

May 6, 2020

Doug Krieger  
City Manager  
City of Naperville  
400 S. Eagle Street  
Naperville, Illinois 60540

**Re:    Redevelopment of Little Friends Property**

Dear Mr. Krieger,

Ram West Capital LLC is the contract purchaser of the approximately 3.79 acres of property commonly known as 140 North Wright Street, Naperville, Illinois (the “Little Friends Property”). We seek to redevelop the Little Friends Property as a mixed-residential community consisting of 11 detached single-family homes and 17 duplex units as generally depicted on the site plan attached here. Notably, the 11 detached single-family homes, includes the Kroehler Mansion. It is our intent that the Kroehler Mansion be preserved in its current location and ultimately renovated as a single-family home. We are working with DJK Custom Homes as the designated builder for the project.

The single-family and duplex units are consistent with the underlying R-2 zoning and the prevailing use of residential properties in the neighborhood. We believe that the proposed duplex units will help to diversify the buyer pool and attract move-down buyers at a price-point not otherwise attainable near downtown Naperville. To this end, we intend to build the duplex units with integral elevator shafts to maximize flexibility for our buyers. By diversifying the product, we also will expedite the construction and sales process, thereby minimizing development costs and impact to neighbors.

We recognize that there is an extended public process associated with the approvals that are necessary for this project to move forward. We look forward to commencing that process with a resident meeting in the next few weeks. However, as we prepare to invest significant time and resources into this public process it is critical that we understand the business terms necessary for the project to move forward. Accordingly, we respectfully request that the City Council provide preliminary feedback on the following business terms to be made part of the project approvals:

1. Little Friends Contribution. Our contract with Little Friends is contingent on the City’s contribution of \$562,000 to Little Friends in exchange for the forfeiture of the Certificate of Appropriateness (“COA”) to demolish the mansion consistent with the terms of Resolution 19-47. We respectfully request that the City confirm its commitment to the terms set forth in Resolution 19-47.

2. No alley. While homes on nearby blocks are generally configured with public alleys, this type of design is inconsistent with more recent development in the City and current design trends in new housing. Moreover, the location of the mansion prohibits the construction of a continuous alley extending from Franklin Street to School Street. A dead-end alley would run counter to typical City design standards and would create hardships for City operations (snowplowing) and homeowners (turn arounds on private property). We respectfully request that the City confirm that no alley should be required.
3. Architecture. We intend to prepare Design Guidelines and sample architectural elevations that fit within the character of the neighborhood. We acknowledge the Historic District requirements and the responsibility to create architecture that fits with the existing fabric of the neighborhood. Particular attention will be devoted to front-load garages and minimizing the impact of the garages through architectural features such as recessed garage bays, individual garage doors, upgraded garage doors, etc.... Our Design Guidelines will follow the format of the Community First Design Guidelines and establish architectural characteristics to be carried through each of the new homes. We would look for HPC and Council to initially approve of the Design Guidelines, with City staff then authorized to issue permits for each new building consistent with the Design Guidelines. We respectfully request that the City confirm that individual HPC review will not be required for each building permit.
4. Stormwater. BMP and stormwater requirements shall follow the DuPage County Stormwater Ordinance. Provided that the redevelopment does not exceed the threshold of 25,000 square feet of net new impervious area no new stormwater detention would be required on the Little Friends Property. Staying within the 25,000 square foot threshold is critical for the project and will require us to conservatively manage impervious areas and to utilize pervious pavers in certain applications. We respectfully request that the City acknowledge that no additional detention shall be required and work with our team to prioritize staying within the 25,000 square foot threshold.
5. School and Park Impact Fees. The redevelopment project represents nearly \$25,000,000 in new property value. This will translate to over \$500,000 a year in new property tax revenue supporting the City, schools, and parks. The creation of this value will more than offset the impact of the project. Moreover, the waiver of fees will allow us to maximize the value returned to Little Friends. We respectfully request that the school and park impact fees for the project are waived.
6. Utility Improvements. Existing City infrastructure currently services the Little Friends Property. Extensions of sewer and water infrastructure necessary to service units on Franklin Street is necessary and expected. Similarly, upgrading and replacing electrical infrastructure to service new residential homes is necessary and expected. However, the project should not bear the responsibility of replacing and upgrading existing City owned water main infrastructure. Upgrades to the City's water system regularly occur as public infrastructure projects funded with a variety of City, State and Federal resources. We respectfully request that the City confirm that the project will not bear the responsibility of replacing and upgrading City owned water main infrastructure.

We are excited about the unique opportunity that the Little Friends Property presents and look forward to working with the City.

Sincerely,

*Russell G. Whitaker, III*

Russell G. Whitaker, III  
Attorney for Ram West Capital LLC