

Village of Peoria Heights
Departmental Meeting – Administration & Economic Development
September 3, 2019

The meeting was called to order at 6:02 p.m.

Everyone stood for a moment of silence and the Pledge to the Flag.

Upon calling roll, the following Trustees were present: Sherryl Carter, Diane Mariscal, Brandon Wisenburg, and Sarah DeVore. Trustees Beth Khazzam and Jeff Goett were absent. Others present included Mayor Michael Phelan, Village Administrator and Chief of Police Dustin Sutton, and Clerk Stephanie Turner.

Trustee DeVore made a motion to approve the minutes from August 27, 2019, and the motion was seconded by Trustee Carter. The Board of Trustees voted 4-0 to accept the minutes.

Mayor Phelan opened the meeting to public comment. Hearing none, Mayor Phelan asked the Board of Trustees for old business. When no old business was presented, Mayor Phelan moved on to new business.

Trustee DeVore made a motion to approve the site plan and special use permit for 3707 N Vincent Avenue, and Trustee Mariscal seconded the motion. Chief Sutton explained the permit was to allow the business to operate a car lot. Trustee Carter questioned approving a car lot at the site if the previous business had been unsuccessful. Chief Sutton explained the business currently applying was different from the previous and more closely resembled other more successful car lots which had operated at the site. Trustee DeVore explained the gentleman applying for the permit had gone through extensive questioning and owned a towing business in the City of Peoria. The Board of Trustees voted 3-1 to approve the site plan and special use permit. Trustee Carter voted nay.

Trustee Carter motioned to approve the site plan submitted by PH Samuel, LLC for 1324 E Samuel Avenue, and Trustee DeVore seconded the motion. The Board of Trustees voted 4-0 to approve the site plan submitted by PH Samuel, LLC.

Trustee Carter made a motion to approve Ordinance 2019-1602: an Ordinance Designating and Approving the First Amendment and Imposing a Retailers' Occupation Tax, a Service Occupation Tax, and Hotel Operators' Occupation Tax for the Peoria Heights Business Development District No. 1 Redevelopment Area, Plan, and Projects. Trustee DeVore seconded the motion. Mayor Phelan invited Mr. Kevin Shields, Chairman of the Business Development District Advisory Committee, forward to speak about the ordinance. Mr. Shields explained the BDDAC had wanted to see BDD No. 1 expanded to facilitate future projects. Mr. Shields stated the BDDAC had unanimously approved recommendation to expand the BDD No. 1. Mayor Phelan invited Mr. Nic Nelson, from the Village's consultants Jacob and Klein, Ltd, forward to answer questions. Trustee Carter asked if the hotel tax was the only new tax added, and Mr. Nelson agreed. Mayor Phelan noted the Village had not initiated the expansion of the district, and the expansion was at the request of business owners. Trustee Carter questioned if the Village had reached out to every business in the expansion and their opinions. Mr. Shields stated the Village had sent out letters. Clerk Turner explained Administrative staff had obtained a list of all addresses in the expansion from the Economic Development Group and sent out flyers drafted by Mr. Steve Kline to the commercial addresses. Mr. Shields noted there had been opposition many years ago

to the BDD, but he spoke specifically to business owners who had previously opposed as part of the expansion process. All of those he spoke to were either currently neutral or in favor. Additionally, Mr. Shields explained he had specifically shared the date of the public hearing so any opposed may register their opposition if they desired. Mr. Shields stated he'd spoken to multiple business owners who had wanted to join over the last year and provided full disclosure of how to object to the expansion, and no one he had spoken to in that time had objected. The Board of Trustees voted 3-1 to pass Ordinance 2019-1602 expanding BDD No. 1. Trustee Wisenburg voted nay.

Mayor Phelan explained the next item on the agenda incorrectly listed the ordinance as amending Business Development District No. 1 rather than Business Development District No. 2. He asked Mr. Nelson for a legal opinion on how to proceed and was advised a trustee should make a motion to amend the ordinance after it was on the floor. Trustee Carter made a motion to approve Ordinance 2019-1603: an Ordinance Designating and Approving the First Amendment and Imposing a Retailers' Occupation Tax, a Service Occupation Tax, and Hotel Operators' Occupation Tax for the Peoria Heights Business Development District No. 1 Redevelopment Area, Plan, and Projects. Trustee DeVore seconded the motion to approve the ordinance. Trustee DeVore made an amendment to the motion to correct the language from BDD No. 1 to BDD No. 2, and Trustee Carter seconded the motion. The Board of Trustees voted 4-0 to accept the motion as amended. Mr. Nelson explained to the Board of Trustees the amendment created the second Business Development District. Trustee Carter and Trustee DeVore questioned if the two BDDs would be the same, and Mr. Nelson stated they were but each had different purposes. From the audience, a resident questioned if an amendment could be added to prevent transfers between the two BDDs as it was his belief that BDD No. 2 would generate the most revenue and was most in need of funds. He requested if the Board would not agree to a complete ban on transfers if they would consider capping transfers per budget year. Finally, he requested any residential improvement programs the Village implemented be limited to owner occupied properties. Mayor Phelan thanked the resident for his ideas and agreed they would be considered but stated the BDD needed to be established before adopting policies for the district. Mayor Phelan once again invited Mr. Shields to speak about the BDD. Mr. Shields stated the BDDAC had voted unanimously to recommend its creation and had recommended a separate district because of the vast differences and goals for the two areas. He noted he adamantly opposes transfers between the two funds, but he recognized the necessity of leaving open that option for administrative purposes. Trustee Carter asked about restricting transfers. Mr. Nelson explained the usefulness of allowing fund transfers for large projects that benefit multiple districts using a hypothetical project located at Prospect and War Memorial as an example. Trustee Carter asked about policies for spending funds for BDD No. 1. Mr. Shields noted there were a variety of criteria including legal eligibility, the scope of the BDD plan, and BDDAC review of the details of the project. Trustee Carter stated she wanted both BDDs to have the same programs and tools. Mr. Shields stated his respectful disagreement noting the needs of the two are different and the districts would be better suited to have flexibility to determine programs for themselves. Trustee Carter expressed support for owner occupancy as a condition of eligibility for the residential rehabilitation program. Trustee Mariscal questioned if a BDDAC would be created for BDD No. 2. Mr. Shields said his only opinion was the current BDDAC should not have authority over the new BDD. Trustee Mariscal expressed reservation setting up BDD No. 2 without any business owners present to speak in favor of its creation. Chief Sutton noted he had spoken to multiple businesses who requested the creation of the district. Trustee Carter returned to the issue of the creation of a BDDAC for BDD No. 2 and stated homeowners could be included on the committee. Mr. Nelson agreed. Mayor Phelan spoke to the uniqueness of the committee which most other communities do not have. Mr. Shields reminded the Board that the BDDAC's recommendations are nonbinding and commended the Board for putting the committee in place and then listening to their recommendations. Mr. Shields noted that the BDDAC was

not necessary and should be disbanded at any point in the future should they not be able to maintain a quorum. Trustee Carter expressed that a BDDAC could be set up for BDD No. 2 after it had been created. Trustee Wisenburg stated the BDD was a tool for business development and questioned why landlords, who are in the business of owning and renting homes, should be excluded from using BDD funds. Trustee Carter stated it could be discussed, and Mayor Phelan noted that policies should be set after the district was created. Trustee Wisenburg questioned if letters were sent to BDD No. 2 as well, and Clerk Turner stated flyers had been sent to the businesses at the same time as the ones sent to BDD No. 1. Trustee Wisenburg questioned business owners' thoughts regarding the residential program, and Mr. Shields noted that he, himself, would like to see some of the homes behind his business repaired. He also stated it was very apparent from the proposed map that residential was a major component of the BDD No. 2. Trustee Wisenburg questioned the number of businesses in the new district, and Clerk Turner replied there were approximately 50. Trustee Wisenburg expressed shock that none of the owners had contact the Village about the creation of the district, and Trustee Carter noted it was the business owners' responsibility to reach out to the Village. The Board of Trustees voted 2-2 to pass Ordinance 2019-1603 creating BDD No. 2 with Trustees Mariscal and Wisenburg voting nay. Mayor Phelan voted aye to break the tie, and Ordinance 2019-1603 passed 3-2.

Trustee DeVore made a motion to approve the Taste of the Heights event and street closure along Prospect Road, and Trustee Mariscal seconded. Chief Sutton reiterated the street closure plan previously explained by Mr. Hugh Higgins. One side of Prospect Road will be closed to traffic for the event. The Board of Trustees voted to approve the street closure and event request 4-0.

Trustee DeVore noted there was a memo from Village Counsel Attorney Mark Walton in the packet regarding questions the Board of Trustees should discuss relating to adult recreational marijuana use. Trustee Mariscal stated she was in favor of allowing a dispensary to operate in the Village. Trustee Wisenburg noted since the Village was surrounded by the City of Peoria disallowing such businesses wouldn't necessarily keep them away from the Village. Trustee Mariscal stated the Village had the option to create ordinances to restrict public use as a measure of control. Trustee Wisenburg questioned if use could be restricted. Chief Sutton explained adult recreational use on private property could not be restricted and noted, as Chief of Police, he was against allowing public consumption in the Village. He continued on to note the discussion of allowing dispensaries should also include discussion of location of said businesses. Trustee Wisenburg questioned if the issue could be handled via zoning, and Chief Sutton agreed. Trustee Carter suggested the dispensaries should be required to be a certain distance from schools. Trustee Mariscal asked Chief Sutton if he was opposed to public consumption in controlled settings, such as a beer garden, and Chief Sutton reiterated he was not in favor of public consumption. Trustee DeVore noted that the Village had the ability to issue special permits to allow consumption on site. Trustee Wisenburg questioned if dispensaries would be a retail business or if consumption would occur on site and was told it would be sold to be consumed off site. Mayor Phelan clarified that the Board of Trustees was in favor of allow dispensaries and instructed Chief Sutton to work with Attorney Walton to draft an ordinance for review by the Board of Trustees. Trustee Mariscal noted that she did not believe the Village of Peoria Heights should change its personnel policy to allow marijuana use and received no disagreement. Chief Sutton asked for clarification of the Board's stance on public consumption. Trustee Wisenburg questioned how much authority the Village had to regulate use, and Chief Sutton noted that the Board had authority on public property and public spaces. Trustee Mariscal equated the issue to public consumption of alcohol. Mayor Phelan asked the Board of Trustees to consider being restrictive first and review a more permissive policy in the future. Trustee DeVore suggested restricting public use with an option for allowing for special use permits for businesses. Trustee Wisenburg questioned how such permits interacted with state smoking laws, and Chief Sutton

stated that was a question for the attorney. Trustee DeVore advised that the Board seemed to be mostly against public consumption. Trustee Carter requested statistics of people killed under influence of alcohol versus marijuana, and Chief Sutton agreed to send that information to the Board of Trustees. The Board of Trustees will continue to discuss the issue at a later date.

Mayor Phelan asked for miscellaneous business. Superintendent of Streets, Mr. Michael Casey, advised the Board of Trustees Forest Park Drive will be closed, weather permitting, on September 5, 2019 from 9:00 am – 12:00 pm (noon) for routine maintenance.

Clerk Turner read the Treasurer's Report. As of the end of July, the Village controlled accounts had \$2,455,776.88, and the Water controlled accounts had \$939,663.13. Trustee Carter made a motion to approve the Treasurer's Report, and Trustee Mariscal seconded. The Board of Trustees voted 4-0 to accept the Treasurer's Report.

Trustee DeVore motioned to pay the bills, and Trustee Mariscal seconded the motion. Trustee Wisenburg questioned an expense for \$1,500 listed as targeted advertisements. Clerk Turner explained the expense was paid to HYFN for targeted advertisements in specific zip codes for the Village's summer events. The motion to pay the bills passed 4-0.

Trustee Mariscal made a motion to adjourn the meeting, and Trustee DeVore seconded the motion. The motion passed 4-0, and the meeting adjourned at 7:20 pm.

Michael Phelan, Mayor

Stephanie Turner, Village Clerk