FINANCE
COMMITTEE MEETING

MONDAY, DECEMBER 16, 2019
7:03 PM

Alderman Runnels called the meeting to order.

ROLL CALL:
Present: Fisher, Mayfield, Evans, Allen, Markham, Runnels
Absent: January

I. DISCUSSION – GAS UTILITY TAX ORDINANCE:

Interim Comptroller, Daniela Partipilo explained the Gas Utility Tax Ordinance draft and its benefits.
Currently Azavar Company (Utility Audit Solutions), was unable to collect the tax from out of state providers. The ordinance would ensure including those alternative suppliers in and out of state. Once approved, the date would be effective within approximately (**16**) days for the utility companies.

Attorney Simon added there would be a required agreement because the local utility has agreed voluntarily to collect the tax on behalf of the City including a small fee gathered from the tax revenues.

Alderman Allen questioned clarification of the gas tax impacting the residents etc. Attorney Simon explained that every resident or commercial enterprise that purchased it from a local utility vs. out of state supplier paid tax currently. It would ensure that the City would levy taxes from everyone.

The Mayor explained this agreement was comparable to electric provider.

Alderman Evans questioned how the City received the information. Attorney Simon explained that it was conveyed from local provider, North Shore Gas. They would collect a small percentage of tax revenue (**3%**) and was reimbursed in behalf of the City.

Mrs. Partipilo explained that it was during deregulation time period and Azavar reviewed all utilities.

Alderman Allen questioned pg. **5** of the Gas Utility Tax Ordinance; why the Mayor, Comptroller and Chief of Staff were authorized to enter into the contract vs. the City Council; suggested that council had the final decision. He strongly disagreed and clarified the City was home-ruled and requested to change the wording to reflect authorizing city council entering into the agreement. Attorney Simon clarified that the company would not re-negotiate any changes to the agreement presented to collect the taxes in behalf of the City. It was with local provider to collect the tax for the City. The form of the agreement approved wouldn't change as what was presented. He suggested the council had the right to reserve the power and that the expectations were fair due to already have attempted to negotiate.

The Mayor clarified what Alderman Allen was requesting.

Treasurer, Kenneth Robinson questioned if additional revenue with Azavar for the agreement. Attorney Simon explained they would receive a share of additional tax revenue for a limited period of time and paid upon encountering new revenue.

The Mayor added that it was explained that Azavar Solutions would be compensated small percentage upon finding new revenue.

Alderman Mayfield added that Azavar was approved by council and indicated there was no out-of-pocket expense. They were paid upon revenue being discovered.

This would be presented at the next Council Meeting, January 06, 2020.

II. DISCUSSION/PRESENTATION – COMPTROLLER'S OFFICE RENOVATION:

Mrs. Partipilo explained that Assistant Comptroller, Tawanda Joyner was overseeing the project and was unavailable to be present due to a family emergency.

This will be placed on the next Committee Agenda, January 06, 2020.

Alderman Mayfield moved, seconded by Alderman Allen that Finance Committee Meeting stand adjourned.

MOTION CARRIED BY VOICE VOTE

Alderman January was absent.

The meeting adjourned at 7:17 p.m.

ECONOMIC DEVELOPMENT/PLANNING/ZONING COMMITTEE MEETING

MONDAY, DECEMBER 16, 2019
7:17 PM

Alderman Allen called the meeting to order.

ROLL CALL:
Present: Fisher, Mayfield, Evans, Allen, Markham, Runnels
Absent: January

I. DISCUSSION – CANNABIS-RELATED ZONING TEXT AMENDMENTS:

Economic & Community Development Director, Victor Barrera explained a public hearing was held, **November 25, 2019**. He read the stipulations of the Cannabis-related Zoning Text Amendments. The Planning/Zoning Commission Board recommended requirement of an application process. In addition, the City Attorney advised requirement of adopting a resolution to control the number of applicants receiving the special-use permit to operate a dispensary. The proposed regulations would prohibit on-site consumption at a dispensary. As a result the use of recreational marijuana there was limited use not which was not considered a "public place" under the law.

Alderman Evans questioned who would be the overseer. The Mayor clarified only (**1**) license and council was to approve the dispensary unlike the liquor licenses. He provided a scenario.

Attorney Simon explained there was currently a limited number of dispensary licenses in Illinois. They would apply to the State of Illinois first; a state license required, then awarded a special-use permit that with Council approval.

The Mayor explained all applicants would present their case before the Planning/Zoning Commission. The board would present their recommendation to City Council.

Alderman Evans questioned what side of Rt. **41** with cannabis dispensary location. Attorney Simon explained when it was presented in October **2019**, it was described that the overlay district would be located on both sides of the overlay district south of Buckley Rd.

Alderman Evans questioned what if the council decided differently. The Mayor stated the process would cease.

Alderman Runnels stated it was located in his ward. The Mayor clarified it wasn't ward specific. The location of recreational cannabis would be in the overlay district of Rt. **41**, south of Buckley Rd. It was contingent upon the distributor and the City was approving just the location at this time. He stated that the City could elect **3%** from the distributor sales and informed an estimated received **$80,000,000 a**nnually.

Alderman Mayfield questioned quantity of distributors recommended by the Planning/Zoning Commission. The Mayor suggested attending their meetings resulting in a better decision. She inquired if the Planning/Zoning Commission could present their recommendation to City Council if Council could not attend.

Attorney Simon once there was a public hearing before the board, the recommendation for the application(s) would be presented to council and have the final decision.

Treasurer, Kenneth Robinson questioned clarification of the ordinance including retail sales/growers. He also suggested if the City could have a separate ordinance for them. Attorney Simon clarified it pertained exclusively to dispensaries and only if the City allowed it. There couldn't be tax for cultivation centers.

The Mayor questioned if acceptable per company agreement if beneficial to the City. He suggested selling water to the growers. Attorney Simon stated with a Special Use Permit. He clarified the definition of a Cannabis Business was based per state law. He suggested a minor change to include infuser organizations, cultivation centers, transportation companies and any other cannabis businesses identical to recent state law.

The Mayor questioned was the term infuser organizations. Attorney Simon explained the process was to place cannabis extract in other products. The dispensaries could sell those items and at this time not permitting the businesses creating them.

Alderman Runnels questioned if there was required distance from video gaming for operating cannabis dispensaries. Attorney Simon indicated there were no requirements with separating the

two. The City could exercise zoning approval to create separation with schools parks or other sensitive areas.

Alderman Markham stated that State Representative Mayfield offered suggestion to the aldermen with educating their constituents concerning upcoming changes. He questioned if the state wasn't enforcing it why were the aldermen responsible for informing them and if the revenues collected would be specifically designated to the pensions. The Mayor clarified upon the state changes, the City was responsible in relaying it to the residents. The Mayor indicated that City Council had the final decision how they were directed. The funds would be allocated upon city needs and to increase % of the pension funds.

Attorney Simon explained there wasn't a tax ordinance presented yet. The discussion was concerning the dispensaries. Attorney Markham emphasized the need of specifically designating the funds. Attorney Simon stated was contingent upon initially approving the zoning, secondly, presenting the tax ordinance and it could be decided to earmark the revenue for a particular purpose.

The Mayor stated nothing was confirmed, it was new for the State of Illinois and there could be possible changes. Alderman Markham stated the consensus of the residents disagreed at the last meeting he attended.

The Mayor indicated at the Planning/Zoning Commission Meeting, a minority distributor was preferred and not mandatory. The State also indicated the minorities should be the distributors. Attorney Simon explained there were bonus points provided if qualified as a social equity applicant. It was also indicative of the special permit process. The City of North Chicago area was largely represented as a whole and to offset negative impacts to the community the City was expressing a preference to benefit the disadvantage individuals so social equity applicants to operate and participate with businesses.

The Mayor explained it would now allow any distributor willing to apply for a state license in the City. Attorney Simon added that all applicants would be compared and considered.

Alderman Allen questioned clarification. The Mayor explained that initially the zoning was established for only (**1**) individual to request a license and elaborated further. It would follow the same process of presenting it to Planning/Zoning Commission and then before City Council.

Alderman Fisher had questionable concerns with smoking at the dispensary. Attorney Simon explained it was for home consumption and not permitted in public places.

The Mayor added per State Representative, Rita Mayfield, that smoking indoors not in the presence of minors.

Alderman Markham questioned clarification of growing cannabis. Attorney Simon explained only up to (**5**) plants could be grown for medical use and the individual needed a medical marijuana card. The police could only enter a home if they have sufficient justification.

Alderman Runnels clarified location of the dispensary upon council approval.

II. DISCUSSION – SALE OF SURPLUS PROPERTY, 0 KEMBLE AVENUE; PIN 12-05-222-024:

Economic & Community Development Director, Victor Barrera provided the addresses of **2128** and **2124** Kemble Ave., zoned R3; Single-Family Residential and estimated **3062** sq. ft. The City's Zoning Ordinance required a minimum lot of **6,000** sq. ft. to build a new home and was considered "unbuildable. Staff had received interest from a nearby property owner to acquire the property and they have been advised of the City's methods of disposing surplus real estate. It was the staff's recommendation of the bid method. Mr. Barrera would advertise notice and place several notices sign on the property. As a courtesy would contact adjacent owners if any interest. It was between (**2**) properties utilized He explained the legal requirements. Another method to disclosing the lot was the side-yard lot program which would qualify. The bid method allowed anyone the awareness of the property.

Alderman Evans had strong concerns of another previous lot. Mr. Barrera reiterated the optional procedures. It was relatively new for the City refining the process as property sold and room for improvement in notifying the public of the opportunities.

The Mayor added the need of consistency with everyone.

Alderman Allen requested ensuring similar process.

III. PENDING MATTERS:

Alderman Allen requested a Sheridan Crossing update in the middle of January **2020**. Mr. Barrera stated would provide a report the following month.

Alderman Runnels moved, seconded by Alderman Mayfield that Economic Development/Planning Zoning Committee Meeting stand adjourned.

MOTION CARRIED BY VOICE VOTE

Alderman January was absent.

The meeting adjourned at 7:57 p.m.

COMMITTEE OF THE WHOLE

MONDAY, DECEMBER 16, 2019
7:58 PM

Mayor Rockingham called the meeting to order.

ROLL CALL:
Present: Fisher, Mayfield, Evans, Allen, Markham, Runnels
Absent: January

I. DISCUSSION – B-W(2) LIQUOR LICENSE FOR MOBIL STATION AT 3396 BUCKLEY RD: (MR. ZORAVAR NATT)

The Mayor explained the owner of Buckley Mobil was issued a gaming license and assumed it included beer/wine for purchase or sale and as a result had purchased coolers. Mr. Natt was present at the meeting. His expenditure estimated **$80,000** for coolers. He asked council for beer and wine liquor license.

The Mayor added that Mr. Natt was in the process of renovating his business. Mr. Natt indicated he was attempting to beautify the entrance to the City, his business included naval customers adding to the revenue.

This will be placed on the next **Council Agenda**, **January 06, 2020**.

Alderman Runnels moved, seconded by Alderman Mayfield that Committee of the Whole stand adjourned.

MOTION CARRIED BY VOICE VOTE

Alderman January was absent.

The meeting adjourned at 8:01 p.m.