

MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, FEBRUARY 18, 2020, AT 7:06 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, 2828 SHERIDAN ROAD, ZION, ILLINOIS

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Mayor McKinney called the meeting to order.

On call of the roll the following answered present: Commissioners Frierson, Fischer, McDowell, Holmes, and Mayor McKinney. A quorum was present.

Also present: Police Chief Kirk Henderson, Fire Chief John Lewis, Public Works Director Ray Roberts, City Administrator David Knabel, Building & Zoning Director Richard Ianson and City Attorney James Vasselli.

Mr. Bremner led in the Pledge of Allegiance to the Flag.

AGENDA CHANGES

It was moved by Commissioner McDowell, seconded by Commissioner Frierson to accept the City Council meeting agenda as presented:

The vote on roll call was: Commissioners Frierson, aye; Fischer, aye; McDowell, aye; Holmes, aye; and Mayor McKinney, aye. Motion carried.

CITIZEN COMMENTS

There were no Citizen Comments

CONSENT AGENDA

It was moved by Commissioner Fischer seconded by Commissioner McDowell that the Minutes be approved as follows:

- (a) **APPROVAL OF MINUTES:** of a Regular Meeting held on February 4, 2020 at 7:00 p.m.

The vote on roll call was: Commissioners Frierson, abstain; Fischer, aye; McDowell, aye; Holmes, aye; and Mayor McKinney, aye. Motion carried. It was noted that the minutes were amended to reflect the absence of Commissioners McDowell and Frierson on the approval of Ordinance 20-O-5.

It was moved by Commissioner Fischer seconded by Commissioner Holmes that the Bills be approved as follows:

- (b) **BILLS:** Vouchers 134461 through 134542 drawn on Huntington National Bank, N.A. Total: \$600,188.30.

The vote on roll call was: Commissioners Frierson, aye; Fischer, aye; McDowell, aye; Holmes, aye; and Mayor McKinney, aye. Motion carried.

ORDINANCE/DISPOSITION OF SURPLUS PROPERTY/FIREARMS

A memo (20-DOC-13) was received from Chief Henderson requesting permission to declare various firearms as surplus property and transfer them to a local FFL (Federal Firearms License) dealer. The money will be held on account and allocated for firearms training on the FFL dealer range. The appraised value of these firearms total \$750.00.

It was moved by Commissioner Frierson, seconded by Commissioner McDowell that an Ordinance (20-O-8) be passed declaring various obsolete, unwanted firearms in the Police Department as surplus property and approving the transfer of these firearms to a local Federal Firearms Licensed dealer. The vote on roll call was: Commissioners Frierson, aye; Fischer, aye; McDowell, aye; Holmes, aye; and Mayor McKinney, aye. Motion carried. Ordinance passed.

ORDINANCE/LETTER OF INTENT/JALA HOLDINGS, LLC

Attorney Vasselli stated the attached Ordinance is approving and authorizing a certain Letter of Intent (LOI) with Jala Holdings, LLC. The purpose of the Ordinance is to authorize the Mayor or his designee to enter into a LOI with Jala or the single purpose entity (SPE) and to further authorize the Mayor or his designee to take all steps necessary to carry out the terms and intent of the Ordinance and to ratify any steps taken to effectuate the goals. Most of the provisions in the LOI are non-binding in nature. It allows the City to terminate the LOI unilaterally if a contract has not been executed by both Parties by or prior to July 4, 2020. He stated the revised Ordinance is regarding a discrepancy in the location proposed for the LOI; the old Dunes Theater location at 3398 Sheridan Road. Although there are binding and non-binding provisions in the LOI, binding provisions can be terminated with a unilateral letter from the City. Mayor McKinney asked the significance of the July 4th deadline. Attorney Vasselli stated the date was inserted by the submitter, if they cannot come to an agreement by July 4, 2020 they will need to amend it or move along. He stated the termination provision provides flexibility for both parties. Commissioner Frierson asked if they are approving the LOI to hold the property for negotiations and once an agreement was made, would it come back before the Council for approval. Attorney Vasselli stated there may also be hearing if it is determined the use is not acceptable and if an agreement is made, it would go before the Zoning Board first and then the Council. Commissioner McDowell asked if the proposed location was 3398 Sheridan Road on the corner of Sheridan Road and 34th Street. Attorney Vasselli referred the question to Jala Holdings. Lex Carter, Jala Holdings, confirmed that the old Dunes Theater was the correct location which is three acres which they would like to use for craft cultivation as well as infusion. Commissioner McDowell asked if the intent was to also do craft growing in the Central Business District. Mr. Carter stated it was their intent to also do craft growing but would abide by a location that was acceptable to the City. He stated the State allows for 40 craft grow licenses and 60 infusion licenses. Commissioner McDowell asked if anyone has been in contact with Retail Strategies as they are actively marketing the site. He asked if there were any pending or potential businesses that desire to be in the same location. Attorney Vasselli stated he has spoken with about ten development groups relative to the location. Per the LOI it has been agreed upon that Zion will be actively marketing the site and there is a chance that they want to co-locate with another user. He did speak with Retail Strategies and they stated this business would likely attract other businesses there and they have no problem with co-location on the site. He stated there has been some due diligence done on the site. He stated it is a relatively new industry and the studies are new or non-existent. Commissioner McDowell asked Jala if they were aware that that location would require a Special Use Permit and asked if they have begun the process. Brande Hampton, Jala Holdings, stated the process is very competitive and they would only go through the Special Use process within the Municipality if they are awarded a State license. If the City decides they do not want to move forward with process or the site does not work, then they have the option to relocate. Commissioner Frierson stated in looking at Section C, the statement is not the same as discussed and asked for clarification of the options for the property. Attorney Vasselli stated it was previously discussed that they have already entered in to negotiations by marketing the property and it was acknowledged in writing by Jala Holdings so they are aware the City is continuing to market the property. They also know it is possible the City will be co-locating at the site. He reminded the Council they can unilaterally terminate the agreement by sending a simple letter. The State licenses will awarded to the applicants on July 1st. Commissioner Frierson asked if the approval of the LOI aids in the application process for the State application. Mr. Carter stated yes it was part of the application process. Ms. Hampton stated two of the founding members of their organization are from the area and have dreamed of coming back to give back to the community. The City of Zion is located in what is considered to be a social equity and impoverished area. She stated the amount of good that can be brought to a community through cannabis is immense. It is an opportunity to bring jobs and income to the City. Commissioner Frierson asked if they had social equity applicants. Ms. Hampton stated yes, they were a social equity company and work with unions to support the communities that they go into. Commissioner Fischer thanked all parties involved for the all information that was provided. Commissioner McDowell stated he is not in favor of the company locating in the Central Business District. He feels the State made a bad decision in legalizing marijuana. Because it is a City owned property, he would like to see the business locate somewhere else besides the Central Business District.

It was moved by Commissioner Fischer, seconded by Commissioner Holmes that an Ordinance (20-O-9) be passed approving and authorizing a certain Letter of Intent (LOI) with Jala Holdings, LLC or One Its Subsidiaries. The vote on roll call was: Commissioners Frierson, nay; Fischer, aye; McDowell, nay; Holmes, aye; and Mayor McKinney, aye. Motion carried. Ordinance passed.

ORDINANCE/FIRST AMENDMENT/AGREEMENT/GURNEE DISPATCH

Administrator Knabel stated a few years ago the City entered into an Agreement with the Village of Gurnee for dispatch services. The State of Illinois required municipalities with fewer than 25,000 residents to consolidate their emergency

dispatch services with larger communities. The current contract will expire in April, 2022 but with the impending purchase of the Starcom radios for the police and fire service a good portion of the \$300,000 will be covered by the Joint Board with Gurnee and Zion. They are looking to finance the amount over 3-4 years but the contract would expire before that. He spoke with Gurnee about extending the existing contract so they could have some assurance that the City would be going beyond the 2022 contract expiration. They have extended the contract to 2025 and proposed freezing the current dispatch rate for next year which will save the City about \$25,000. After that, the contract will go back to the original terms with CPI increases every year not to exceed 3 ½ percent and not be less than 1%. The terms will be the same as what is in the current contract. The City does get some savings by extending the contract now and will have a significant portion of the \$300,000 expense for the radios covered by the Joint Board. He stated things with Gurnee may have started out rocky but both Chiefs have worked with the Board and worked things out. He recommends moving forward with the approval of the contract. Mayor McKinney stated when consolidation was first initiated there was some misconceptions from the citizens on why the City was consolidating with Gurnee. He asked Administrator Knabel if it was State mandated to consolidate with Gurnee Dispatch. Administrator Knabel stated that they did not have to go with Gurnee Dispatch but they were required being under 25,000 in population to consolidate and they looked at options and Gurnee was the best option. At the time there was a savings over what they were spending for their own dispatch, equipment, maintenance and personnel. There was about a \$50,000 savings at that time to contract out dispatch. The City will continue to see a savings in lieu of having their own dispatch. Mayor McKinney directed questions to Chief Henderson and Chief Lewis regarding the early issues and concerns from residents and Gurnee dispatch. Chief Henderson stated he communicates with dispatch on a daily basis and they have met quarterly to discuss any issues. The Fire Department meets on a bi-monthly basis and they continue to refine the processes. Gurnee is dispatching for 2 police departments and 4 fire departments. They are trying to keep things general but with a slight customization which seems to be working out well. They have been able to test out the Starcom radios to see how they will work in the area. The City would not have been able to afford the \$327,000 for the Starcom radios on its own as City revenues would not allow for it. The Joint 911 Board with Gurnee allows them to fund 84% of the costs. This is a critical piece of their operations as their current radio network is aging and failing requiring numerous repairs and suffering outages

Commissioner McDowell stated when the drill took place at Zion High School he asked some of the officers and firefighters how they would be keeping in communication with the multiple responding departments. They said it would be difficult because they are all on different radio frequencies. To have the Starcom radios will be a big advantage.

It was moved by Commissioner McDowell, seconded by Commissioner Holmes that an Ordinance (20-O-10) be passed approving and authorizing a First Amendment to an Intergovernmental Agreement between the City of Zion and the Village of Gurnee. The vote on roll call was: Commissioners Frierson, aye; Fischer, aye; McDowell, aye; Holmes, aye; and Mayor McKinney, aye. Motion carried. Ordinance passed.

DEPARTMENTAL COMMENTARY

Director Ianson stated they have finally finished up with the recent demolitions through the IDA Grant. Since 2015 the City has taken down 22 structures through the Grant. They will continue to apply for future grants to continue to take down condemned buildings.

Director Roberts stated IDOT has informed him that the Route 173 re-surfacing project from Sheridan to Lewis will be going out for bid sometime in June. He stated the construction cycle should begin somewhere between August and October. They will also be including some drainage. Additionally, he hopes to hear from Lake County around March 30th regarding the STP submittal the 27th Street resurfacing project from Galilee to Emmaus.

Administrator Knabel stated the Joint TIF Review Board recently conducted a meeting for the first step in the establishment of a new TIF district covering from the 173 corridor to Lewis Avenue out to Green Bay Road up Lewis Avenue down to Kenosha Road. The Redevelopment Plan is on file with the Clerk and there will be a Public Hearing on March 17th at 5:00 to present the TIF Redevelopment plan to the public.

Chief Lewis recognized Doug Reno, a former member of ESDA from 1993-2007 who passed away on January 20, 2020.

Chief Henderson gave an update on personnel. At one point they were down 8 officers. One officer has recently gone out on his own, and they welcomed back an officer who was gone for 12 months on deployment. There are 3 officers that are currently in field training and will be coming out in April or May. There are 3 recruits at the police academy that will be graduating on April 17. He is currently looking at the best place to put the new officers where they may make the biggest

impact. Additionally, Chief Henderson recognized Sergeant John Meyers and Officer Nathan Hucker for 15 years of service.

ANNOUNCEMENTS

March 3	7:00 p.m.	Zion City Council Meeting
March 17	5:00 p.m.	TIF Joint Review Board Public Hearing
	6:15 p.m.	Zion Township Board Meeting
	7:00 p.m.	Zion City Council Meeting

CLOSED SESSION

It was moved by Commissioner McDowell, seconded by Commissioner Fischer that the Council recess to Closed Session at 7:43 p.m., pursuant to 5 ILCS 120/2 "Open Meetings", for the discussion of personnel. The vote on roll call was: Commissioners Frierson, aye; Fischer, aye; McDowell, aye; Holmes, aye; and Mayor McKinney, aye. Motion carried.

It was moved by Commissioner Frierson, seconded by Commissioner Holmes to reconvene the Regular Council meeting at 8:05 p.m. with all members present. The vote on roll call was: Commissioners Frierson, aye; Fischer, aye; McDowell, aye; Holmes, aye; and Mayor McKinney, aye. Motion carried.

ADJOURN

There being no further business to come before the Council at this time, it was moved by Commissioner Frierson, seconded by Commissioner Holmes, and unanimously approved the meeting be adjourned at 8:06 p.m. Motion carried.

City Clerk