

**ECONOMIC DEVELOPMENT/PLANNING/ZONING
COMMITTEE MEETING**

**MONDAY, MARCH 02, 2020
6:53 PM**

Alderman Allen called the meeting to order.

ROLL CALL:

Present: Fisher, Mayfield, Evans, Allen, Markham, Runnels, January

Absent: None

I. REVIEW/DISCUSSION OF BIG ED'S BBQ:

Victor Barrera, Economic & CD Director explained that the owner and operator of Big Ed's BBQ Ed Nero, expressed interest in building a new restaurant and banquet facility including additional retail space. The proposed facility estimated to be **7,500 sq. ft.** The City owned **(2)** of the **1.7** acres. The subject parcels were zoned **B2** (General Business) and was permitted in the zoning district. The owner was strongly interested with the council member's feedback before proceeding with the proposed development that would involve an agreement. IDOT would be needed for access off Green Bay Rd. Currently it was unknown if any zoning variances would be required. The proposed development would increase the sales and property tax revenue for a returning business to the City. Mr. Nero was present for any questions or comments.

Alderman Allen and Runnels welcomed back Mr. Nero (Big Ed's).

Alderman Allen stated that the project should move forward.

II. REVIEW/DISCUSSION OF SHERIDAN CROSSING 30-DAY REPORT:

Mr. Barrera explained that Structured Development would provide a presentation and oral report at the **April 06, 2020** committee meeting including a project update.

Alderman Allen questioned the difference in the 30-day report. Mr. Barrera explained following due diligence, the industrial developer opted not to move forward. Structure Development was in process of negotiation with the user.

The Mayor agreed was a better opportunity for its completion.

III. DISCUSSION OF PROCHAMPS VACANT REGISTRATION:

Nimrod Warda, Sr. City Planner introduced Stan Urban, representing ProChamps, established in **2009**. The company would assist the City in holding responsible parties accountable to register their vacant and foreclosed properties in a more efficient method reducing staff time.

Mr. Urban explained he was a property manager; there was no direct city cost and a structured agreement with shared Foreclosure registration fees of **\$300** semi-annually. ProChamps retained **\$100** of **\$300** semi-annually and the Municipality received **\$200** for both foreclosure and vacant properties. It was inclusive of a 2-year no cost partnership and 30-day opt-out clause. The personal information would be provided to the mortgagee. The collection rate was **85+%**. At this time, the City of North Chicago currently had **(81)** active foreclosures and **(236)** vacant buildings. ProChamps would also provide a web-based communications platform with the property managers and/or other parties with financial interest in a parcel.

He clarified ProChamps represented **250** customers nationally with no opt-outs.

Alderman Evans questioned clarification if Economic Development Department had the same program. Mr. Warda acknowledged they did and essentially the same cost, yet ProChamps allowed less staff time for research and contact with significant amount of challenges.

Alderman Markham questioned if it would involve downsizing staff if agreed with the program.

Mr. Warda stated it wouldn't, however it allowed more time for the code enforcement issues and additional debt collection fee of **35%** utilizing their services. Mr. Urban added it would provide makes staff's job more efficient and effective.

Alderman Evans questioned the number of ProChamps employees, their location and ECD staff count. Mr. Urban; **144 employees** based in Florida. Mr. Barrera explained the duties of the front office and the inspectors in their department.

Mr. Warda stated there would be a city cost and time savings; information readily available online to any city staff that was stored in a database.

Alderman Mayfield questioned if the City had the capability of identifying properties in process of foreclosure. She agreed the service would save much time and staff of better use. Mr. Warda acknowledged they did.

Mr. Urban stated currently bills were being sent to vacant properties. Mr. Warda explained that the places they support were similar to North Chicago demographically.

Alderman Evans clarified there was a current computer program that was costly and why it couldn't be utilized providing the services with staff training to avoid seeking contractors.

Alderman Allen agreed was the opportunity to seek for any cost savings. Mr. Warda added it was very challenging since the departure of previous consultant to properly maintain that foreclosed/vacant properties. Mr. Urban closed stating the program involved more.

This will be placed on the next **Council Agenda, March 16, 2020.**

IV. REVIEW/DISCUSSION OF GAMING LICENSE AT 1720 SHERIDAN ROAD: (ALD. ALLEN'S REQUEST)

The last motion was denied at former Council Meeting, **February 03, 2020.** It was returned to Committee for further discussion.

Awad Samhan, Owner of VIP Liquor stated was reapplying for the gaming license; there was only **(4)** machines and a possible restaurant, attempting to acquire more business.

Alderman Evans questioned how a possible restaurant with minimum availability. Mr. Samhan explained would reduce the 12-door coolers to **(4)** providing ample space.

Alderman Mayfield questioned timeline of restaurant after obtaining the machines. Mr. Awad stated within a year located in the back of the building. She agreed with the location.

This will be placed on the next **Council Agenda, March 16, 2020.**

V. REVIEW/DISCUSSION OF LIQUOR IN GAS STATION ESTABLISHMENTS: (ALD. ALLEN'S REQUEST)

Karim Merchant, Owner of gas station establishment at the intersection of MLK Dr. and Lewis Avenue. He provided the history of a 17-year owner of a family establishment and resident of the

City. It was difficult to compete with the dollar store, his plan of a future restaurant within a year; there was much expenses.

The Mayor questioned clarification that he was requesting hard liquor since he received beer & wine; Mr. Merchant acknowledged he was. The Mayor clarified it would open the same request to other gas stations in the City.

Alderman January questioned the number of liquor establishments on MLK Dr., how was he anticipating on competing with other liquor stores; Mayor; **3** that he recalled. Mr. Merchant elaborated further. She had strong concerns with so much gaming and liquor and future economic development; there was no necessity for gaming in a liquor store; gas stations with various liquor. Eventually it would level with the city revenue. She wasn't sure it was the vision of North Chicago.

Alderman Markham questioned who placed the item on the agenda. Alderman Allen explained that he was asked by someone.

Alderman Evans clarified there were existing gas stations with liquor and slot machines. There was nothing to prevent it and it was the individual's decision. He compare it to same concept of Cannabis. He was open to new development.

Alderman Markham had resident petitions that disagreed with beer and wine and needed some limit with liquor. He suggested assisting with Sheridan Crossing on MLK Dr. with future businesses. He wasn't supporting the request.

Mr. Merchant reiterated was a family business and only had **4/5** ft. of shelving space. He was **1** of **7** gas stations that was a family business. Alderman Markham questioned his current residence; Mr. Merchant Northbrook. He clarified his business was located in North Chicago and resided elsewhere.

VI. REVIEW/DISCUSSION OF SURPLUS PROPERTIES: (ALD. ALLEN'S REQUEST)

Economic & Community Development Director, Victor Barrera explained reviewed the city code amendment procedures for surplus real estate. There were several non-for-profit organization that expressed interest. Alderman Allen questioned number of homes built since partnered with Habitat for Humanity; Mr. Barrera explained they have built estimated (**6**) single-family homes in the City within the last (**2**) years.

Mr. Warda explained they owned some properties purchased; The City had donated (**3**) lots to them.

VII. REVIEW DISCUSSION OF STRAWBERRY CONDOMINIUMS FLOOD RELIEF – PROPERTY ACQUISITION:

Mr. Warda explained that Strawberry Condominiums were searching to relieve some of the flooding concerns immediately by initiating a new drainage improvement project on the southwest portion of their development. The Stormwater Management Corporation supported the project and agreed to fund it. It would amount to **\$140,000+ cost relief** at no cost to the residents and only easement costs for Strawberry. The property owner to the north had agreed to sell (**2**) parcels, totaling estimated **\$2,000**. They were willing to sell for only costs incurred. The City would be responsible for the upfront cost and would be **100%** reimbursed. There were also an estimated (**4**) parcels south owned by the City.

Alderman Runnels (**6th ward**) concurred with the plan, a former resident of the Strawberry Condominium complex and also experienced flooding problems. A ward meeting would be scheduled. In addition, Mr. Warda would arrange a meeting with the homeowner's association with the details.

The Mayor explained he was a board member of the Lake County Storm Water Commission, and an ongoing process since the last flooding and agreed it was the best plan in attempting to alleviate some of the flooding. There also was an upcoming meeting scheduled.

This will be placed on the next **Council Agenda, March 16, 2020.**

VIII. REVIEW DISCUSSION OF MARIJUANA GROWERS:

Kevin O'Connor, Attorney/applicant estimated **\$44,000** annually for video gaming vs. **\$44,000** monthly for marijuana growers. He stated had previously mentioned would assist in providing the opportunity of economic development to the City of North Chicago. Phase II was the craft growers, infusers and transportation. It was an industrial setting and growing would be exclusively indoors. The infusing process was creating products from the plants. Transportation entailed the delivery of various sites. There were **(40)** licenses currently in the State of Illinois.

The council would decide the best location of the manufacturing plant to serve the entire community. It would assist in changing the city's framework. An ordinance wasn't required only a document signed by the Mayor.

Ronald Garrera, Accountant explained he has been involved with cannabis through real estate since year of **2012**. A different approach was legitimizing the industry. His team was licensed with grow houses in the following states: California, Kentucky, Colorado and Nevada. The City would receive **2.5%** of the commitment gross revenue within a 5-year span. Their plant would provide a highly regulated security business locally integrated.

Lonnie Anderson team member explained his teaching experience and with various businesses. He clarified they were also a minority company and preferred hiring from North Chicago that would be plant trained and an ongoing educational process. It would commence with **20-45** approved applicants that could grow up to **(200)** employees. They preferred non-discreet in the community.

Alderman Mayfield questioned the percentage of minorities; and why the City of North Chicago was selected with a short-timeline. Mr. Anderson: **51%**.

Mr. O'Connor explained if no specific ordinance in place only a letter was required for the particular location. Alderman Mayfield sensed some urgency and unsure if it was fair for other opportunities. Mr. O'Connor clarified it was the particular location and not approving a company. He encouraged the state with consideration of North Chicago.

Mr. Garrera explained the application was very lengthy for production and there was a timeline to be met.

Alderman Allen questioned security aspect. Mr. Garrera stated the security vendors were approved from the State of Illinois.

The Mayor questioned if the local security could be certified from the State. Mr. O'Connor stated that the existing list was approved by a union group and State. If non-union, would be a longer process.

Alderman January questioned how was the environment protected if products were organic and its location in the City. Mr. Garrera explained they followed OSHA standards with the latest of technology. Mr. O'Connor explained option of Rt. **41** or Commonwealth Avenue south of Martin Luther King Dr.

Alderman Allen stated the result would be economic growth and opportunity.

The Mayor questioned clarification of the letter and explained there was a remaining process to be approved. Mr. O'Connor stated it was a limited letter including the zoning regulations etc. He reiterated it was exclusively indoor related including transportation.

Attorney Silverman asked where was the letter utilized from. Mr. O'Connor stated wither the Mayor or Zoning Board Chairperson.

Alderman Mayfield questioned if the City received **2.5%** from each entity; craft growers, infusers and transportation. Mr. O'Connor acknowledged they would. The ordinance could determine percentage. The state indicated **2.5%** from revenue received.

Alderman Fisher suggested need for additional discussion and research amongst the council members.

Attorney Silverman questioned the alternative location of McHenry IL and/or signed a letter. Mr. O'Connor explained that the Mayor was willing to sign the letter and nothing yet from McHenry. Mr. Silverman inquired the basis of projected revenue; Mr. Garrera stated the industry standards principally in the State of Illinois. The harvest had possibility of contributing to the economy.

Mr. O'Connor stated the deadline was **March 16, 2020**. The letter was indicative that the City of North Chicago would allow the license with the type of company.

Alderman Evans clarified nothing was promised. There were strong concerns of liquor vs. marijuana and it needed more discussion. He disagreed attending the Special Meeting. Mr. O'Connor explained the difference of a manufacturing plant creating opportunities that would transport across the State of IL. Mr. O'Connor clarified the licenses for craft growers was for the purpose of **(1)** location. It was well worth it for millions to the community.

Alderman January agreed with the Special Meeting to discuss the issue due to its urgency of the licenses.

Alderman Markham stated wouldn't be available. There should have been more discussion and disagreed.

Dwayne Williams, Security Agency, VP of Operations explained was a private contracted security certified with the State of Illinois. If contracted, the people would be hired and trained armed/unarmed at the location. He elaborated further of his experience in North Chicago. The Project Manager explained his experience and elaborated further of Williams' Security etc.

Mr. O'Connor questioned if the security agency hired locally as independent contractors, wages and if any benefits. Mr. Williams; employees.

Don Heworth, Private Investigator explained his history experience and would be taken in consideration with the wages/benefits and armed. Mr. O'Connor was more concerned of a flexible plan for the employees.

Alderman January left at 8:41 p.m.

Attorney Silverman questioned if the security company had a contractual relationship with the manufacturing company, EVOKE. Mr. Heworth stated he didn't. Alderman Allen explained was a presentation of the security agency.

Alderman January returned at 8:45 p.m.

It was decided a Special Council Meeting, Thursday, **March 05, 2020; 6:00 p.m.**

Alderman Runnels left at 8:49 p.m.

IX. PENDING MATTERS:

DAYCARE STATUS ON SHERMAN AVE.

Alderman Markham questioned status with daycare on Sherman Avenue. Economic & Community Development Director, Victor Barrera explained the owners had recently acquired building's possession and was in process of marketing package and/or exploring all options. Alderman Markham questioned clarification of the other entity and the name of the current owners; Mr. Barrera; they were filing for bankruptcy and the name of the recent owners were North Star Commercial Property from Denver, CO. Alderman Markham questioned if they would manage the property tax. Mr. Barrera acknowledged they would.

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

MOTION CARRIED BY VOICE VOTE

The Meeting adjourned at 8:51 p.m.

**BUILDING/LICENSE
COMMITTEE MEETING**

**MONDAY, MARCH 02, 2020
8:51 PM**

Alderman January called the meeting to order.

ROLL CALL:

Present: Fisher, Mayfield, Evans, Allen, Markham, Runnels, January

Absent: None

I. DISCUSSION OF COMMUNITY RESOURCE CENTER AND BUILDOUT: (FORMER POLICE RECORD'S AREA)

Chief of Staff, Deb Waszak explained upcoming development of a Community Resource Center and buildout, in the former police record's area. The Police Department was awarded totaling **\$600,000** 3-year grant to provide certain services to the community. The proposed Community Resource Center (former police records area), with a case manager/social worker would provide a safe space for members of the City including counseling, education, workshops, and referrals for victims of domestic violence, those struggling with drug addiction and other issues. The police records was currently located in the Finance Department in the Comptroller's Office. This year in **June 2020** Abbvie would repurpose the previous area, estimated **(12)** volunteers and may also assist with the design and installation of the room furnishings. She provided a layout of the new area. The mural would be community oriented. An additional **\$130,000** Shot Shooter grant would provide policing related needs. A portion of the grant would be utilized for the furnishings and buildout of vanilla box project.

Alderman Allen questioned why local licensed business companies weren't considered for the project in the City. The City preferred local contractors in the community. Mrs. Waszak clarified wasn't involved. The individual was aware in the Economic & Community Development Department.

Alderman January and Mrs. Waszak would both reach out to the Facility Manager.

Alderman Evans supported idea of **(3)** bids. The Mayor clarified in process of acquiring other bids.

Alderman January was in favor and expressed her appreciation.

II. PENDING MATTERS:

There was nothing for discussion.

Alderman Runnels moved, seconded by Alderman Mayfield that Building/License Committee Meeting stand adjourned.

ROLL CALL:

Ayes: Fisher, Mayfield, Evans, Allen, Markham, Runnels

Nays: None

Absent: None

The meeting adjourned at 9:00 p.m.

COMMITTEE OF THE WHOLE

MONDAY, MARCH 02, 2020

9:00 PM

Mayor Rockingham called the meeting to order.

ROLL CALL:

Present: Fisher, Mayfield, Evans, Allen, Markham, Runnels, January

Absent: None

1. REVIEW/DISCUSSION OF TEE PEE'S GAMING PARLOR LIQUOR LICENSE:

The Mayor explained that the original request was for a Gaming Parlor Liquor License. The applicant stated would utilize the suite to Tee Pees establishment and he was aware that liquor was included. When it was built, it resulted not adjacent to the suite. It was addressed by an Alderman, and he, the Mayor conveyed to the attorney for direction to resolve it.

The owner of Tee Pee Liquor identified as "Ronnie," apologized for any confusion. The original plan was for next door.

The contractor had determined it was an older building and decided build inside (1) building yet (2) rooms.

The owner was unaware it would affect the liquor license. He provided plans which were distributed.

The Mayor explained the original discussion for request of completely enclosing the gaming parlor area.

Alderman Markham left at 9:08 p.m. for the night.

Alderman Allen left at 9:09 p.m.

Alderman Evans asked if there was an inspection performed. Mr. Ronnie acknowledged there was. He thought everything had complied with the City.

The questioned clarification of the original plans. Mr. Ronnie explained he proposed it was to be next door. He indicated would need additional time and requested the same address of **1801**.

Alderman Allen returned at 9:13 p.m.

Attorney Silverman stated the gaming area needed to be separate from main business. There were (2) separate licenses from the same property. The GP license (pouring) was anticipated for the next door suite. It was a separate area for the gaming that had controlled and secure access.

Alderman Evans asked for his advice. Attorney Silverman explained there were (2) options; bound enclosure within the liquor store floor plan or his understanding that the owner was willing to move next door that would be more costly.

The Tee Pee Owner stated was up the city council's decision to allow separate doors yet enclosed door within the liquor store. He would comply accordingly.

The Mayor had strong concerns of it in the building. It would open up to other liquor store same requests.

The female terminal operator indicated it would be more time up to a year involved with the State and City of North Chicago if moved next door.

The Mayor directed options to the council members and attorney if another vote was required. Mr. Silverman stated was somewhat of a “grey area.” A vote would be appropriate to accept an option of the enclosure within the existing floor plan of Tee Pee Liquor Store or original plan with the suite next door.

The owner stated he was a new Tee Pee owner since end of **2018**. The contractor and he discovered the condition of the building next door. Alderman Evans clarified the City was privy to the shape of the structure. Mr. Ronnie was willing to extend it further back and place a door in the backway. It would meet all City requirements. The state agreed with (2) licenses of the same location and separate pouring license if approved by the City.

Alderman January stated there was much to resolve changing it to original agreement. She questioned if the state would leave the existing machines until the change. Her concerns if allowed enclosure of the liquor store. She suggested remaining steadfast with the original decision moving forward. Mr. Ronnie reiterated was willing to comply with the council member’s option.

The Mayor echoed Alderman January’s sentiments. He would allow the time with needed corrections, the machines could remain on and recommended remaining with the original plan. It would be conveyed to the necessary departments with the changes.

Alderman Evans questioned the timeline and that the situation was unfortunate for the owner. Mr. Ronnie explained an estimated 2-3 months.

Alderman Mayfield and Allen agreed with the original plan of next door.

The Mayor stated the general consensus was to move it next door. It would be legally documented.

The female terminal operator suggested next door would maintain under the name of and remain the same address as Tee Pee Liquor Store; **1801** Martin Luther King Dr., reducing time of an additional license. She stated would reach out to the State to follow inspection procedures etc.

Mr. Ronnie added for the state licenses he would renew both municipal licenses by **April 30, 2020**,

The Mayor explained would provide The Tee Pee owner, (Ronnie) a year’s allotted time with the state gaming board, continued operations. It would also be legally documented.

Attorney Silverman questioned if enclosed with a separation from the main business. The Mayor stated there wasn’t and he elaborated further. The owner explained there wasn’t an existing wall preventing entrance.

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

MOTIO CARRIED BY VOICE VOTE

Alderman Markham was absent.

The meeting adjourned at 9:31 p.m.