

DEKALB CITY COUNCIL AGENDA REGULAR MEETING JUNE 23, 2025 6:00 P.M.

DeKalb Public Library Yusunas Meeting Room 309 Oak Street DeKalb. Illinois 60115

Pursuant to Chapter 2 "City Council", Section 2.04 "Council Meetings", persons wishing to address the City Council during this meeting are required to register with the Recording Secretary before the start of the meeting by completing a Speaker Request form. All public comments will be limited to three (3) minutes per speaker. Further information for addressing the City Council can be found on the Speaker Request form.

- A. CALL TO ORDER AND ROLL CALL
- **B. PLEDGE OF ALLEGIANCE**
- C. APPROVAL OF THE AGENDA
- D. PRESENTATIONS
 - 1. Honoring Fire Chief Mike Thomas for 30 Years of Service to the City of DeKalb.

<u>City Manager's Summary</u>: Mike Thomas retires after an impactful 30-year career in the Fire service. He was hired as a Firefighter/Paramedic in July 1995 and served in that position until September 2009 when he was promoted to the position of Lieutenant/Paramedic. In April 2016 he was promoted to the rank of Captain and in July 2019 he was appointed to the rank of Battalion Chief. On October 17, 2021, Mike was appointed to the management position of Deputy Chief of Fire Operations and in November 2021 Mike was appointed to the position of acting Fire Chief upon the retirement of Chief Jeff McMaster. Mike was appointed full-time, permanent Fire Chief on April 11, 2022.

During Mike's tenure as Fire Chief, he presided over some momentous changes in the DeKalb Fire Department. Highlights of his leadership as acting and then permanent Fire Chief include the following:

- Principal authorship of the federal "SAFER" (Staffing for Adequate Fire and Emergency Response) grant of \$2,721,256.47 from the Department of Homeland Security to address the Department's rising spike in call volume and a minimum shift level (13), which had not changed since the early 2000s. The grant was sought just before the COVID crisis in 2019 and was not awarded until August 31, 2021, as the City was struggling to financially support the needed expansion in minimum staffing. The City of DeKalb was one of only four municipalities in the country to receive the full, three-year hiring grant. With the SAFER grant, which funded nine new firefighter/paramedic hires, the City and Firefighters Local 1236 were able to collaborate on the implementation of the NFPA standard of four personnel on each Fire company and raise the minimum staffing level to 15 bargaining unit members per shift by January 2024.
- Upon his appointment to Battalion Chief and every year thereafter, Mike has led the pursuit for supplemental funding for capital purchases through the federal Ground Emergency

Medical Transportation ("GEMT") program, in close collaboration with the leadership of IAFF Local 1236, particularly Lieutenants Noah Millard, Don Zuniga, and Jared Thorpe. Since 2021, the GEMT program has singularly funded the purchase of two frontline, replacement fire engines; four frontline, replacement ambulances (and two more to come in 2026); a \$1.6 million truck (to be delivered very soon); a variety of replacement staff vehicles; and the architectural costs for Fire Station No. 4 as well as the greater share of the initial debt service for that investment.

• Mike was the guiding light behind the five-year Fire Department plan that identified the need for a new fire station on DeKalb's southwest side, and was relentless in working to gain the administration's support for the concept in July-August 2023, followed by a bond issuance in September 2023, then a contract for architectural services and, on May 24, 2024, the groundbreaking for Station 4. The opening of the station in April of this year is in no small way the result of his tutelage and goodwill.



• Finally, in his capacity as Fire Chief, Mike has automatically been a member of the City administration's executive team and from the outset brought his candor, dedication and good humor to every topic that landed before that leadership team.

As Mike steps down, Deputy Chief of Fire Operations Luke Howieson will become acting Fire Chief. Like Chief Thomas, Luke has served in every rank of the department and has a proven record of strategic decision-making and operational leadership. His resume is long and deep and includes three certifications from the National Fire Academy and numerous collaborative initiatives on behalf of higher-level funding and training opportunities for the Department. Acting Chief Howieson will provide outstanding leadership as the Department transitions to a permanent Fire Chief appointment.

E. PUBLIC PARTICIPATION

F. APPOINTMENTS

- 1. <u>Appointing Justin Keck to the Citizen Police Review Board for the Completion of a Two-Year Term through December 31, 2026.</u>
- 2. Reappointing Shaun Langley to the Citizens' Environmental Commission for the Completion of a Two-Year Term through December 21, 2026.

G. CONSENT AGENDA

- 1. Minutes of the Regular City Council Meeting of June 9, 2025.
- 2. Accounts Payable and Payroll through June 23, 2025, in the Amount of \$4,911,949.73.
- 3. Freedom of Information Act (FOIA) Report May 2025.

H. PUBLIC HEARINGS

1. Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report ("CAPER") for Program Year 2024/2025 (April 1, 2024 - March 31, 2025).

<u>City Manager's Summary</u>: As Community Services Coordinator Jennifer Yochem explains in her background memorandum, the **Consolidated Annual Performance Evaluation Report (CAPER)** is required by the U.S. Department of Housing and Urban Development (HUD) and must be submitted within 90 days of the close of the program year. The CAPER provides information on the City's accomplishments under the Community Development Block Grant (CDBG) program during the previous twelve-month federal program year (April 1, 2024, through March 31, 2025).

A copy of the CAPER executive summary for CDBG Program Year 2024 and the full CAPER Report are attached. The full CAPER document was made available for a 30-day comment period starting May 23, 2025. Any comments received during the public comment period or at this Hearing will be included in the CAPER Report before it is submitted to HUD. The CDBG financial transactions for the 2024 federal program year are summarized below:

	Amount Available	Total Expenditure
2023 Carry Over Unspent Funds	\$151,803.47	\$0
2024 Administration/Planning	\$ 75,909.00	\$ 75,909.00
2024 Public Facilities-Street Improvements	\$227,729.00	\$182.374.20
2043 Public Services	\$ 56,931.00	\$ 57,698.25
2024 Homeowner Rehab Program	\$ 17,977.00	\$ 7,425.00
2024 Homeowner Rehab Program Delivery	\$ 1,000.00	\$ 666.04
TOTAL	\$531,349.47	\$324,072.49

Notice of this public hearing has been published according to federal and state statutory guidelines. The CAPER is an informational document that does not require action by the City Council.

I. CONSIDERATIONS

None.

J. RESOLUTIONS

1. Resolution 2025-069 Approving a Professional Services Agreement with Baxter & Woodman, Inc. for the Design, Permitting, and Bidding of a New Shallow Well in the Amount of \$221,900.

<u>City Manager's Summary</u>: At the May 12 regular Council meeting, the Council considered the 2025-2035 Water System Master Plan prepared at a cost of \$154,800 by the engineering consulting firm of Baxter & Woodman. The plan was authorized by the Council in October 2023, and a final draft was presented for City staff review in early April 2025. The previous strategic water model and master plan was prepared in the late 1990s and led to the completion of five water treatment facilities and the south water tower.

The detailed professional presentation and data in the new master plan will not be repeated herein, but the plan's analysis and recommendations have a bearing on significant projects already underway:

a) A New Water Transmission Main on DeKalb's Southeast Side. The Council approved a \$510,000 contract with Baxter & Woodman on November 25, 2024, for the design, permitting and bidding services related to a new 16-inch transmission main of approximately 3.8 miles that would run south on Illinois Route 23 from the Meta property to Keslinger Road, then eastward along Keslinger Road on the north side to Afton Road, then north to the terminus of the main extension that runs eastward along Gurler Road. A recent water loop constructed in 2019-2020 currently serves Ferrara, Amazon, Kraft Heinz and Meta but also provides important water supply and fire flow for the Gurler corridor east and west of the Illinois Route 23 corridor. At this time, the plans are about 80% complete for the Keslinger main extension, and an application is being prepared for submittal to the IEPA revolving loan fund. Further steps await the Illinois Environmental Protection Agency's (IEPA) final review of the City's loan application. With 80% of the design completed, the engineer's opinion of probable construction cost is \$9.15 million, plus construction engineering.

As in the early 2000s, the City's commitment to water system improvements literally opens thousands of acres to industrial development. Private entities will be obligated to fund the more expensive sanitary sewer extensions and related road improvements necessary to complete the "shovel-ready" condition which is a pre-requisite for larger development prospects to consider DeKalb for their home.

b) A New Well (Well 18). The City's careful management of its water storage capacities serves to enhance its ability to meet peak hourly and fire suppression needs. Nevertheless, the Master Plan projects that by 2035 the City's well production capacity may not keep up with its "firm" capacity needs (i.e., if its most productive deep well is out of service). In view of the importance of adequate supply for current and projected homes and businesses, and the long lead time to play "catch up" with pumping capacity, a new shallow well with a capacity of 1,000 gallons per minute or more is being investigated in the vicinity of the W. Lincoln Highway treatment plant and could be connected to the plant's raw water main (see aerial perspective, below). This would erase the potential supply deficit theoretically approaching in 2035.



The preliminary estimate of cost for the new well and connection to the nearby treatment plant is \$3 million in 2025 dollars. **The attached engineering contract with Baxter & Woodman is for the design, permitting and bidding services that are required**.

If approved, preliminary design work can begin immediately. Of course, the siting of the new well head is critical and it should be far enough away from other City well facilities to the north and west so the underlying sand and gravel aquifer is able to provide the modest gallons per day that are expected within its re-charge capacity.

The City staff are currently in negotiation with a property owner to acquire about 4.37 acres of property for the new pumping station and access road shown in the graphic above. Land acquisition and a purchase and sale agreement are pre-conditions for the drilling of one or more test holes to make sure that the new shallow well is properly situated in the aquifer on the west edge of town. If the current negotiation is successful, a development proposal for land acquisition to support this important water project from Water Fund resources (Funds 600, 610 and 620) will be brought before the Council at an upcoming meeting.

City Council approval is recommended. The contract will be paid from the Water Construction Fund (610-00-00-62300).

2. Resolution 2025-070 Authorizing an Agreement with DeKalb Corn Classic and Kishwaukee Sunrise Rotary Club for the 2025 DeKalb Corn Classic 5k/10k and Taste of DeKalb Events on September 28, 2025.

<u>City Manager's Summary</u>: The DeKalb Corn Classic has been a very successful event in the DeKalb community for many years and draws larger crowds every year to the downtown business district. In September 2018, the Corn Classic partnered with the Kishwaukee Sunrise

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Rotary Club to conduct the event in coordination with the inaugural Taste of DeKalb. For 2025, the parties want to coordinate the two events as they have in the past, with the closure of Van Buer Plaza for the Taste of DeKalb, and the temporary closure of a number of streets for the Corn Classic.

The DeKalb Corn Classic and DeKalb Sunrise Rotary Club event organizers have requested the waiver of all fees. City Council approval is recommended, along with the waiver of fees as requested by the DeKalb Corn Classic and Kishwaukee Sunrise Rotary Club event organizers.

3. Resolution 2025-071 Approving a Bar Liquor License with Supplemental Licensure for Video Gaming for Spahiu Gaming, LLC, d/b/a Chips, 122 E. Hillcrest Drive (Sandhill Gaming (Illinois) LLC).

<u>City Manager's Summary</u>: The business known as Chips, located at 122 E. Hillcrest Drive, was established in November of 2019 and is one of the 10 approved video gaming establishments in DeKalb. The business was sold to the current owner, Peter Flevaris, in November of 2023. Mr. Flevaris is now selling 100% of his interest in the business to Sandhills Gaming (Illinois) LLC. James Boyden, Chief Executive Officer of Sandhills Gaming, has indicated he intends to maintain the original corporation and business name. City staff have been notified that the current manager, William Skoufis, will remain with the business as the onsite manager. Mr. Skoufis successfully passed his background investigation in November of 2023. Background investigations for Mr. Boyden, and another manager, Robert Scaramella, were approved by the DeKalb Police Department earlier this month.

According to Chapter 38 "Intoxicating Liquors" of the City's Municipal Code, liquor and video gaming licenses are not transferable. Accordingly, Sandhills Gaming has submitted an application for a City of DeKalb "Bar" liquor license with supplemental licensure for video gaming. If approved, the license will be considered "conditional" until the requirements laid out in the resolution are met, which includes confirmation that the State of Illinois Liquor Control Commission has accepted the information provided on the Change of Corporate Officers application and receipt of a City of DeKalb Fire Life Safety license.

Non-refundable fees in the amount of \$1,766 for the liquor license application, background investigations, Fire Life Safety application, and the initial video gaming license have been paid. The City will receive an initial issuance fee of \$11,319 if approved. The licensing term for a Bar liquor license with supplemental gaming begins January 1 and ends December 31 with an annual liquor license renewal fee of \$2,830, and an annual video gaming renewal fee of \$500 per terminal. Video gaming terminals are limited to six per video gaming establishment per Chapter 38.

City Council direction is requested.

K. ORDINANCES - SECOND READING

None.

L. ORDINANCES - FIRST READING

1. Ordinance 2025-028 Amending the City of DeKalb Municipal Code by Adding a New Chapter 56 "Municipal Grocery Retailers' Occupation Tax and Municipal Grocery Service Occupation Tax".

<u>City Manager's Summary</u>: At the last regular City Council meeting, the Council considered a detailed background report that weighed the potential consumer impacts and city fiscal

impacts if the Council should support the replacement of the statewide 1% grocery tax with a local 1% grocery tax when the state tax expires at the end of this calendar year. After the discussion, the Council's direction was to bring back an ordinance for Council review.

The state currently imposes a Retailers' Occupation Tax (ROT) or sales tax on general merchandise and a 1% tax on qualifying food, drugs, and medical appliances. A 1% "grocery tax" is currently charged on most food items for home consumption, or "Food at Home" (FAH). One percentage point of the state's 6.25% Retailers' Occupation Tax (or 16% of state ROT collections) is collected by the state and then passed through to municipal governments. The widely reported elimination of the 1% grocery tax by the Illinois legislature, effective January 1, 2026, was followed during the 2024 Spring Legislative Session by an amendment to state budget legislation (Public Act 103-0781) which gave home rule and non-home rule communities the opportunity to impose a replacement 1% tax.

The elimination of the grocery tax only eliminates the portion of ROT revenue that is generated by grocery sales. It would not eliminate the 1% tax on prescription and non-prescription drugs, tobacco, adult-use cannabis, soft drinks, candy, food prepared in a restaurant for take-out or delivery, and grooming and hygiene products. Among the foods that qualify for the grocery tax suspension are deli items sold by weight, fresh fruits and vegetables, meat trays, breads and bagels, items sold in premeasured containers such as ice cream (unless sold in packaged cones or other fashion for immediate consumption), vegetable or fruit juices with more than 50% natural juices, nuts that are not prepared in combination with sugar, infant formula, and protein supplements that do not make a medicinal claim on their labels.

It is important to note that purchases made with "Supplemental Nutrition Assistance Program" (SNAP) benefits through the Illinois "link card" program cannot be charged the 1% grocery tax. The SNAP program is designed to serve the poorest among us and defines eligible households by reference to 165% of the federal poverty level, which varies according to household size. Effective October 2024, yearly income limits for qualifying Illinois households needed to conform to the following schedule:

		Maximum Annual Household	Maximum	
	Maximum Annual	Income if with Over	Monthly/Annual	
No. in Household*	Household Income	60 or Disabled Members	Benefits	
1	\$24,852	\$30,120	\$292 / \$3,505	
2	\$33,732	\$40,872	\$536 / \$6,432	
3	\$42,612	\$51,636	\$768 / \$9,216	
4	\$51,480	\$62,400	\$974 / \$11,700	
5	\$60,360	\$73,152	\$1,158 / \$13,896	

^{*} The SNAP program breaks out households with up to 10 persons, but the greatest number of eligible households are 5 or under in size.

The DeKalb County SNAP servicing office estimates that in 2024, 12%-13% of DeKalb County households participated in the SNAP program for varying lengths of time. Link card recipients receive a "credit" equal to the monthly maximum by household. Recipients are responsible for tracking their monthly spending through their receipts. The grocery tax is not suspended if Link card holders pay with cash or with coupons.

In support of its opposition to the elimination of the grocery tax, the Illinois Municipal League which represents 1294 cities, villages, and towns in Illinois sponsored a study of "Food at Home" (FAH) expenditures as a share of household income about a year ago. The study concluded that the impact of eliminating the grocery tax is not as clear-cut as the sponsors claimed over a year ago. Since the state grocery tax is just 1%, data from the Bureau of Labor Statistics suggest that a low-income family would not realize the "few hundred bucks" in savings in the course of one year that were promised by state-level advocates. The following

table shows that average annual expenditures on "Food at Home" in 2022 (the latest available data year) in the United States ranged from \$3,624 for the lowest-income households to \$8,523 for the highest-income households. It would take a low-income household about 8 years to accumulate several hundred dollars in tax savings from the elimination of the grocery tax. Interestingly, the state grocery tax liability of higher-income households would go down the most due to their higher FAH spending, but even the highest quintile households would need more than 3 years to accrue several hundred dollars in savings.



From a state policy level, there is one more significant finding of note. The Illinois grocery tax is only marginally regressive in practice with respect to the bottom of the income scale. A tax is regressive when the amount paid is higher relative to household income for lower income households. Accordingly, the important issue is not whether "Food at Home" expenditures are regressive but whether grocery tax payments are. As a means-tested program, SNAP benefits are distributed disproportionately to lower income households, relieving many of them of the grocery tax burden (some SNAP benefits are spent on non-grocery items that are fully taxed). Therefore, to assess the regressivity of the tax, how much "Food at Home" is financed by SNAP program needs to be considered.

The table that follows shows that the grocery tax is not regressive with respect to the lowest quintile of incomes, but is slightly regressive in terms of household income quintiles 2 and 3*:

Income Quintile Lower Limit	Mean Income	Average FAH Expenses	Average FAH Purchased with SNAP	Taxable FAH Spending	Average Grocery Tax	Tax as Share of Income
\$0	\$ 14,191	\$3,624	\$3,459.92	\$ 164.08	\$ 1.64	0.01%
\$ 25,807	\$ 37,441	\$4,310	\$1,346.74	\$2,963.26	\$29.63	0.08%
\$ 50,092	\$ 65,659	\$5,525	\$ 405.12	\$5,119.88	\$51.20	0.08%
\$ 83,696	\$108,730	\$6,529	\$ 60.22	\$6,468.78	\$64.69	0.06%
\$140,363	\$244,025	\$8,523	\$0	\$8,523.00	\$85.23	0.04%

*Bureau of Labor Statistics

Further, the federal Bureau of Labor Statistics data show that "Food at Home" expenditures decline as household incomes rise (and families seek more meals in restaurants). In 2022, families in the lowest 20% of the income distribution scale spent 26% of their income on "Food at Home," and families at the highest quintile spent 3.5% of after-tax income on FAH.

The current tax is a pass-through to municipalities, so its elimination is no loss to the State of Illinois. If a home rule community opts to impose a 1% grocery tax to replace the tax removed

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by the state on January 1, 2026, the grocery tax will continue to be collected by the state and remitted to the local community. Whether or not the State Department of Revenue will charge an administrative fee for such collection remains to be seen. Presently, IDOR imposes a 1.5% fee for collection of the 1% non-home rule tax and 1.5% for the collection of the cannabis tax.

Fiscal Impacts for the City of DeKalb

A primary consideration in addition to the economic data noted above is the fiscal impact of the potential loss of significant annual revenues in support of general operations. In 2024, the 1% tax generated about \$800,000 (the total increases about 2-2.5% per year). The tax proceeds are reported as one of several sales and use tax entries in the City's General Fund, which are the principal source of revenue for the City's operating departments. The 1% grocery taxes were derived from \$79,535,585 in actual sales.

Sales and use taxes are the largest category of General Fund revenues. In the 2025 General Fund budget, sales and use taxes make up 33.35% (\$17,010,908) of all budgeted General Fund revenues (\$51,002,166). The next largest General Fund revenue category is the Fire and Police pension levies (16.35%) which are necessary to meet the City's current obligations but cannot be used to offset salaries and wages, commodity purchases, or contractual services. Personnel expenditures make up 79% of all operating expenditures in 2025; the other allocations are for debt service (0.9%), small capital equipment purchases (0.3%), contractual services (8.7%), commodities (2.1%), and transfers to other City funds (8.9%).

If a local 1% grocery tax did not replace the 1% statewide tax, effective January 1, 2026, the overall sales and use tax revenue stream would be reduced by 5% (\$795,356/\$17,010,908). A 5% reduction in the largest revenue stream supporting City operating departments will almost certainly lead to cuts in operating expenditures. In the COVID years, the City froze all new hires and did not fill open positions created by retirements or transfers to other employment. To maintain Council objectives and a constant level of operating services in those years, ARPA assistance was necessary. No such assistance from the state government to offset municipal revenue losses has been offered. Other options might include the following: (1) reductions in General Fund transfers to other funds (e.g. the large transfer from the general operating fund to Fund 400 for street maintenance), or (2) a freeze on unspent allocations to local social service agencies participating in the City's annual Human Services grant program (much of the \$225,000 has not yet been spent). Neither of these two options is recommended.

Recommendation

Several points are important to remember in this policy discussion:

- The City's 1% grocery tax proceeds are not derived from the community's poorest households who qualify for supplemental nutrition assistance.
- The City could focus on working poor families whose household income exceeds the qualifying thresholds in the statewide SNAP program, but there is no generally accepted methodology in Illinois government circles that defines logical "tax forgiveness" parameters for households living above the SNAP program strata.
- The elimination of the 1% grocery tax would relatively and absolutely benefit the largest income households in DeKalb.

Since October 2024, City polling has identified over 50 municipal governments which have expressed their <u>intention</u> to approve a local 1% grocery tax, effective January 1, 2026:

Batavia, N. Aurora, Carol Stream, Des Plaines, Lake Zurich, Algonquin, Schaumburg, Wheaton, Elk Grove, Buffalo Grove, Lombard, Wheeling, Palatine, Burlington, Peoria, Normal, Berwyn, Blue Island, Chicago Heights, Cicero, Crestwood, Forest View, Harwood Heights, Hoffman Estates, Lyons, Markham, Melrose Park, Morton Grove, Norridge, Oak Lawn, Orland Park, River Forest, South Barrington, Tinley Park, Pontiac, East Dundee, Edwardsville, Washington, Pekin, Pontiac, Carbondale, Danville, Clarendon Hills, Elgin, Yorkville, Sugar Grove, South Elgin, Elburn, Pingree Grove, St. Charles, Sleepy Hollow, Genoa, and Sycamore.

As described above, the impact of eliminating the 1% tax on "Food at Home" purchases for DeKalb's neediest families is possibly \$50 in one year. The reduction of the City's operating revenues by approximately \$800,000 will have a significant impact on services provided by the City's public safety departments.

The City Manager recommends the approval of the attached ordinance which would establish a local 1% grocery tax, effective January 1, 2026, replacing the 1% state grocery tax expiring on the same day.

2. Ordinance 2025-029 Amending Chapter 64 "Smoking Regulations", Section 64.17 "Vending Machines", to Prohibit the Sale of Smoking Products from Vending Machines.

City Manager's Summary: Another carry-over from the June 9 regular Council meeting was the consideration of whether or not to permit "vape vending" in locally licensed bars. Such machines (see picture that follows) allow customers 21 years of age or older to use credit cards to purchase packets from vending machines that provide the user a smoke-based inhalant. Presently, such machines do not explicitly fit the description of vending machines permitted in bars, as defined in Chapter 64 "Smoking Regulations", Section 64.17, "Vending Machines," of the DeKalb Municipal Code, although tobacco-based products can be purchased from vending machines in establishments with a Bar liquor license as well as "non-profit entities" (e.g., clubs) with a PENP (Public Entity/Non-Profit) license. Based on recent Council concerns about the proliferation of stores selling tobacco products and also the potential adverse health impacts of various types of chemical inhalants, the City Staff have interpreted the provisions of Section 64.17 of the Municipal Code to exclude vape-vending machines.



The City Council direction on June 9 about the propriety of licensing vape vending machines was clear: the City's ordinances bearing on vending machines in bars should explicitly exclude any allowance for vape vending machines. **City Council approval of the attached ordinance is recommended.**

3. Ordinance 2025-030 Amending Chapter 52 "Offenses Against Public Peace, Safety, and Morals", by Adding New Section 52.20 "Sale of Illicit THC (Tetrahydrocannabinol) Products and Kratom" to Prohibit the Sale of Illicit THC Products and Kratom.

<u>City Manager's Summary</u>: On June 9, the Council was also asked to consider whether or not it is appropriate to explicitly prohibit the <u>sale</u> of unregulated, hemp-derived THC (Tetrahydrocannabinol) products in the City of DeKalb. Hemp and marijuana are variants of the cannabis plant, but hemp naturally contains smaller traces of THC, the main psychoactive ingredient of cannabis plants. Federal law defines hemp as an agricultural product with no more than 0.3 percent THC in dry weight. At this low dose, the hemp products are unregulated and can be sold as edibles or pre-rolled joints without quality testing and outside dispensaries which are licensed and heavily taxed by state and local laws.

In DeKalb, several stores which sell tobacco products are also openly selling jars of roughcut hemp which can be ground, rolled, and smoked. This retail practice, presently legal, has confused customers. On several occasions, the DeKalb Police Department has purchased such products and sent them for lab testing which has indicated that in their unadulterated form they are within the 0.3 percent THC limit.

According to media reports, hemp that can produce a "high" has come under increasing media attention. Through a loophole in the 2018 Farm Bill, which aimed to help farmers grow industrial hemp, enterprising consumers can buy legal hemp in bulk, and extract and concentrate the THC ingredient. Although licensed dispensaries track their products from "seed to sale" to assure they have been tested for pesticides, mold, metals and adulterants, no such requirements apply to hemp. Since 2023, the U.S. Food and Drug Administration – slow to act avoid the curtailment of legal sales – has increased its investigation of complaints about inadequate or confusing labeling that can result in children or unsuspecting adults ingesting harmful doses of unregulated edible food products containing THC. A particularly worrying trend is the merchandising of products that bear a strong resemblance to popular snacks and candies. Copycat products are being sold in disposable foil packages with such names as "Cookie Cat Crunch," "Cheech & Chong Blazers," and "Flamin' Hot Cheetos" (see below).



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The Council's direction on June 9 was to bring back an ordinance that expressly prohibits the sale of unregulated hemp-derived THC products in the City of DeKalb.

City Council approval of the attached ordinance is recommended.

M. REPORTS AND COMMUNICATIONS

- 1. Council Member Reports.
- 2. City Manager Report.
- N. EXECUTIVE SESSION

None.

O. ADJOURNMENT

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