPC’s findings with respect to these factors as to the Property:

Factor 5.1. Compatibility With District Character: *The Commission and Zoning Administrator shall consider the compatibility of the proposed improvement with the character of the historic district in terms of scale, style, exterior features, building placement and site access, as related to the primary facade(s), in rendering a decision to grant or deny a certificate of appropriateness.*

HPC Findings: The Petitioner asserted in its application for COA 19-2840, and the Petitioner’s Attorney Scott Day stated in his presentation to the HPC on October 24th, the belief that Factor 5.1 is applicable to the COA being requested. After consideration of this contention, the consensus of the HPC was that Factor 5.1 is applicable to a “proposed improvement” and not to a request for demolition of all existing improvements as requested by the Petitioner.

¹ Note: Demolition of the carriage house/detached garage (located in the northwest portion of the Property) does not require a COA per Section 6-11-7:30 of the Naperville Municipal Code; the carriage house may be demolished as of right.

Factor 5.5. Impact of Proposed Demolition: *In evaluating an application for demolition of a principal structure(s) located in the Historic District in whole, or for certain partial demolitions as determined by the Zoning Administrator, the HPC is to balance the findings presented in the Structural Analysis, which includes an analysis of the improvements required to restore or repair the structure to a condition that complies with the standards for issuance of an occupancy permit under the building provisions of Title 5 of the Code, and the estimated cost of said restoration or repairs, against the architectural and historical significance of the structure.*

HPC Findings: In accord with the requirements of Factor 5.5, the HPC balanced the findings in the Structural Analysis against the architectural and historic significance of the structure(s) sought to be demolished (“**Balancing Test**”). The HPC considered the materials and testimony before them, including but not limited to the following:

- Testimony provided by the Petitioner, including Petitioner’s witnesses, and the Architectural and Historical analysis submitted by Petitioner at Tabs 1A, 1B, 1C, 1E 1F, 1G, 1H, 1I, 1J, 1K, 1L, 1M, 1N and 1O of its materials
- The Structural Analysis prepared by the Farnsworth Group and the testimony provided by architect Brian Kraft from the Farnsworth Group
- Written public comment
- Public testimony before the HPC, including testimony regarding the historical significance of the Kroehler Mansion in light of the importance of Peter Kroehler to the history of the City of Naperville

The chart below was provided by City staff to the HPC to facilitate the HPC’s consideration of COA Factor 5.5.

Note: The columns entitled “**Architecturally or Historically Significant?**” and “**Does Significance Outweigh Cost?**” were blank when presented to the HPC and were filled in by staff during deliberation as HPC made its findings.

Building	Architecturally or Historically Significant?	Cost to Achieve Occupancy	Does Significance Outweigh Cost?
Krejci Academy	No	Only usable as part of school/pre-school campus*	No
Gymnasium	No	Only usable as part of school/pre-school campus*	No
Administration Building	No	\$10,540 (conversion to single-family home) or part of school/pre-school campus*	No
Kroehler Mansion	Yes – Historically Significant	\$374,375 (conversion to single-family home) or part of school/pre-school campus*	Yes

*\$157,000 total cost for campus use as school/pre-school

In applying the Balancing Test, the HPC found that the architectural and historical significance of the Krejci Academy, the Gymnasium, and the Administration Building did not outweigh the cost to bring those buildings up to code sufficient for issuance of an occupancy permit.

In applying the Balancing Test to the Kroehler Mansion, the HPC found the cost per square footage, as identified in the Farnsworth report, to be reasonable, and that the renovation cost per square foot is significantly less than the average new construction cost per square foot. The HPC further noted testimony from Petitioner's architect that the Kroehler Mansion is structurally sound. The HPC concluded that while the architectural significance of the Kroehler Mansion is subjective, its historical significance outweighs the cost to bring it up to code sufficient for an occupancy permit to be issued.

Factor 5.5 Conclusion

Based on the HPC's findings with respect to COA Factor 5.5, the HPC made a Motion to Deny COA 19-2840 Request for Demolition as requested by the Petitioner; Motion approved (vote 7-0).

Having found that the Factor 5.5 Balancing Test did not weigh in favor of preservation of the Krejci Academy, the Gymnasium, and the Administration Building, the HPC proceeded to evaluate whether demolition of the Kroehler Mansion should be approved under COA Factor 5.3 (Economic Reasonableness).

Factor 5.3. Economic Reasonableness: *The Commission and the Zoning Administrator shall consider the economic reasonableness of any recommended changes determined to be necessary to bring the application into conformity with the character of the historic district.*

HPC Findings:

The HPC considered the materials and testimony before them, including but not limited to the following:

- Petitioner's Facility Condition Report prepared by Wight & Co., and testimony from architect Leanne Meyer-Smith of Wight & Co.
- The costs discussed in the Structural Analysis report prepared by the Farnsworth Group
- Written public comment
- Public testimony before the HPC
- The testimony of Matt Ishikawa, Petitioner's real estate sales representative
- Petitioner's testimony, including Petitioner's disclosure that it received an offer to purchase the Property for four million, eleven thousand dollars (\$4,011,000.00) with the Kroehler Mansion remaining on the Property, and that based on other offers it had received for the Property, Petitioner believed it could make thirty percent (30%) more on the sale of the Property if all buildings could be demolished

- An appraisal of the Property prepared for the Petitioner by Phillip K. Butler and testimony provided by Mr. Butler. However, Mr. Butler testified that he was asked to value the Property assuming that Historic District regulations did not apply to the Property.

The HPC noted that there is a disparity between the cost assumptions in the Wight & Co. report as compared to the Farnsworth Group Structural Analysis. However, the HPC noted that the costs cited in the Wight & Co. report were highly inflated and that due to the nature of the Structural Analysis required by the City's Code, the Farnsworth Group report did not take all cost factors into account. The HPC also noted that the cost of preserving the Kroehler Mansion would be the responsibility of a future developer, and found that preserving the Kroehler Mansion would still allow for development on the remaining portions of the Property

Factor 5.3 Conclusion

The HPC found that it is economically reasonable to require preservation of the Kroehler Mansion.

Based on the HPC's findings with respect to COA Factor 5.3, the HPC made a Motion to Deny COA 19-2840 Request for Demolition as to the Kroehler Mansion, and to approve COA 19-2840 Request for Demolition as to the Krejci Academy, Gymnasium, and Administration Building. Motion approved (vote 7-0).