

400 S. Eagle Street Naperville, IL 60540



# Legislation Text

File #: 20-977B, Version: 1

#### PLANNING AND ZONING COMMISSION AGENDA ITEM

## **ACTION REQUESTED:**

Conduct the public hearing for 140 and 126 North Wright Street (Heritage Place) - PZC 20-1-061 (Item 1 of 3)

**DEPARTMENT:** Transportation, Engineering and Development

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

## **BOARD/COMMISSION REVIEW:**

The Historic Preservation Commission (HPC) considered the request on August 27, 2020. The HPC denied COA 20-2321 (denied 5,3) and provided a negative recommendation on the request before the PZC (denied 6,2). Official notice for the public hearing for PZC 20-1-061 was published in the Daily Herald on Monday, August 31, 2020.

## **BACKGROUND:**

The petitioner, Ram West Capital LLC, has submitted a request for development of 45 townhomes on the subject property. The proposal includes restoring and renovating the Kroehler Mansion into 3 townhome units and demolishing the other buildings on site in order to construct 11 townhome buildings (comprised of 42 units). The owner of the property is Little Friends, Inc. The two-parcel property is approximately 3.79 acres and is generally located at the northeast corner of Franklin Avenue and Wright Street within the City's local Historic District. The property is zoned R2 (single family and low density multiple family residence district) and is currently improved with multiple buildings, a park and associated parking lots.

### COA Approval for Demolition

On October 24, 2019, the HPC reviewed a COA request submitted by the property owner, Little Friends, Inc., for demolition of the buildings located on the subject property (COA 19-2840). Following deliberation, the HPC granted partial approval of the COA, approving demolition of the Krejci Academy, the Gymnasium, and the Administration Building, while denying demolition of the Kroehler Mansion (vote: 7 in favor; none against). Following conclusion of the HPC's decision, Little Friends, Inc. submitted an appeal of the denial of demolition of the Kroehler Mansion to the Naperville City Council. On November 19, 2019, the Council reviewed the appeal and voted to allow demolition of the Kroehler Mansion (vote: 6 in favor; 2 against). Therefore, approval to demolish all buildings located on the subject property has been granted (note: demolition of the carriage house/detached garage located in the northwest portion of the property does not require review or approval of a COA per Section 6-11-7:3).

#### Kroehler Mansion Incentive

On August 18, 2020, the City Council passed a resolution approving a covenant incentive agreement

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between the City of Naperville and Little Friends. Per the approved agreement, Little Friends will forfeit their authorization to demolish the Kroehler Mansion and will instead record a covenant against the Subject Property (prior to its sale and transfer of ownership) that requires the Kroehler Mansion to remain protected and preserved. Following recordation of this incentive agreement and covenant, the City will remit \$450,000 to Little Friends.

It should be noted that Council approval of this agreement does not automatically cause Little Friends to forfeit the COA that allows for demolition of the Mansion. Upon Council approval of this agreement, Little Friends will have until September 1, 2021 to decide whether to record the covenant. Upon recordation, the COA will be forfeit and the City will owe Little Friends the \$450,000 incentive. However, Little Friends may change its mind and demolish the Mansion and opt-out of the \$450,000 incentive any time prior to its recordation of the covenant.

### **DISCUSSION:**

## Project Review Process

Because the subject property is located within the local historic district, Heritage Place was first reviewed by the Historic Preservation Commission (HPC). Per Chapter 11 (Historic Preservation) of the Naperville Municipal Code, the HPC's review consisted of two components, as follows:

- (1) Issuing a recommendation for consideration by the PZC regarding the Heritage Place zoning requests; and
- (2) Rendering a decision on the Certificates of Appropriateness (COA) required for the proposed renovations to the Kroehler Mansion and the proposed townhome elevations for Heritage Place.

Per Code, the HPC's decision on the COA requests is final; however, in the instance that the HPC denies the COA, the petitioner may appeal this denial to the City Council for a final determination. On September 8, 2020, the petitioner formally filed an appeal to the HPC's COA denial. Neither the COA nor the appeal will be reviewed by the PZC. However, the appeal will be considered by the City Council concurrently with the PZC's recommendation on the Heritage Place zoning requests.

Finally, it should be noted that, following the HPC's review of the Heritage Place project, the petitioner has further revised the proposed development plans. These revisions are summarized below. The revised plans do not require further review by the HPC at this time.

## Revisions to Request

The petitioner is seeking approval to renovate and convert the Kroehler Mansion into 3 townhome units and construct 42 new townhome units on the subject property. This proposal will require approval of a conditional use in the R2 district, a variance to the lot area requirements, a front yard setback variance, and a variance to the maximum permitted number of stories. The petitioner has made revisions to the request since review by the HPC. A summary of the revisions are as follows:

- An increase to the front yard setback from 15' to 22' (a variance is still required since this is below the 25' front yard setback requirement); and
- A reduction to the number of parking spaces from 192 to 186 (loss of 6 parking spaces, however this exceeds the minimum parking space requirement of 101); and
- A reduction to the number of units from 47 to 45 (2-unit reduction); and
- An increase to open space as a result of providing an additional park area in between units 28
  -29.

## Conditional Use Request

The petitioner is proposing 45 townhome units within 12 buildings (including the Kroehler Mansion) on an entire City block. The R2 zoning district permits single family attached units (i.e. townhomes) through approval of a conditional use (without the need for rezoning). The 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 Mansion and preserves and highlights the building through orientation of the townhome buildings which retain views of its front facing façade. The use of the Mansion as a single family attached home allows for the immediate conversion and rehabilitation of the Mansion which was found to be an important aspect for the property. The townhome use proposed provides a realistic reuse of the Mansion given its size. For the 11 townhome buildings, each unit is equipped with two-car garages and two surface parking spaces located on the driveways. A detached garage is provided for the three townhome units located in the Kroehler Mansion with three parking spaces enclosed in the garage and three surface parking spaces located on the driveway. 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 future land use of the subject property, as identified in the Comprehensive Plan, is educational (northwest property) and park/open space (southeast property). Staff believes that the adopted future land use is reflective of the property's use at the time that the Comprehensive Plan was adopted (i.e., Little Friends and Naperville Park District's leased property). Future land use designations are not intended to be a reflection of existing uses, but are to intended 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 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 permitted as a conditional use.

Staff is in support of the conditional use request. The intent of the R2 zoning district is to accommodate a variety of housing types and compatible uses. The proposal provides an alternative housing type to the area, single family attached dwelling units, which are permissible in the R2 zoning district through approval of a conditional use. This indicates that the use is appropriate in the area and compatible in the zoning district. Additionally, the R2 zoning district permits duplexes by right, without the need for special approval, and many homes in the historic district are currently duplexes. Thereby, the R2 district accommodates additional density by right and through approval of a conditional use. Furthermore, Landmarks Illinois has submitted a letter (see attachment, "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.

As required by code, the petitioner has provided a response to the standards for a conditional use. Staff is in general agreement with the petitioner's Findings and recommends adoption by the Planning and Zoning Commission.

## Variance Requests

The proposal includes three variance requests. The variance requests are summarized below:

- A variance to Section 6-6C-7:2 (R2 zoning district: yard requirements) to reduce the front yard setback from 25' to 22'; and
- 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; and
- A variance to Section 6-6C-5: 2 (R2 zoning district: area requirements) to reduce the lot area from 4,000 square feet permit unit to 3,670 square feet per unit.

The petitioner has revised the proposal to increase the front yard setback resulting in two units which are in compliance with the required 25' front yard setback. Other townhome units vary in setbacks, the closest units being 22' from the front property line, encroaching 3' into the front yard setback requiring a variance from Section 6-6C-7:2. Each unit will have a 5' wide attached front porch (approximately 17' setback 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 due to 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 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.

Lastly, a variance to Section 6-6C-5:2 to reduce the required lot area from 4,000 square feet per unit to 3,670 square feet per unit is required. The size of the lot is 165,158 square feet, permitting 41 townhomes on site by code; the petitioner is proposing to construct 45 units (4 more than permitted by Code). While the proposal calls for an increase in the number of units, large open space is provided on site including a park land dedication which allows for open views of the Kroehler Mansion from the street. Other private parks are provided on site next to the Kroehler Mansion and between units 28-29.

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, decrease in the minimum lot area requirements and reduction to the front yard setback for the reasons listed above. Staff is in general agreement with the petitioner's Findings and recommends adoption by the Planning and Zoning Commission.

#### 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

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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.

#### Historic Preservation Commission Review

The HPC reviewed the Heritage Place development at their meeting held on August 27, 2020. 22 members of the public spoke 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.

#### Related Files

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

- Consider a conditional use to allow 45 single family attached units on the property located at 140 and 126 North Wright Street (Heritage Place) PZC 20-1-061 (Item 2 of 3)
- Consider variances to the lot area requirements, front yard setback requirements and a height variance for the property located at 140 and 126 North Wright Street (Heritage Place) - PZC 20-1-061 (Item 3 of 3)