

**APPROVED MINUTES
VILLAGE OF LAKE ZURICH**

Board of Trustees
70 East Main Street



Monday, September 20, 2021 7:00 p.m.

1. **CALL TO ORDER** by Mayor Thomas M. Poynton at 7.00pm.
2. **ROLL CALL:** Mayor Thomas Poynton, Trustee Dan Bobrowski, Trustee Janice Gannon, Trustee Marc Spacone, Trustee Greg Weider. Trustee Mary Beth Euker and Trustee Jonathan Sprawka were absent and excused. Also in attendance: Village Manager Ray Keller, Village Atty. Scott Uhler, Management Services Dir. Michael Duebner, Police Chief Steve Husak, Dir. Of Community Development Sarosh Saher, Asst. to the Village Manager Kyle Kordell.
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT**

Nickolay Bogdnov, 688 Sheridan Ct., addressed the Board on Agenda Item #6D and E, the Village rental properties and the new rents; Agenda Item #6F on ticketing for lack of a seat belt and he stated that the police need to be elsewhere; he requested that the meeting agendas be available before the Friday before the meeting.

Eric Dubiel, 25 N. Pleasant Road, addressed the Board on his belief that there is sleight-of-hand occurring with the Budget process; sale sign on Block A; raising of fees; need for more responsibility on the Board.
5. **PRESIDENT'S REPORT / COMMUNITY UPDATE**

Mayor Poynton reported on the recent Rock The Block event, he thanked the many sponsors and asked residents to support these businesses. He thanked the businesses on Main Street for the use of their parking lots, the RTB committee and the 70+ volunteers. The Mayor reminded residents that is was a free event with food and beverages available for purchase and costs were covered by sponsors and beverage sales.
6. **CONSENT AGENDA**
 - A. Approval of Minutes of the Village Board Meeting, September 7, 2021
 - B. Approval of Semi-Monthly Warrant Register Dated September 20, 2021 Totaling \$666,102.60
 - C. Contract between the Village of Lake Zurich and Alpine Automotive for Towing Services

Summary: A request for qualifications for police towing services was conducted in February 2021, which resulted in responses from A-Express Towing & Recovery in Palatine and Alpine Automotive in Lake Zurich. Alpine Automotive is located on Ensell Road in the Lake Zurich industrial park. Alpine is the

Village's current police tow contractor and has provided excellent service for many years

The Village is recommending a renewed agreement with Alpine Automotive based on many years of satisfaction with its current level of service, along with lower proposed fees in most categories.

D. Ordinance Approving Lease by the Village of Lake Zurich for My Flavor It! Place at 10 East Main Street ORD. #2021-09-432

Summary: The lease between the Village of Lake Zurich and My Flavor It! Place expired at the end of 2019, when the annual incremental adjustments to rent also stopped. The Village chose to freeze the rent at that point as a way to help support small businesses along Main Street during the difficult pandemic environment. The long-term tenant My Flavor It! Place has agreed to the revised three-year lease with incremental adjustments to rent year each January 1st.

E. Ordinance Approving Lease by the Village of Lake Zurich for Johnny's Shoe Repair at 8 North Old Rand Road ORD. #2021-09-433

Summary: The lease between the Village of Lake Zurich and Johnny's Shoe Repair expired at the end of 2019, when the annual incremental adjustments to rent also stopped. The Village chose to freeze the rent at that point as a way to help support small businesses along Main Street during the difficult pandemic environment. The long-term tenant Johnny's Shoe Repair has agreed to the revised three-year lease with incremental adjustments to rent year each January 1st.

F. Ordinance Amending Chapter 4 Entitled "Vehicle Operation" of Title 6 Entitled "Traffic Code" of the Lake Zurich Municipal Code to Include Failure to Wear a Seat Belt and Amending Title 13 Entitled "Comprehensive Fee Schedule" ORD. #2021-09-434

Summary: The proposed Ordinance adds violations of seat belt laws to the Village Code, authorizing Lake Zurich police officers to issue local ordinance tickets for observed seat belt violations. Based on 2019 Illinois statute fines, Staff recommends a \$50 fine for local seat belt violations.

Trustee Bobrowski asked for more information on Agenda Item #6F and Chief Husak explained the law and fines, \$50 whereas the State's fine is \$164. Further information was provided by Village Manager Keller.

Recommended Action: A motion was made by Trustee Weider, seconded by Trustee Bobrowski, to approve the Consent Agenda as presented.

AYES: 4 Trustees Bobrowski, Gannon, Spacone, Weider.

NAYS: 0

ABSENT: 2 Trustees Euker, Sprawka.

MOTION CARRIED.

7. OLD BUSINESS

None at this time.

8. NEW BUSINESS

A. **Courtesy Review with Justice Cannabis Company for Proposed Bloc Recreational Cannabis Dispensary at 676 South Rand Road**

Summary: Justice Cannabis Company is proposing to open a Lake Zurich adult-use recreational dispensary at the former TGI Friday's restaurant at 676 South Rand Road, pending Special Use Permit authorization from the Village Board. Botavi Wellness, LLC, doing business as Justice Cannabis Company with the store brand Bloc Dispensary, received four State licenses during the lotteries that were conducted during summer 2021.

In December 2020, the Village Board approved zoning regulations to allow cannabis dispensaries via a Special Use Permit in non-residential zoning districts and to formalize restrictions on the location, design and operations of such businesses. A Special Use Permit can only be issued via Ordinance by the Village Board after a Public Hearing process at the Planning and Zoning Commission.

The cannabis zoning regulations approved by the Board in December 2020 require cannabis dispensaries to be a minimum of 500 feet from a school, library, day care or group home; 250 feet from a park, and 1,500 feet away from another dispensary. The subject property at 676 South Rand Road meets all of these zoning criteria.

The zoning regulations include references to the applicable State statutes that apply to this highly-regulated industry, such as security, storage and transportation requirements. The ordinance also references the State statute for hours of operation, which are currently set at 6:00 AM to 10:00 PM.

Lake Zurich's 3% local sales tax on the gross receipts generated from this recreational dispensary is expected to generate \$200,000 - \$360,000 in new tax revenue, which is roughly equal to the \$350,000 in annual sales tax lost by the Peapod closure in Quarter 1 of 2020.

Justice Cannabis Company intends to appear before the Planning and Zoning Commission at a Public Hearing in October or November 2021.

Asst. to the Village Manager Kyle Kordell gave an overview of the law and the amendments by the Board. He then introduced the team from Justice Cannabis Company, Jon Loevy – company founder; Mitchell Zaveduk – V.P. Real Estate; Craig Krandel – Atty. for Justice Cannabis; Peter Scannell and Dan Tausk – Real Estate Brokers and Greg Winner – Hamilton Partners, owner of the property. Craig Krandel addressed the Board and then gave a PowerPoint presentation of the history of Justice Cannabis company and their proposal. After the presentation there was Public Comment.

PUBLIC COMMENT.

Nickolay Bogdnov, 688 Sheridan Ct., addressed the Board and requested that the Board not rush into a decision on this proposal and work to find a good retailer.

Eric Dubiel, 25 N. Pleasant Road, addressed the Board and stated that the Board was hypocritical as they have changed their opinion of this type of business and the revenue lost by Peapod's move from the State was incorrect.

Jon Loevy, Justice Cannabis, addressed the Board as he responded to some of the comments explaining that many communities took a wait-and-see stance on the Cannabis law.

The Board then gave their feedback on the proposal. Their questions include the security and the training staff receive; deliveries; kiosks displaying the product; partnering with Dist. #95 and Ela Coalition on drug abuse; employee purchasing; HIPAA issues. Trustee Spacone restated his opposition to this proposal. Atty. Uhler explained that the State tracks purchases and Chief Husak gave more information on the law. Dir. of Community Development Sarosh Saher shared information and Asst. to the Village Manager Kyle Kordell gave the tax percentage on recreational and medical marijuana. Mayor Poynton explained the history of the Board's vote on the marijuana law and there had never been any enquiries about a dispensary. The Mayor asked the representative from Hamilton Partners about any business interested in the property and Mr. Winner said that there had been minimal interest in the property.

Mayor Poynton stated that feedback had been given and the proposal by Justice Cannabis may move to the PZC.

Recommended Action: This is a non-voting item at this time. The developer and Village Staff seek to understand the Board's preferences towards the proposed use at this site.

Feedback was given by the Board.

9. **TRUSTEE REPORTS**

There were none.

10. **VILLAGE STAFF REPORT**

Monthly Data Metric Reports

11. **ADJOURNMENT**

Motion was made by Trustee Weider, seconded by Trustee Spacone, to adjourn the meeting.

AYES: 4 Trustees Bobrowski, Gannon, Spacone, Weider.

NAYS: 0

ABSENT: 2 Trustees Euker, Sprawka.

MOTION CARRIED.

The meeting adjourned at 8.19pm

Respectfully Submitted by:-

Kathleen Johnson, Village Clerk

Approved by:


Thomas M. Poynton, Village Mayor

10-7-2021
Date.