



**DEKALB CITY COUNCIL AGENDA
APRIL 27, 2020
6:00 P.M.**

DeKalb Municipal Building
City Council Chambers
Second Floor
200 S. Fourth Street
DeKalb, Illinois 60115

REGULAR CITY COUNCIL MEETING

Please Note: On March 16, 2020, Illinois Governor JB Pritzker issued executive order 2020-07 which declared that during the duration of the Gubernatorial Disaster Proclamation pertaining to the coronavirus outbreak, “the provisions of the Open Meetings Act, 5 ILCS, requiring or relating to in-person attendance by members of a public body are suspended. Specifically, (1) the requirement in 5 ILCS 120/2.01 that ‘members of a public body must be physically present’ is suspended; and (2) the conditions in 5 ILCS 120/7 limiting when remote participation is permitted are suspended.” The executive order further states that when a public meeting is considered necessary by the governing body, “public bodies are encouraged to provide video, audio, and/or telephonic access to meetings to ensure members of the public may monitor the meeting, and to update their websites and social media feeds to keep the public fully apprised of any modifications to their meeting schedules or the format of their meetings due to COVID-19, as well as their activities relating to COVID-19.” The City of DeKalb has taken prudent steps to assure that virtual Council member attendance and public access are assured within the intent of the Governor’s executive order.

Citizens wishing to view the meeting from home or elsewhere can tune in to Channel 14 or by following the link provided [here](#).

Accommodations have been made for citizens to comment on a topic listed on the agenda (or a topic not listed on the agenda) by clicking on the link provided [here](#). Comments will be read by the Mayor at the appropriate time during the meeting.

- A. CALL TO ORDER AND ROLL CALL**
- B. PLEDGE OF ALLEGIANCE**
- C. APPROVAL OF THE AGENDA**

Assistive services available upon request.

Hearing assistance devices are available in the Information & Technology Office, which is located to the right, just before entering Council Chambers.

D. PUBLIC PARTICIPATION

E. PRESENTATIONS

1. [Proclamation: International Firefighter's Day – May 4, 2020.](#)
2. [Proclamation: A Community Combats COVID.](#)

F. APPOINTMENTS

None.

G. CONSENT AGENDA

1. [Minutes of the Regular City Council Meeting of April 13, 2020.](#)
2. [Accounts Payable and Payroll through April 27, 2020 in the Amount of \\$2,426,849.14.](#)
3. [Investment and Bank Balance Summary through February 2020.](#)
4. [Year-to-Date Revenues and Expenditures through February 2020.](#)
5. [Freedom of Information Act \(FOIA\) Report – March 2020.](#)

H. PUBLIC HEARINGS

1. **Public Hearing Regarding the Vacation of a Portion of Crego Road.**

City Manager's Summary: On April 13, the City Council held a public hearing on an annexation and development agreement with Ventus Tech Services, LLC and also considered the approval of this agreement on first reading. An integral part of that agreement is a development plan that encompasses approximately 505 acres extending from Route 23 eastward to a point beyond the intersection of Gurler Road and Peace Road. Crego Road intersects with Gurler Road roughly in the middle of this development area and will need to be vacated to allow for the development of the secure data center campus that Ventus plans to build.

Although Crego Road is to be vacated between Gurler Road and the southern limits of the proposed development site, there are plans to construct a new north-south rural roadway just to the east of the Ventus site between Gurler Road and Keslinger Road. The City will be using monies dedicated by State Representatives Tom Demmer and Jeff Keicher from the State's 2019 Capital Projects Fund to help pay for the new one-mile, rural road, which will include a 66-foot-wide right-of-way and two 12-foot driving lanes. This new rural roadway

will allow for a new means of access from Peace Road and Gurler Road to areas south of the subject site (see attached map). [\(Click here for additional information\)](#)

I. CONSIDERATIONS

1. Consideration of a Revised Staff Proposal for Street Maintenance in the City of DeKalb in Fiscal Year 2020.

City Manager’s Summary: At the City Council meeting on April 13, the Council considered bids received on March 4 for the City’s annual street maintenance program, which is funded by the Capital Projects Fund (Fund 400). The principal source of revenue for that fund is local motor fuel tax monies derived from gallons pumped in the City of DeKalb. The local rate is now seven cents a gallon. The lowest responsible bid for the 2020 street maintenance program was submitted by Curran Contracting Company in the amount of \$1,498,326.87. The Council had budgeted \$1,325,000 for this program when the annual budget was approved in November 2019.

In light of the economic dislocations associated with the COVID-19 crisis and the reasonable expectation that the constraints on travel will reduce the City’s local motor fuel tax revenues by some undetermined amount, the Council considered and then reached consensus behind the option of pursuing a reduced scope for the FY2020 program, and a corresponding reduction in capital expenditures based on options to be brought back to the April 27 meeting.

By way of reference, the FY2020 street maintenance budget anticipated the following street improvements:

Street	From	To	Estimated Costs
N. Seventh Street	Lincoln Highway	Sycamore Road	\$350,000
N. Thirteenth Street	Clark Street	Sycamore Road	\$135,000
N. Fourteenth Street	Clark Street	Dresser Road	\$165,000
Normal Road	Hillcrest Drive	Dresser Road	\$150,000
Taylor Street	First Street	Bridge @ Lions Park	\$185,000
Macom Drive	Fairview Drive	Peace Road	\$100,000
Various Alleys	-	-	\$115,000
Engineering	-	-	\$125,000
		Total	\$1,325,000

City Engineer Zac Gill has helped lead the staff-level discussions and he has taken second and third looks at the conditions of the streets on the list, above. The revised staff recommendation, drawing from the actual bids for 2020, is as follows:

Street	From	To	Estimated Costs
N. Seventh Street	Lincoln Highway	Sycamore Road	\$430,000
Normal Road	Hillcrest Drive	Ridge	\$150,000
Downtown	Palmer Court	N. Second Street	\$30,000
Macom Drive	Peace Road	Truck Access	\$200,000
Various Alleys	-	-	\$80,000
Engineering	-	-	\$100,000
		Total	\$990,000

If the Council concurs, the original bids will need to be rejected and one of several options need to be pursued by the Council:

- a) Re-bid the 2020 street maintenance program with additional engineering time and a delay in the construction program until later in the summer or early fall;
- b) Waive the bidding requirement (by a supermajority) and negotiate a budget price with the apparent low bidder from the March 4 bid opening, in the range of the estimates above and with a not-to-exceed price of \$1,000,000 that includes a modest \$10,000 contingency.

City Council approval of Option (b), above is recommended. The lower Fund 400 allocation will shore up the fund reserve and will also provide a contingency in the event of other street improvement needs in 2020. The 2021 program will presumably feature N. Thirteenth Street, N. Fourteenth Street, Taylor Street, and S. First Street improvements from Taylor Street north to about Franklin Street.

J. RESOLUTIONS

1. **Resolution 2020-034 Authorizing the Award of a Bid to Curran Contracting Company in the Amount of \$1,573,616.64 for Street Resurfacing on Seventh Street, Thirteenth Street and Fourteenth Street, Including Various Other Minor Segments, with Staff Authority to Approve Change Orders Up to a Combined Project Total of \$1,600,000.**

City Manager's Summary: This resolution was presented to the City Council on April 13. In light of the reconsideration of the annual street maintenance program and the City's FY2020 capital allocation, **a Council vote to disapprove is recommended.** Based on the Council recommendations growing out of "Consideration #1," above, a new resolution can be introduced at a future Council meeting.

2. **Resolution 2020-035 Authorizing an Addendum for Engineering Services with Fehr Graham & Associates, LLC for the 2020 General Street Maintenance Program as Part of the 2019 Three-Year Services Agreement, with a Fee for FY2020 Not to Exceed \$210,000.**

Assistive services available upon request.

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City Manager's Summary: Similarly, this resolution was presented to the Council on April 13 in anticipation of a Council commitment to an FY2020 street maintenance program at or near the funding level suggested in Resolution 2020-034, above. With the reconsideration of the scope of the proposed FY2020 street maintenance program, the scope and timing of the associated engineering work will change. Accordingly, **the City Manager recommends that the Council disapprove this resolution.** A revised contract for engineering services will be brought to the Council when the revised scope of the capital program is determined.

3. Resolution 2020-036 Approving a Restaurant/Bar Liquor License for Pete's Place, Inc., d/b/a Glidden Hill Grill, 930 Pappas Drive.

City Manager's Summary: Pete's Place, Inc., d/b/a Glidden Hill Grill, located at 930 Pappas Drive (the former Rosati's location) has submitted an application for a restaurant/bar liquor license, along with a supplemental annual caterer's license. The application has been reviewed and received a positive recommendation from the Liquor Commissioner and Interim Police Chief, and the owner has successfully completed her background investigation.

Upon approval of the liquor license, the City will receive an initial issuance fee of \$10,766 and \$377 for the annual caterer license. The annual renewal fee for the liquor license will be \$2,692 and the annual renewal fee for the caterer's license will be \$377.

City Council approval is recommended. ([Click here for additional information](#))

K. ORDINANCES – SECOND READING

1. Ordinance 2020-023 Approving an Annexation and Development Agreement with Ventus Tech Services, LLC (Project Ventus).

City Manager's Summary: On April 13, the Council considered the approval of the attached ordinance on first reading. The annexation and development agreement establishes the specific legal assurances and reciprocal responsibilities of Ventus Tech Services, LLC and the City with respect to the annexation, rezoning, and development of approximately 505 acres of property generally located east of Route 23 and south of Gurler Road. It is the rock on which a successful development is built. Without agreement on the annexation and development agreement, neither an annexation ordinance nor a rezoning ordinance can be considered.

With the Council's approval of the annexation and development agreement, the Council will move to consider an annexation ordinance (Ordinance 2020-025), a rezoning ordinance (Ordinance 2020-026), and an ordinance vacating a portion of Crego Road (Ordinance 2020-027).

Development Incentives

- a) Enterprise Zone Benefits. The Council took action on January 13 in concert with other local taxing bodies to extend the DeKalb County Enterprise Zone benefits to the Ventus project site. At the same meeting, the Council joined other local taxing bodies in providing unique benefits to high-impact “knowledge-based” developments within 3.5 miles of the centerline of I-88. Specifically, the revised Enterprise Zone property tax abatements relevant to the Ventus development will extend for 20 years per building at a rate of 55% per year provided the company makes a minimum investment of \$800 million and builds at least 900,000 square feet of facility space, with a minimum of 50 high-paying jobs.

On March 16, the Illinois Department of Commerce and Economic Opportunity certified that the amended geographic jurisdiction and tax benefits described above are available to qualified businesses.

On Thursday, April 2, the DeKalb County Enterprise Zone Advisory Board approved a Memorandum of Understanding between the DeKalb County Economic Development Corporation (DCEDC) – in behalf of participating local taxing bodies – and Ventus Tech Services, LLC, which commits these property tax abatement benefits to the Company.

- b) Electrical Utility Tax Incentive. In the spring of 2019, the state legislature enacted data center legislation that exempted such facilities from utility taxes on electrical and natural gas usage. Local municipal utility taxes were not exempted. The DeKalb Municipal Code establishes a structured fee schedule for all users. The schedule’s 10 tiers charge 0.61 cents (0.0061) per kilowatt hour for the first 2,000 kilowatt hours used in a month and 0.32 cents (0.0032) per kilowatt hour for usage in excess of 20,000,000 kilowatt hours per month. Across all current residential, commercial, and industrial users, the FY2020 City Budget estimates a total of \$1,718,326 in municipal utility taxes for electrical usage.

When fully energized, the company’s monthly kilowatt usage will exceed the top tier of the City’s utility tax schedule. During the construction phases, the company will pay the electrical utility taxes required by the current fee schedule. Two years after the date that the company’s facilities are fully energized, the company is committed to an annual payment of at least \$125,000 for its electrical energy usage.

It should be noted that the company is committed to investing in alternative energy sources including solar panels, wind energy, and geothermal cooling within the power “grid” serving the City of DeKalb and the larger surrounding region.

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- c) Water Agreement. The City will provide water service to the project area through its public water system. The company will use the City's potable water for its cooling and fire protection systems, as well as its restrooms and drinking water. Given the enormous scope of the project and the integral role of the company in the nation's communication systems, the company needs assurances that the City's water supply has the capacity and the quality to support the company's uninterrupted operation.

As Bryan Faivre, the Director of Utilities and Transportation, explains in his attached memorandum of support, the City's nine wells have a combined pumping capacity of 12.8 million gallons per day if all wells and the City's five treatment plants are operating continuously for 24 hours. The Illinois Environmental Protection Agency (IEPA) recommends a pumping period of 18 hours a day, to alternately rest motors and equipment. Accordingly, the "finished" capacity of the City's water system is 9,298,800 gallons during the 18-hour period. At peak daily demand of 4.7 million gallons, the City would have 4.5 million gallons of reserve capacity. By the agreement attached as Exhibit G to the annexation and development agreement, the City will reserve capacity for the project. This reservation amounts to only 13% of the City's existing reserve capacity. Such a reservation is reasonable and will not diminish the system's capacity to additionally serve nearly twice the current total usage of all residential, commercial, and industrial customers.

Development Features

The company intends to create a world-class data center including accessory uses with the potential for multiple phases.

As noted on the attached concept plan, the project's main entrance will be a boulevard extending from a roundabout constructed at the intersection of Peace and Gurler Roads. The company's landscaped drive leads to a secure entry point. Other security features will include landscaped buffers on the east, south, and west sides of the buildable space. Each of these buffer areas will have landscaping and the portion along Route 23 will exceed the requirements of the City's Unified Development Ordinance (UDO).

The first building will be constructed on the east end of the campus. A proposed substation and multiple retention ponds will also be a part of the first phase of the development.

- a) Roadways. Several roadway improvements are planned for the project in conjunction with the Ferrara Candy Company development across Gurler Road. The existing t-intersection of Peace Road and Gurler Road will be reconstructed and made into a roundabout. In order to accommodate increased truck traffic to and from the Ferrara Candy Company's distribution center to the north, Gurler Road will be upgraded to a three-lane section,

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similar to Fairview Drive. Intersection improvements are also necessary at Gurler Road and Route 23, where a traffic signal will be installed with appropriate turns lanes to accommodate through traffic on Route 23. At the northwest and southwest corners of the intersection of Gurler Road and Route 23, the preliminary design shows a two-lane section remaining with no enlargement of the right-of-way, to protect the residential properties at that location.

The proposed roundabout at Peace Road and Gurler Road will accommodate free-flowing traffic to avoid delays from vehicle movements generated by the Ventus and Ferrara sites as vehicles enter or exit the I-88 interchange to the north. The roundabout design will also reduce wear and tear of the road surface. This intersection, much more than the Gurler Road/Route 23 intersection, will see regular truck traffic to and from the Ferrara site. With a conventional signalized intersection, the frequent truck stops and starts would soon “roll up” the top lift of asphalt. It should be noted that the roundabout will be sized to also accommodate farm equipment moving to and from local fields.

Although Crego Road is to be vacated between Gurler Road and the southern limits of the proposed development site, there are plans to construct a new north-south rural roadway just to the east of the Ventus site between Gurler Road and Keslinger Road. The City will be using monies committed by State Representatives Tom Demmer and Jeff Keicher from the State's 2019 Capital Projects Fund to help pay for the new one-mile, rural road which will include a 66-foot-wide right-of-way and two 12-foot driving lanes. This new rural roadway will allow for a new means of access from Peace Road and Gurler Road to areas south of the subject site (see attached map).

- b) Utilities/Stormwater Drainage. The existing overhead 138 kV electrical line along the east side of the site will serve the initial Ventus building, and a 134 kV line further west will service future facilities. An electrical substation will be constructed to the southwest of the initial building and owned by the data center and ComEd.

A 16-inch watermain will be looped to the south side of Gurler Road between stubs under I-88 at Route 23 and Crego Road (near the DeKalb Oasis). Additionally, the stub on Gurler Road near Corporate Drive will be extended east to tie into the new loop. The water main loop will have an eastern extension that will terminate just east of Peace Road serving as the final connection point for the Ventus site. Two 12-inch water meter connections are proposed to extend into the subject site in the initial phase.

The Kishwaukee Water Reclamation District has been working with the developer, Jerry Krusinski, on the sanitary sewer layout, which will serve

Ferrara and Ventus Tech Services. A new sanitary sewer trunk line will be extended from a point near the intersection of Harvester Drive and Route 23, down the east side of Route 23 and then east along the north side of Gurler Road to the site at Crego Road.

Four stormwater retention ponds are initially proposed on the site and will accommodate the initial phase of development. It is anticipated that site development and mass grading will commence once the project is approved by the City.

Ventus Tech Services, LLC has proposed a dramatic and transformative industrial development that will impact generations of DeKalb County residents. At a time of serious economic dislocation, financial uncertainty, and widespread anxiety about the health of our families, friends, and co-workers, this project brings hope to our community and buoyancy to our local economy.

City Council approval on second reading is recommended. A two-thirds vote of the corporate authorities is required. ([Click here for additional information](#))

L. ORDINANCES – FIRST READING

1. Ordinance 2020-025 Approving the Annexation of Certain Property to the City of DeKalb (Project Ventus).

City Manager's Summary: The attached annexation ordinance is a companion to the ordinance adopting the annexation and development agreement (Ordinance 2020-023). With Council approval of the annexation and development agreement, the approval of the attached annexation agreement shall not be unreasonably withheld.

The attached annexation ordinance is effective immediately upon its approval and execution.

City Council approval on first and second readings is recommended. ([Click here for additional information](#))

2. Ordinance 2020-026 Approving the Zoning Petition of Ventus Tech Services, LLC to Rezone Certain Property to “PD-I” Planned Development Industrial, and to Approve Plans and Plat of Subdivision for the Development of an Approximately 970,000 Square Foot Data Center and Accessory Uses with an Option to Develop Additional Data Center Buildings and Associated Developments, and Approving the Zoning Petition of the City of DeKalb to Authorize Text Amendments to Chapter 23 “Unified Development Ordinance” of the Municipal Code of the City of DeKalb to Add “Data Center” into the List of Permitted Uses Allowed within the City’s Industrial Zoning Districts (Project Ventus).

City Manager’s Summary: By state statute and the City’s UDO, the annexation of land automatically brings that land into the corporate limits under the City’s most restrictive zoning: “SFR1” Single Family. The attached rezoning ordinance characteristically prescribes a more appropriate zoning for the intended planned development – “PD-I” Planned Development Industrial – and details key design and development standards for such zoning. Among the key details are the following:

- a) Findings of Fact. These findings are included in the text of the rezoning ordinance and describe how the proposed development conforms to the City’s Comprehensive Plan. The findings also conclude that the development conforms to the UDO and will not be detrimental to adjacent properties.
- b) Exhibit A: The legal description of the property.
- c) Exhibit B: The annexation and development agreement is attached for reference.
- d) Exhibit C: Relevant development standards with respect to setbacks, landscaping, permitted uses, and parking are identified. Notably, the building setback from the Route 23 right-of-way will be 400 feet, which is consistent with the Chicago West Business Campus to the north.
- e) Exhibit D: A final plan depicting the first of multiple phases is attached, including a site depiction as well as building elevations and a landscaping plan for the first phase.
- f) Exhibit E: The Plat of Subdivision.
- g) Exhibit F: UDO text amendments. These amendments principally revise the City’s UDO to include, for the first time, the term “data center” in various lists of permitted uses, as well as a definition of that term. These revisions make logical changes to lists that were adopted before data centers were known.

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- h) Exhibit G: Schematic Engineering Plan. This plan depicts various planned infrastructure improvements including the widening and upgrading of Gurler Road, the signalization of the intersection at Gurler Road and Route 23, the construction of a roundabout at Peace and Gurler Roads, and the extension of water and sewer mains.

At a public hearing on April 22, the Planning and Zoning Commission (PZC) considered the proposed annexation and rezoning including the findings of fact, development standards, and text amendments noted above, as well as the final development plan and plat of subdivision. By a unanimous vote of 6-0, the PZC recommended a zoning map amendment, upon annexation, from the "SFR1" Single-Family Residential District to the "PD-I" Planned Development Industrial District and approval of a Preliminary and Final Development Plan and Subdivision Plat for the approximately 505-acre property.

City Council approval of the PZC's recommendation is requested. Consideration of this ordinance on first and second reading is recommended to facilitate the Company's timetable for mass grading and early construction. ([Click here for additional information](#))

3. Ordinance 2020-027 Vacating a Certain Portion of Crego Road in the City of DeKalb (Project Ventus).

City Manager's Summary: At the top of this agenda, a public hearing was held to consider the vacation of a portion of Crego Road to facilitate the development of the approximately 505 acres of property purchased by Ventus Tech Services, LLC for the purpose of building a world-class data center in DeKalb. As noted above, to provide an alternative path for rural traffic between Keslinger and Gurler Roads, a new rural road will be constructed with the generous assistance and support of State Representatives Tom Demmer and Jeff Keicher, who have committed capital monies from the Rebuild Illinois Capital Program of 2019 to provide the local share of the many road improvements that are opening up several thousand acres for planned development, north and south of Gurler Road. Joining the City in the planning for this new rural road are the Afton Township Board of Trustees, the Afton Township Highway Commissioner Jim Elliott, and DeKalb County Engineer Nathan Schwartz. Preliminary engineering and right-of-way negotiations are already underway for the new rural roadway.

City Council approval on both readings is requested to facilitate a timely Spring start to the mass grading and early site construction on the Ventus Tech Services property. ([Click here for additional information](#))

4. Ordinance 2020-028 Authorizing Amendments to Ordinance 2019-004 to Modify Setbacks and Other Provisions, and to Approve a Final Plat of Resubdivision for the Northland Plaza Shopping Center on Sycamore Road (B33 Northland Plaza, LLC).

City Manager's Summary: As Principal Planner Dan Olson explains in the attached background report, the applicant (B33 Northland Plaza, LLC) has requested the City's approval of a resubdivision of the Northland Plaza Shopping Center to simply create separate lots around the existing five smaller buildings to allow businesses to own their own lots. In the last year, one of the shopping center businesses, Planet Fitness, chose their new DeKalb location, in part, because of their ability to own their "footprint" in fee simple. No new construction is planned, and no new tenants are driving this petition. Upon approval, the resubdivision would include eight separate lots including a large stormwater detention pond (the proposed Lot 5).

The petition also requests some minor amendments to the UDO. Currently, there is obviously public access to interior businesses (e.g. Buffalo Wild Wings; Kay Jewelers) that is assured by a Reciprocal Easement Agreement (REA) that assures access easements among and between the various businesses. The UDO currently only makes reference to the need to have access from a public street. The proposed amendment would clean up this anomaly.

The PZC reviewed this petition on April 8 and unanimously recommended the approval of the proposed resubdivision and amendments by a vote of 5-0. **The City Manager requests City Council approval of the PZC's recommendation. The petitioner has requested a waiver of the second reading on this matter. ([Click here for additional information](#))**

5. Ordinance 2020-029 Approving a Special Use Permit for a Cannabis Business Establishment for an Adult Use and Medical Cannabis Dispensary at 818 W. Lincoln Highway (NuMed Partners, LLC).

City Manager's Summary: The subject site at 818 W. Lincoln Highway is zoned "LC" Light Commercial District and a "Cannabis Business Establishment" is a special use in that district. A "Cannabis Business Establishment" is defined in the UDO as "an adult-use cannabis dispensing organization and a medical cannabis dispensing organization."

NuMed Partners, LLC is an Illinois-based pharmaceutical grade cannabis producer and retailer and currently operates three medical and adult use cannabis dispensaries in Illinois (Chicago, East Peoria and Urbana). The proposed operation will have a high level of security meeting all State requirements and industry standards. An overview of the company and their security measures is provided in the Council's background. A floor plan indicating the layout of the facility has also been provided. As a condition of

approval, City staff and the PZC are recommending the approval of a security plan by the police department before the dispensary is opened.

The proposed location will have related retail operations including the sale of logo apparel and other merchandise. The proposed business will also have traffic patterns, parking demands, and physical attributes that are similar to the other retail uses within the shopping center.

Article 7.18 of the UDO has specific regulations for “Cannabis Business Establishments,” including setbacks to schools, day care facilities and residential areas. There are also parking and other development restrictions including security and surveillance measures in Article 7.18. A “Cannabis Business Establishment” cannot be located within 250 feet of the property line of a property zoned or used primarily for residential purposes that contains residential dwelling units. The nearest residential property is an apartment complex to the west that is about 315 feet from the proposed tenant space. In addition, a “Cannabis Business Establishment” cannot be located within 250 feet of the property line of a nursery school, preschool, primary or secondary school, day care center, daycare home, private residence, or an academic building or residence hall of a State University. None of these uses are within 250 feet of the proposed tenant space. It should be noted with the 250-setback requirement to residential properties, there are a limited number of locations along W. Lincoln Highway that can comply with this setback standard. The portion of the Junction Shopping Center where the applicant is proposing to locate is one of these areas.

On November 25, 2019, the City Council approved an ordinance granting the zoning for a medical cannabis dispensary for BQ Enterprises at 700 Peace Road. BQ Enterprises has applied for a license through the State and is waiting on a response, which is expected to come next month. Although the State has separate licensing requirements and limits on the number of facilities, the Council’s focus for this request should be on the standards for a special use found in the City’s UDO. The UDO does have a limit of five special use permits for adult use cannabis dispensaries in the City.

Finally, as with the approval of the medical cannabis dispensary at 700 Peace Road in 2019, City staff and the PZC have recommended a time limit for the applicant to obtain a State-issued license and to complete the build-out of the tenant space. The recommendation is for the applicant to obtain a state-issued adult-use and medical cannabis dispensary license for the subject tenant space within one year of the Council’s approval of a special use permit. In addition, the staff recommendation asks that the applicant complete all required build-out and tenant improvements within six months after issuance of the state-issued cannabis dispensary license (and prior to opening of the facility). This is the same time requirement that was applied to the medical cannabis dispensary at 700 Peace Road.

The PZC reviewed the special use request on April 22 and recommended the Council's approval by a vote of 5-1, with staff recommendations noted above. **City Council approval of the PZC's recommendation is requested. The petitioner has requested a waiver of second reading.** ([Click here for additional information](#))

6. Ordinance 2020-030 Establishing an Active Special Service Area for Market Square (SSA 29).

City Manager's Summary: On January 27, the City Council unanimously approved Ordinance 2020-008 to establish an active special service area (SSA) encompassing the Market Square Shopping Center to address recurring road maintenance issues. On February 24, the Council held a public hearing to afford persons owning taxable real property in the SSA to be heard regarding the proposed terms. If within 60 days following the adjournment of the public hearing 51% of the "electors" or parcel owners within the SSA sign a petition objecting to the formation of the area, the City cannot impose the underlying special property tax designed to pay for annual maintenance costs.

No petition from the eligible property owners has been received within the prescribed 60-day period. Accordingly, the attached ordinance would impose SSA 29 on the Market Square Shopping Center, if approved by the Council. The SSA would work as follows:

- The Council would levy a tax each December that's sufficient to reimburse the City for repairs to the interior circulating road system in the following 12-month period (January 1 through December 31). City crews could perform the repairs, but given the Street Department's limited resources, it's more likely that the City would contract with a paving company to perform the ongoing repairs, except for urgent pothole filling. City costs would be reimbursable as well.
- The amount of the tax would be based upon an annual engineering assessment of the condition of the various roadways and other features included as part of the SSA maintenance responsibilities. From this engineering estimate, a reasonable annual budget would be established for the following 12-month period.

Since the Council's ability to impose an SSA levy for 2020 repairs has passed, all the desired repairs cannot be addressed with available City funds. However, needful pothole repairs will be aggressively made this year, and after the SSA levy is set this fall, the City will have the funds to reimburse contractor expenditures in 2021. This special tax only takes into account the common, private roadways. The exhibit attached to the ordinance shows those roadways in a red color. The detention areas, parking lots, lighting and raised median are addressed by the current REA. Over a 20-year period, the average yearly repairs would be about \$204,768, but in some years the repairs might only

involve crack-sealing. The Council will set the SSA levy every year and do so on the basis of updated observations of the road conditions.

In 2019, the combined EAV of the 18 Market Square parcels within the proposed SSA was \$12,821,959. At a City tax rate of \$1.1882 per \$100 EAV, the center generated about \$152,351 in property taxes for the City government in 2019. To capture the additional, projected first-year road repair and maintenance costs of \$145,820, the effective City tax rate applicable to parcels within the proposed SSA would have to increase from \$1.1403 per \$100 EAV to about \$2.34 per \$100 EAV to generate \$298,171 in property taxes: .0234 x 12,821,959 = \$300,034.

City Council approval is recommended. ([Click here for additional information](#))

7. **Ordinance 2020-018 Amending Chapter 38 “Intoxicating Liquors”, Section 38.07 “Classifications of Liquor Licenses”, by Adding License Classification “Auditorium”, and Amending Section 38.08 “Term of Licenses and License Fees”.** (Postponed from the 3/23/20 Regular meeting)

City Manager’s Summary: The attached ordinance amends the City’s liquor codes to establish a new license, which will serve the unique characteristics of an entertainment venue such as the Egyptian Theatre. The Egyptian hosts a variety of events from large stage performances to non-profit fundraisers. With the pending completion of its reconstruction, the theater will have several concession areas from which non-alcoholic and alcoholic beverages could be served. Unlike its competitors in the Chicagoland area, the Egyptian has no liquor license and must “tag on” to a local bar or restaurant’s license as a “special event.” In entertainment centers in Rockford, St. Charles, Geneva and elsewhere in northern Illinois, it is now more common for the entity to carry its own license under certain restricted conditions.

The attached ordinance defines the special conditions pertaining to an “Auditorium License.” Among the key provisions are the following:

- The entity must have fixed seating containing between 1,000 and 2,000 fixed seats;
- No package sales are allowed;
- The sales shall occur in the auditorium area and all lobby areas where the general public has access;
- The sale of liquor shall occur within a period of time that coincides with the admittance of the general public to an event and shall end thirty (30) minutes before the end of the event held within the premises;

- Containers used to serve alcoholic drinks must be clearly distinguishable from those used to serve non-alcoholic beverages;
- A patron may not be served more than two drinks at a time;
- All patrons shall be carded if they are suspected to be under the age of twenty-one years; and
- No alcoholic beverages may be taken beyond the exits of the premises.

City Council approval is recommended. [Click here for additional information](#)

M. REPORTS AND COMMUNICATIONS

- 1. Council Member Reports**
- 2. City Clerk Report**
- 3. City Manager Report**

N. EXECUTIVE SESSION

None.

O. ADJOURNMENT

[FULL AGENDA PACKET](#)