



## Legislation Details (With Text)

**File #:** 20-977C **Version:** 1  
**Type:** Report **Status:** Filed  
**File created:** 9/21/2020 **In control:** City Council  
**On agenda:** 10/20/2020 **Final action:** 10/20/2020  
**Title:** Receive the staff report for 126, 140, and 148 North Wright Street, 619 E. Franklin Avenue, and 147 N. Columbia Street (Heritage Place) - PZC 20-1-061, COA 20-2321 (Item 1 of 4)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Plan Revision Letter, 2. Development Petition, 3. Heritage Place Legal Description, 4. Kroehler Mansion Elevations, 5. Townhome Elevations, 6. Townhome Rendering, 7. Prelim Garbage Pickup Plan, 8. Traffic Study, 9. Plat of Survey, 10. Prelim Engineering, 11. Prelim Landscaping, 12. Prelim Subdivision Plat, 13. Response to Standards, 14. HPC Attachments, 15. PZC 9-16-20 Meeting Minutes, 16. HPC 8-27-20 Meeting Minutes, 17. Location Map, 18. Landmarks Illinois Letter, 19. District 203 Letter, 20. HPC Public Comment, 21. PZC Public Comment, 22. Additional Public Comments Received

Date	Ver.	Action By	Action	Result
10/20/2020	1	City Council	received	Pass

### CITY COUNCIL AGENDA ITEM

**ACTION REQUESTED:**

Receive the staff report for 126, 140, and 148 North Wright Street, 619 E. Franklin Avenue, and 147 N. Columbia Street (Heritage Place) - PZC 20-1-061, COA 20-2321 (Item 1 of 4)

**DEPARTMENT:** Transportation, Engineering and Development

**SUBMITTED BY:** Gabrielle Mattingly, Community Planner

**BOARD/COMMISSION REVIEW:**

The Historic Preservation Commission (HPC) considered a second request for a Certificate of Appropriateness (COA) for the property owned by Little Friends, Inc. on August 27, 2020. The COA, submitted by Ram West Capital LLC (Petitioner), proposed exterior façade changes to the Kroehler Mansion as well as a request for approval of the proposed exterior facades of the 11 new townhome buildings to be constructed. The HPC denied COA 20-2321 (denied 5,3) and provided a negative recommendation on the zoning entitlement requests related to the proposed development (PZC 20-1-061; denied 6,2). The HPC recommendation on the zoning entitlement requests was forwarded to the Planning and Zoning Commission (PZC) for consideration on September 16, 2020. The PZC voted to unanimously approve the conditional use request (approved 8,0) and the associated variances to the lot area requirements, front yard setback requirements and height (approved 8,0). The Petitioner has appealed HPC's denial of COA #20-2321 to the City Council. The proposed zoning entitlements and the appeal of COA #20-2321 are now pending before the City Council.

## **BACKGROUND:**

The two-parcel property currently owned by Little Friends, Inc. (Subject Property), is approximately 3.79 acres and is generally located at the northeast corner of Franklin Avenue and Wright Street within the City's Historic District. The property is zoned R2 (single family and low-density multiple family residence district) and is currently improved with the Kroehler Mansion, other buildings, and associated parking lots.

### **COA #1**

The HPC approved the demolition of the Krejci Academy, the gymnasium, and the administration building as requested by Little Friends, Inc. but denied the COA for demolition of the Kroehler Mansion. On November 19, 2019, the City Council overturned the HPC's denial of the demolition of the Kroehler Mansion, thereby permitting its demolition.

### ***Incentive Agreement and Covenant***

Petitioner has confirmed, and it is included in the Owner's Acknowledgment and Acceptance Agreement between the City and the Petitioner, that the Property Covenant Incentive Agreement to protect and preserve the Kroehler Mansion between the City of Naperville and Little Friends and a related covenant running with the land (Covenant) approved by the City Council on August 18, 2020 will be recorded against the Subject Property with the DuPage County Recorder prior to Petitioner acquiring ownership of the Subject Property. The Covenant contains provisions requiring the ongoing protection and preservation of the Kroehler Mansion, including but not limited to, a requirement to create and abide by a preservation plan approved by the City's Zoning Administrator prior to demolition of the structures attached to, or adjacent to, the Kroehler Mansion, and providing for consequences of failure to abide by the terms of the Covenant. After subdivision of the Subject Property, the Covenant will be amended and recorded against the lot on which the Kroehler Mansion is located and shall be binding upon all owners and successor owners of that property.

### ***The Heritage Place Development***

Petitioner has submitted a request for the Heritage Place development by which the Kroehler Mansion would be adaptively re-used to include two residential units while the remaining buildings on the site would be demolished and replaced with 11 townhome buildings comprised of 39 townhome units. Petitioner is seeking: (i) a conditional use and variances; (ii) a preliminary plat of subdivision; and (iii) an appeal of the Historic Preservation District's denial of COA #20-2321. All are described in greater detail below.

On Tuesday, October 13, Petitioner revised its development proposal and submitted new plans by which the total number of residential units in the Heritage Place development will number 41 instead of 45. Petitioner made other revisions to the plans as described herein. The revised proposal includes restoring and renovating the Kroehler Mansion into two units instead of three and constructing 11 townhome buildings comprised of 39 units instead of 42 units.

### ***COA #2/Pending Appeal Requesting Reversal of HPC Denial of COA # 20-2321***

Since the Subject Property is located within the City's Historic District, Heritage Place was first reviewed by HPC on August 27, 2020. Per Chapter 11 (Historic Preservation) of the Naperville Municipal Code, the HPC's review consisted of two components: (1) issuing a recommendation for consideration by the PZC regarding the Heritage Place zoning requests (recommendation forwarded to the PZC for its September 16, 2020 meeting); and (2) rendering a decision on Petitioner's request for a COA required for the proposed renovations to the Kroehler Mansion and the proposed townhome elevations for Heritage Place.

As noted above, in the Board and Commission Review section, the HPC denied Petitioner's request for a COA to authorize proposed renovations to the exterior façade of the Kroehler Mansion and the proposed townhome elevations for Heritage Place. As permitted by Code, Petitioner has timely filed an appeal of the HPC's denial to the City Council. The City Council may choose to concur with the HPC and uphold the denial of COA #20-2321 or it may concur with Petitioner and pass the ordinance approving Certificate of Appropriateness #20-2321.

The HPC's Findings of Fact and the HPC meeting minutes are attached to the ordinance approving Certificate of Appropriateness #20-2321 in this agenda item. In addition, City Council may review and consider the materials and testimony submitted by the Petitioner and the public to HPC on August 27 and such additional information as it sees fit when Petitioner's appeal of the denial of COA #20-2321 comes before it on October 20, 2020.

Finally, in evaluating the COA appeal, staff recommends the City Council take into consideration that the proposed Heritage Place development provides for the preservation and adaptive re-use of the Kroehler Mansion, provides for a townhome design which is complementary to the Kroehler Mansion, and provides for construction of two public parks, a private garden, and a public pedestrian pathway which will contribute to a setting which highlights the Kroehler Mansion as a critical component of the development.

If City Council determines that the COA requested by Petitioner should be approved, it should pass the ordinance approving Certificate of Appropriateness #20-2321.

If the City Council does not overturn the HPC's denial of the COA by passing the ordinance approving Certificate of Appropriateness #20-2321, **no further action on the Petitioner's zoning requests for Heritage Place will be taken.**

## **DISCUSSION:**

### *Heritage Place Development Plans*

Following the HPC's review of the Heritage Place project, but before the PZC meeting, the Petitioner revised the proposed development plans. Then, as noted earlier in this memo, on October 13, 2020 Petitioner submitted additional revisions to the proposed development plans. The following will address Petitioner's most recently submitted plans.

Petitioner is seeking approval to renovate and convert the Kroehler Mansion into two units and to construct 39 new townhome units in 11 new buildings on the Subject Property. This proposal will require City Council approval of a conditional use for single family attached dwelling units in the R2 district, a front yard setback variance, and a variance to the maximum permitted number of stories.

A summary of the revisions to the development plans are as follows:

1. The front yard setback for the 11 new buildings varies depending on the building as depicted on the Site Plan attached to the "Ordinance Approving a Conditional Use for Single Family Attached Units in the R2 Zoning District and Variances for Height, Density and Setback for the Heritage Place Development". The minimum front yard setback for any of the buildings on site is 22'. [The original proposal was a front yard setback of 15']. A variance is required since the setbacks of 9 of the 11 townhome buildings are below the Code's 25' front yard setback requirement (note: the townhome buildings along School Street have been modified to comply

with the required 25' front yard setback); and

2. A reduction to the number of parking spaces to 169 (note: the original plan presented to the HPC included 192 parking spaces; this was reduced to 186 spaces when presented to the PZC. In all proposals, the parking has been provided in excess of the code required parking spaces for residential. Further, due to the reduction in the number of units with the Petitioner's October 13 submission, the number of required parking spaces was further reduced to 92); and
3. A reduction to the number of units to 41 including two units in the Kroehler Mansion and 39 units in the 11 new buildings. The original number of units proposed was 47; prior to the PZC hearing the number of units was reduced to 45. As a result of the unit reductions made through the Petitioner's most recent submission, a density variance is no longer required.
  - a. As a result of proposed unit reduction, the Petitioner is modifying the two southernmost buildings on Columbia Street from a five-unit to a four-unit building and the building immediately north of the pocket park, also on Columbia Street, will be reduced from a four-unit to a three-unit building. The end units of these buildings will be increased to 30' wide to accommodate a first-floor master bedroom (previously 22' wide); accordingly, the overall width of these buildings will be reduced by 6'. This modification will also increase the separation of the buildings along Columbia Street (from 12' minimum required to 15'); and
4. The elimination of the northernmost access point into the development from School Street. Representatives from the Engineering Team and Fire Department have confirmed that elimination of this access point will not impede traffic flow or fire protection services; and
5. An increase to open space as a result of providing an additional park area between units 27-28 and an increase in the size of the pocket park from 50' wide to 60' wide.

#### *Conditional Use Request*

The R2 zoning district permits single family attached units (i.e. townhomes) through approval of a conditional use. The proposed 11 new townhome buildings are designed with rear loaded garages and each building is positioned so the garages are facing inward to the site. The proposed development was designed around the Kroehler Mansion and preserves and highlights the Mansion through orientation of the townhome buildings which retain views of its front facing façade. The proposed inclusion of two dwelling units in the Mansion is realistic given its size. A detached garage is provided for the two units to be located in the Kroehler Mansion with three parking spaces enclosed in the garage and three surface parking spaces located on the driveway. For the 11 townhome buildings, each unit is equipped with two-car garages and two surface parking spaces located on the driveways. Guest parking spaces are also provided on site. By code, 101 parking spaces are required, the Petitioner is proposing 186 total parking spaces. Three access points are provided to the site, one access point off Franklin Avenue and two access points off School Street.

The intent of the R2 zoning district is to accommodate a variety of housing types and compatible uses. Additionally, the R2 zoning district permits duplexes by right, without the need for a conditional use approval, and many homes in the Historic District are currently duplexes. Therefore, the R2 district accommodates additional density by right as well as through approval of a conditional use. Furthermore, Landmarks Illinois has submitted a letter (see attached Landmarks Illinois Letter) which

provides examples of projects with institutional campuses and historic buildings planned for rehabilitation and new construction. These examples provide context to show that the current plan for higher density housing is not unusual for redevelopments which include preservation of a historic structure.

The standards for consideration of a conditional use are set forth in Section 6-3-8 of the Municipal Code. Since the proposed residential use is compatible with single-family and duplex residential uses in the surrounding area, it does not appear that approval of the requested conditional use will be detrimental to or endanger the public health, safety and general welfare or be injurious to the use and enjoyment of the property in the immediate area for purposes already permitted, or substantially diminish and impair property values within the neighborhood. Nor will the proposed conditional use impede the normal and orderly development and improvement of the adjacent property for uses permitted in the district.

The final factor in Section 6-3-8 is that the establishment of the conditional use is not in conflict with the adopted comprehensive plan. While the future land use of the Subject Property, as identified in the Comprehensive Plan, is educational (northwest property) and park/open space (southeast property). These uses were reflective of the uses on the Subject Property's at the time that the East Sector Comprehensive Plan was adopted in 1998 (i.e., Little Friends and Naperville Park District's leased property). Future land use designations should not simply reflect existing uses but should provide an indication of the recommended future use of the property (note: the pending Master Land Use Plan update corrects such inconsistencies). While a proposed residential use of any type is not consistent with the Subject Property's adopted future land use designation, staff finds that a residential land use is consistent with the properties in the vicinity of the Subject Property as well as the property's current R2 zoning in which townhomes are allowed subject to approval of a conditional use.

Petitioner has prepared proposed findings in response to the standards for a conditional use (attached to the Ordinance as Exhibit G). Staff is in support of the conditional use request. Both staff and the PZC were in general agreement with the Petitioner's Findings and recommends their adoption by the City Council.

### *Variance Requests*

The proposal includes two variance requests which are summarized below:

1. A variance to Section 6-6C-7:1 (R2 zoning district: yard requirements) to reduce the front yard setback from 25' for 9 of the townhomes to no less than 22' as the front yard setback is depicted for each townhome building on the Site Plan for the proposal; and
2. A variance to Section 6-6C-8:1 (R2 zoning district: height limitations) to increase the maximum number of stories from 3 stories to 3 ½ stories (which will not increase the height of the townhomes, but affects their internal structure).

Each unit will have a 5' wide attached front porch (setback approximately 17' from the front yard to the edge of the porch at the closest point). The porch is permitted to be located 5' into the front yard setback as noted in Section 6-2-3:3.2. Many homes within the Historic District were constructed within the required front yard setback for a variety of reasons that may include construction pre-dating the required front yard setbacks. Therefore, an encroachment into the required front yard setback is not inconsistent with what is currently found within the Historic District. Staff also notes the

site design includes internal driveways and site circulation allowing the attached garages to not be visible from the street. This design requires wider drives but allows for the garages to be consistent with the design of garages found in the Historic District which are primarily detached and accessible from an alleyway minimizing view of the garages from the street.

The proposed townhomes will be 3 ½ stories, exceeding the maximum permitted number of 3 stories by a ½ story. The variance to Section 6-6C-8:1 is required since the proposal calls for finished space under a roof on the “roof level” and is accessible by a stairway. However, the floor area does not exceed 50% of the gross building area of the story below the “roof level” and is therefore counted as a half story. The proposed townhomes are below the permitted height, proposed to be 39’ - 5 1/16”. Therefore, the proposed increase to the maximum number of stories is minimal given the buildings comply with the permitted height of 40’. Recently constructed townhome units located in proximity to the Downtown (i.e., Charleston Row, Charleston Row II, and Chicago Commons) have also requested and been granted this story variance.

As required by code, the Petitioner has provided a response to the standards for a variance request. Staff has reviewed the variance requests and is in support of the increase to the maximum number of stories and reduction to the front yard setback for the reasons listed above. Staff and the Planning and Zoning Commission are in general agreement with the Petitioner’s Findings and recommends their adoption by the City Council.

*Preliminary Plat of Subdivision and Owner’s Acknowledgement and Acceptance*

In conjunction with the request, the Petitioner seeks approval of a Preliminary Plat of Subdivision and Owner’s Acknowledgement and Acceptance (OAA) agreement in order to develop the Subject Property with 41 residential units, associated parking spaces, private park space on Outlot A, and dedicated park space on Outlot B and Outlot C. Attached to the ordinance approving the Preliminary Plat of Subdivision is an OAA agreement which further details the conditions under which the Subject Property will be improved. Below is an overview of some of the items included in the OAA:

1. School Donation

The owner and developer has elected to pay a cash-in-lieu of a contribution of land for the required school donation (pursuant to the provisions set forth in Section 7-3-5 of the Naperville Municipal Code). Said per permit payment will be calculated based on the school donation table (set forth in Section 7-3-5 of the Naperville Municipal Code) in effect at the time of the building permit issuance and shall be made prior to issuance of the building permit for each structure.

2. Park Donation

The park donation requirement will be fulfilled by the owner and developer with a combination of land and cash donations. The owner and developer shall donate the 0.440-acre Main Park (Outlot B) and the 0.120-acre Pocket Park (Outlot C) to the Naperville Park District. The owner and developer has elected to pay cash donation on a per permit basis (pursuant to Section 7-3-5 of the Naperville Municipal Code) which shall be determined based on the code requirements at the time in effect upon permit submittal taking into consideration the credit for the land donation.

3. Pedestrian Pathway

The owner and developer agrees to install a five-foot-wide concrete pedestrian pathway on Outlot A in order to connect Outlot B (Main Park) and Outlot C (Pocket Park). The pedestrian

pathway shall be located within a public pedestrian access easement to be dedicated on the final subdivision plat.

#### 4. Historic Preservation

The agreement includes reference to the ongoing responsibility of the owner of the Subject Property (which is binding upon subsequent owners) to comply with all approved COAs and the requirements of Naperville Municipal Code, including Chapter 11 (Historic Preservation) of Title 6 (Zoning Ordinance). The owner and developer shall include a notice in the Covenants, Conditions and Restrictions (CCRs) of the Homeowners' Association for Heritage Place stating the Subject Property is located within the Historic District and is subject to the provisions pertaining to the Historic District as set forth in the Municipal Code.

Per Section 7-2-2 (Subdivision Plat Procedures) if the preliminary plat and final plat are filed separately, the petition for the final plat approval shall be submitted no later than two years after the preliminary plat approval has been granted and will be subject to City Council review and approval.

#### *Townhome and Kroehler Mansion Elevations*

The Petitioner has provided a line drawing of the proposed exterior of the Kroehler Mansion. Renovation includes demolition of the surrounding buildings and disconnecting them from the Mansion. The plan calls for rehabilitation and restoration to the Mansion so it more closely resembles the original structure.

The proposed townhome buildings are four-sided brick buildings with a stone water table. Per Municipal Code Section 5-2C-3 (Exterior Wall Construction), a minimum of 50% of the exterior wall construction for all multiple-family dwellings, single family attached dwellings and two-family dwellings shall be constructed of solid masonry. The proposed townhomes are in compliance with this requirement. The petitioner has provided 14 exterior façade options which allow for a variety in the design and prevents monotony. An elevation of each proposed building with a site plan of the buildings numbered can be found in the attachment "Townhome Elevations". The buildings will have varying roof lines with dormers to visually divide the units. Since preservation of the Kroehler Mansion has been such a key discussion point for this property, the proposed townhomes design pulls architectural details found on the Kroehler Mansion.

#### *HPC Review*

The HPC reviewed the Heritage Place development at their meeting held on August 27, 2020 and heard 22 members of the public speak during public testimony. The majority of the comments were in opposition to the project raising concern with the proposed setback variance, density variance, height variance and finding the townhomes to not fit in with the character of the Historic District. Some members of the public expressed a desire for demolition of the Kroehler Mansion in exchange for the property being developed with single family homes. While some residents supported the exterior façade changes proposed to the mansion, the majority were opposed to the development overall. The HPC spoke in support of the restoration improvements to the Mansion and the provided park space. The HPC requested more compromises be made including a variation to the proposed height and a larger front yard setback. The HPC made a negative recommendation on the requests to be forwarded to the PZC (6 opposed, 2 in favor) and denied the COA request (5 opposed, 3 in favor). The petitioner has submitted a request to appeal the COA denial which will be reviewed by the City Council concurrently with the zoning entitlements.

#### *PZC Review*

The PZC opened the public hearing for PZC 20-1-061 on September 16, 2020. Commissioner Losurdo recused himself prior to the start of the hearing. During the public hearing, written comments submitted in advance of the meeting were read into the record by staff and 22 members of the public spoke. The majority of the comments were in opposition to the proposal finding the plan does not fit in with the character of the Historic District and is too dense overall. Several members of the public expressed concern that the proposal does not meet the zoning variance standards and found the Kroehler Mansion is important to preserve but not at the detriment of the Historic District. Commissioners found the Kroehler Mansion presents a hardship and without preservation of the mansion, there would be no historical value to the property. Chairman Hanson stated the main issue raised by the public was density and found a reduction of four units to not be consequential. Commissioners found the proposal addressed the main concern of the community which was to preserve the mansion and expressed support. The PZC voted to approve the conditional use request (approved 8,0) and voted to approve the requested variances to height, density and setback (approved 8,0).

#### *Related Files*

The following agenda items are related to PZC 20-1-061:

1. Option A: Concur with the HPC and uphold its ruling on COA #20-2321 denying the ordinance for the proposed exterior façade changes to the Kroehler Mansion and the proposed exterior façade of the townhome unit buildings for Heritage Place, or

Option B: Concur with the Petitioner and pass the ordinance authorizing COA #20-2321 to allow the proposed exterior façade changes to the Kroehler Mansion and the proposed exterior façade of the townhome unit buildings for Heritage Place (Item 2 of 4)

2. Pass the ordinance approving the preliminary plat of subdivision and OAA for Heritage Place - PZC 20-1-061 (Item 3 of 4)
3. Pass the ordinance approving a conditional use, a variance to the front yard setback requirements, and a height variance for 41 residential units for Heritage Place - PZC 20-1-061 (Item 4 of 4)

#### **FISCAL IMPACT:**

N/A