

ADDENDUM



CITY COUNCIL MEETING AGENDA

CITY HALL COUNCIL CHAMBERS

109 EAST OLIVE STREET, BLOOMINGTON, IL 61701

MONDAY, SEPTEMBER 24, 2018; 6:00 P.M.

Move Consent Agenda Item 7L to Regular Agenda Item 8B; Renumber Item 7M to 7L, and 7N to 7M.

7. “Consent Agenda”

- L. Consideration of an Ordinance Suspending Portions of Section 701 of Chapter 31 and Section 26(d) of Chapter 6 of the City Code for a Wedding Reception at Davis Lodge at Lake Bloomington on October 6, 2018, the request from Don Badgerow and Kelsie Howerton to allow moderate consumption of beer and wine, as requested by the City Clerk’s Office. *(Recommend the Ordinance Suspending Portions of Section 701 of Chapter 31 and Section 26(d) of Chapter 6 of the City Code for a Wedding Reception at Davis Lodge at Lake Bloomington on October 6, 2018 be approved, and the Mayor and City Clerk be authorized to execute the necessary documents.)*

- M. Consideration of an Ordinance Suspending Portions of Chapter 6 of the Bloomington City Code prohibiting possession of open alcohol in public for Fat Jacks, Inc. d/b/a Fat Jacks Oktoberfest event on Saturday, September 29, 2018 from 12:00 p.m. to 8:00 p.m. in the 500-600 block of North Main Street in downtown Bloomington and portions contiguous with Main Street associated with the event, as requested by the City Clerk’s Office *(Recommend the Ordinance Suspending Portions of Chapter 6 of the Bloomington City Code prohibiting possession of open alcohol in public for Fat Jacks, Inc. d/b/a Fat Jacks Oktoberfest event on Saturday, September 29, 2018 from 12:00 p.m. to 8:00 p.m. in the 500-600 block of North Main Street in downtown Bloomington and portions contiguous with Main Street associated with the event be approved, and the Mayor and City Clerk be authorized to execute the necessary documents.)*

8. “Regular Agenda”

NOTE: Action may be taken by the City Council on the agenda’s action items (those items listed on the Consent Agenda and Regular Agenda) beyond the motions listed and/or staff recommendations. Ordinances and resolutions listed on the agenda may further be amended and/or revised prior to adoption by the City Council. No action will be taken if the agenda item is listed as only informational.

- A. Consideration and action on an Ordinance amending the City Code provisions on Administrative Adjudication, including clarification of the requirement for payment of Court Costs and Minimum Fines, as requested by the Legal and Community Development Departments. *(Recommend the Ordinance amending the City Code Provisions on Administrative Adjudication, including clarification of the requirement for payment of Court Costs and Minimum Fines, be approved and the Mayor and City Clerk authorized to execute the Ordinance.) (Brief Overview by ~~Tim Gleason, City Manager~~ Steve Rasmussen, Assistant City Manager. Presentation by Angela Fyans Jimenez, Deputy Corporation Counsel, and Bob Mahrt, Community Development Director, 5 minutes, City Council discussion, 10 minutes.)*
- B. Consideration of an Ordinance approving an Economic Incentive Agreement to support the retention and expansion of Commercial Packaging in the City of Bloomington, as requested by the Community Development Department – Office of Economic Development. *(Recommend the Ordinance approving the Economic Incentive Agreement by and between the City of Bloomington and Commercial Bag Company, Inc. be approved, and authorize the Mayor and City Clerk to execute the necessary documents.) (Presentation by Bob Mahrt, Community Development Director, 5 minutes, City Council discussion, 5 minutes.)*

NOTE: Action may be taken by the City Council on the agenda's action items (those items listed on the Consent Agenda and Regular Agenda) beyond the motions listed and/or staff recommendations. Ordinances and resolutions listed on the agenda may further be amended and/or revised prior to adoption by the City Council. No action will be taken if the agenda item is listed as only informational.



CONSENT AGENDA ITEM NO. 7L

FOR COUNCIL: September 24, 2018

SPONSORING DEPARTMENT: City Clerk's Office

SUBJECT: Consideration of an Ordinance Suspending Portions of Section 701 of Chapter 31 and Section 26(d) of Chapter 6 of the City Code for a Wedding Reception at Davis Lodge at Lake Bloomington on October 6, 2018, the request from Don Badgerow and Kelsie Howerton to allow moderate consumption of beer and wine, as requested by the City Clerk's Office.

RECOMMENDATION/MOTION: The Ordinance Suspending Portions of Section 701 of Chapter 31 and Section 26(d) of Chapter 6 of the City Code for a Wedding Reception at Davis Lodge at Lake Bloomington on October 6, 2018 be approved, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 5. Great place – livable, sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 5.d. Appropriate leisure and recreational opportunities responding to the needs of residents.

BACKGROUND: Commissioner Tari Renner called a hearing on the request to allow beer and wine at the Davis Lodge for an October 6, 2018, wedding reception.

Commissioners Tari Renner, Jim Jordan, and Lindsey Powell were present.

Kelsie Howerton, the Bride, appeared before the Commission and stated Tony Roma's would be catering the event and serving beer and wine during the reception, that no hard liquor would be served. Ms. Howerton stated the event will be held from 4 p.m. to 10 p.m.

Motion by Commissioner Powell, seconded by Commissioner Jordan, to give the request from Don Badgerow and Kelsie Howerton to allow moderate consumption of beer and wine at their October 6, 2018 wedding reception at Davis Lodge a positive recommendation to the City Council and for the City Liquor Code to be suspended accordingly.

Commissioner Renner directed the Clerk to call the roll:

Ayes: Commissioners Renner, Jordan, and Powell.

Nays: None.

Motion carried.

Commissioner Renner stated that this item would be moved forward to the City Council with a positive recommendation for its consideration.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: N/A
FINANCIAL IMPACT: N/A

COMMUNITY DEVELOPMENT IMPACT: N/A

FUTURE OPERATIONAL COST ASSOCIATED WITH NEW FACILITY CONSTRUCTION: N/A

Respectfully submitted for Council consideration.

Prepared By: Ashley Lara, Legislative Assistant

Reviewed By: Cherry L. Lawson, City Clerk

Legal Review By: George D. Boyle, Assistant Corporation Counsel

Recommended By:



Tim Gleason
City Manager

Attachments:

- Ordinance
- Application



CONSENT AGENDA ITEM NO. 7M

FOR COUNCIL: September 24, 2018

SPONSORING DEPARTMENT: City Clerk's Office

SUBJECT: Consideration of an Ordinance Suspending Portions of Chapter 6 of the Bloomington City Code prohibiting possession of open alcohol in public for Fat Jacks, Inc. d/b/a Fat Jacks Oktoberfest event on Saturday, September 29, 2018 from 12:00 p.m. to 8:00 p.m. in the 500-600 block of North Main Street in downtown Bloomington and portions contiguous with Main Street associated with the event, as requested by the City Clerk's Office.

RECOMMENDATION/MOTION: The Ordinance Suspending Portions of Chapter 6 of the Bloomington City Code prohibiting possession of open alcohol in public for Fat Jacks, Inc. d/b/a Fat Jacks Oktoberfest event on Saturday, September 29, 2018 from 12:00 p.m. to 8:00 p.m. in the 500-600 block of North Main Street in downtown Bloomington and portions contiguous with Main Street associated with the event be approved, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 5. Great Place – Livable, Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Goal 5. Objective d. Appropriate leisure and recreational opportunities responding to the needs of residents.

BACKGROUND: Commissioner Tari Renner called a hearing to consider request of Fat Jack's to have an Oktoberfest in Downtown Bloomington that would require suspension of areas of the Liquor Code during the festival.

Commissioners Tari Renner, Jim Jordan, and Lindsey Powell were present.

Tyler Holloway, representative of Fat Jacks, appeared before the Commission and explained that several of the bar owners on Main Street came together and decided to host an Oktoberfest in the area. He said there would be wristbands used and paper or plastic cups used for any outside consumption.

Mr. Boyle asked if Mr. Holloway had any contact with the people in the area and Mr. Holloway said yes. He reached out by sending a letter and received positive feedback for the event.

Commissioner Renner asked if Asst. Police Chief Greg Scott had any concerns or comments, and Asst. Police Chief Greg Scott said they need to make sure they have all entry points covered.

Mr. Boyle said Mr. Holloway met with the Special Events Committee and Catherine Dunlap from the Downtown Development Department. Catherine Dunlap stated business owners in that

area are excited to participate, the City has received positive feedback and they are looking for more ways to partner with the event and future events in this area.

Motion by Commissioner Powell seconded by Commissioner Jordan to give the request from Fat Jacks, Inc. d/b/a Fat Jacks for Suspension of Portions of Chapter 6 of the Bloomington City Code prohibiting possession of open alcohol in public for its Oktoberfest event on Saturday, September 29, 2018 from 12:00 p.m. to 8:00 p.m. in the 500-600 block of North Main Street in downtown Bloomington and portions contiguous with Main Street associated with the event a positive recommendation to the City Council.

Commissioner Renner directed the Clerk to call the roll:

Ayes: Commissioners Renner, Jordan, and Powell.

Nays: None.

Motion carried.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: N/A

FINANCIAL IMPACT: N/A

COMMUNITY DEVELOPMENT IMPACT: N/A

FUTURE OPERATIONAL COST ASSOCIATED WITH NEW FACILITY CONSTRUCTION: N/A

Respectfully submitted for Council consideration.

Prepared By: Ashley Lara, Legislative Assistant

Reviewed By: Cherry L. Lawson, City Clerk

Legal Review By: George D. Boyle, Assistant Corporation Counsel

Recommended By:



Tim Gleason
City Manager

Attachments:

- Ordinance
- Secondary Premise Liquor Application
- Special Event Final Permit

- Special Event Site Plan
- Special Event Map
- Letter to Neighbors Informing of the Event



REGULAR AGENDA ITEM NO. 8B

FOR COUNCIL: September 24, 2018

SPONSORING DEPARTMENT: Community Development – Office of Economic Development

SUBJECT: Consideration of an Ordinance approving an Economic Incentive Agreement to support the retention and expansion of Commercial Packaging in the City of Bloomington, as requested by the Community Development Department – Office of Economic Development.

RECOMMENDATION/MOTION: The Ordinance approving the Economic Incentive Agreement by and between the City of Bloomington and Commercial Bag Company, Inc. be approved, and authorize the Mayor and City Clerk to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 3: Grow the Local Economy; Goal 4: Strong Neighborhoods; Goal 5: Great Place – Livable, Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 3a. Retention and growth of current local businesses; 3e. Strong working relationship among the City, businesses & economic development organizations. Objective 4c: Preservation of property/home valuations; Objective 5b: City decisions consistent with plans and policies; 5c. Incorporation of “Green Sustainable” concepts into City’s development and plans; 5e: More attractive city: commercial areas and neighborhoods.

BACKGROUND: Local company Commercial Packaging (“CP”) has requested assistance from the City to support its recent acquisition and planned renovation of the former Modine Manufacturing Co. / Wildwood Industries Co. property located at 2047 Ireland Grove Road in the City of Bloomington (the “Subject Property”). Below is background on CP and details regarding the proposed economic incentive agreement:

About Commercial Packaging and the Subject Property:

CP is a family-owned and operated business that has been headquartered in McLean County since its inception. CP was founded in 1983 by Gary and Janette Egbers in their home and soon moved to an office / warehouse at 8 Westport Court in Bloomington. CP moved again in 1995 to a newly built office and warehouse building on Old Route 66 on the northeast side of the Town of Normal (adjacent to the City of Bloomington water tower next to I-55). CP’s primary product lines include multi-wall bags, woven polypropylene bags, flexible intermediate bulk containers, and flexible packaging. CP designs, procures, stores, and distributes its custom packaging products allowing its customers to use just-in-time manufacturing processes. CP’s bags are used in the pet food, livestock feed, plant seed, and consumer food products industries.

In late 2016, CP's management team determined that the company needed to expand its McLean County warehousing and office operations to keep up with increasing sales growth and to meet needs related to inventorying and warehousing ready to use bags. CP's staff contracted with a local commercial real estate broker to identify various existing logistics / distribution buildings and shovel ready sites in Central Illinois for a future new location for CP's warehouse and corporate office headquarters. This search for buildings/sites led CP to the mostly vacant 150,000 square foot Subject Property.

Although not without multiple faults, CP staff found that the Subject Property was large enough to allow CP to quickly consolidate under one roof CP's Old Route 66 warehousing operations and additional warehouse operations that were in space CP had been leasing in a building located on Industrial Park Drive on the west side of Normal. The Subject Property also offered an 11,600 square foot gutted office space that could be renovated into a new corporate headquarters office for CP. As time was of the essence in meeting its customer's demands, CP proceed to acquire the Subject Property in May of 2017 and promptly undertook limited renovations of the warehouse portion of the building which it now occupies today.

The growth and relocations of CP over the last 35 years has clearly created opportunities for other companies to grow and expand here in McLean County:

- The warehouse space CP had been leasing on the west side of Normal has already been released to Kongskilde Industries which downsized its McLean County operations since the 2017 sale of its Hudson facility to Brandt Agricultural Products.
- CP recently sold its Old Route 66 property to American Precision Assemblers of Hampshire, IL which is in the process of establishing a wire harness assembly operation at the site with plans to hire 50+ employees.
- Moran Transportation Corporation, an Elk Grove Village based less-than-truck-load (LTL) regional freight carrier had been leasing a portion of the warehouse at the Subject Property but has now relocated to a previously vacant cross-dock facility south of the City on Quest Drive.
- A.Y. McDonald Mfg. Co, Dubuque, IA based manufacturer and distributor of plumbing parts and fixtures, has leased space for a retail showroom and distribution center in the rear of the Subject Property for multiple years. CP's proposed improvements to the Subject Property will improve access to that part of the property for A.Y. McDonald's customers and employees.
- CP's original location at 8 Westport Court has been the home to the American Rabbit Breeders Association (ARBA) from 1996 until this year (the building was recently listed for sale as the ARBA relocated to Pennsylvania).

Proposed Economic Incentive Agreement:

In the early spring of 2017, prior to CP's acquisition of the Subject Property, CP's commercial real estate broker facilitated a meeting with City economic development staff and CP staff to discuss the various economic development tools that could assist CP with its acquisition and renovation of the Subject Property. City staff determined that the 10.8 acre Subject Property by itself could qualify for the creation of a new Tax Increment Financing District based on the blighted condition of the building (the minimum area required for a TIF District is 1.5 acres). Staff also determined

that due to certain program requirements, the expansion of the Bloomington-Normal Enterprise Zone to the property would not likely be a possibility. Other tools were considered, including limited term property tax abatement. Ultimately, CP staff and City staff concluded that the most appropriate form of municipal assistance is what is detailed in the proposed Economic Incentive Agreement:

1. Removal of the Water Tower: There presently exists on the Subject Property a derelict elevated water storage tank with the words “WILDWOOD INDUSTRIES, INC.” painted on its face. This water tower was previously used for a manufacturing process by one of the prior owners of the building but now serves no useful purpose. The water tower is not in any way connected to the City’s water distribution network. CP indicated that the water tower would not be used by CP for any business related purpose but could potentially be repainted with CP’s logo. City staff determined that the use of the water tower only as a sign would not be permitted by the City’s sign code. Since the water tower is visible from a considerable distance all around the area (see attached photos), City staff recommend that CP investigate the cost to remove the water tower. Finding that the estimated \$27,000 cost to remove the water tower exceeded CP’s initial expectations, CP has requested that the City financially assist with the removal of the water tower. City staff supports CP’s request for assistance with the extraordinary cost to remove the derelict water tower as its removal will significantly improve the viewshed of the area and eliminate a potential safety hazard which could affect adjacent properties.

2. Discount of Mercer Avenue Connection Fee: When the Subject Property was developed in 1965 by Modine Manufacturing, Mercer Avenue did not extend south of Ireland Grove Road. The Subject Property took access from Ireland Grove Road via an approximately 60 foot wide driveway located between two adjacent properties. In order to improve access to and the visibility of the Subject Property, CP desires to construct a right-in, right-out driveway connecting to Mercer Avenue. Based on the way in which this section of Mercer Avenue was constructed in 1995/1996 as part of the development of the State Farm Corporate South Campus, any property owner desiring to connect to Mercer Avenue would be required to pay the City a road connection fee (AKA “tap-on fee”) based on the length of the frontage of that property to the road. The tap-on fee for the Subject Property to connect to Mercer Avenue has been calculated by the City’s Public Works Department to be approximately \$80,000 using a formula that accounts for the cost to construct the road and factoring in over 18 years of interest using the Consumer Price Index.

CP staff has requested that the City provide some relief from this tap-on fee as CP will be bearing considerable expense to construct the proposed driveway across the Subject Property to connect with Mercer Avenue. CP will also need to invest in enlarging the private stormwater detention basin on the Subject Property to offset for the added impermeable surface created by the new driveway. City staff supports a 60% discount of the road tap-on fee. The resulting discounted tap-on fee is comparable on a per linear foot of frontage basis to the tap-on fee that was paid by an adjacent property owner who also sought access to Ireland Grove Road in the mid-1990s. Given that State Farm owns property on both the east and west sides of the section of Mercer Avenue south of the

Subject Property, it is highly unlikely that additional connections to this section of Mercer Avenue will be requested in the near future. Therefore, it is also unlikely that any other tap on fee revenue would accrue to the City from this section of street.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: City staff assisted CP and its commercial real estate broker with the transaction of the Subject Property. City staff also advised Moran Transportation Corporation, an Elk Grove Village based less-than-truck-load (LTL) regional freight carrier on its relocation from the Subject Property (it was under a short-term lease of a portion of the building with the prior owner) to a previously vacant cross-dock facility south of the City on Quest Drive. City staff, along with Town of Normal staff and staff from the Bloomington-Normal Economic Development Council, advised American Precision Assemblers of buildings available in McLean County when it was searching for space for its new downstate facility and provided the referral that led to American Precision Assemblers purchase of CP's Old Route 66 facility.

FINANCIAL IMPACT: The City's assistance with the removal of the derelict water tower is proposed to be structured as a rebate of the City's portion of the newly created incremental property tax resulting from CP's acquisition and investment in the Subject Property. Similar to the way in which a TIF District functions, the City would annually rebate to CP only the new property tax increment paid to the City by the McLean County Treasurer of the City's portion of the property tax collected by the Treasurer from the Subject Property. Unlike in a TIF District, only the City's portion of the incremental new property tax will be used to fund the incentive. The City of Bloomington Public Library's and all other taxing district's (District 87, McLean County, etc.) incremental property tax would not be rebated. The City would continue to receive and retain the base amount of property tax, \$4,876.34 throughout the term of the agreement. For property tax year 2017 payable 2018, the amount of increment is \$1,870.79. In future years, the amount of increment is likely to increase substantially as a result of CP's proposed further investment in the Subject Property.

The amount of the rebate would be limited to CP's actual cost to remove the water tower or \$40,000 (whichever is less). The proposed incentive agreement limits the term of the rebate to 21 years. It is anticipated that the rebate will be fully repaid in less than 15 years based on the projected increase in the assessed value of the Subject Property resulting from CP's acquisition and improvements. In the unlikely event that in one or more future years the value of the Subject Property were to decrease below its present value, no rebate payment would be owed to CP. If CP were to vacate the Subject Property during the term of the agreement, CP would be required to repay the City a defined percentage of the payments made through that date (a "claw back" provision).

City staff would include the first property tax rebate payment in the City's FY2020 budget as the first rebate payment would not be due until May 31, 2019. The rebate payments would be allocated in the City's FY 2020 Economic Development budget which is included in the City's General Fund. The maximum liability to the City for the proposed Economic Incentive Agreement is \$40,000.00 over the twenty-one (21) year term of the agreement. The payment for the proposed rebate would be budgeted beginning in FY 2020 and paid out of the Economic Development-Rebates to Developer account (10019170-79070).

The 60% discount of the Mercer Avenue tap on fee will be granted at the time of CP's application for a construction permit for that improvement, subject to the completion of the demolition of the water tower. The 40% of the tap on fee that CP will be required to pay the City will be deposited into the Capital Improvement-Property Owner Contributions fund (40100100-57320). Fees deposited into this fund are used by the City to construct and maintain infrastructure throughout the City.

COMMUNITY DEVELOPMENT IMPACT: The proposed incentive agreement is supported by the City's Economic Development Strategic Plan and Economic Development Incentive Guidelines, both of which were approved by the City Council on October 22, 2012. In relation to the removal of the water tower and the corresponding improvement to the viewshed of the area, staff would request that the Council specifically consider Incentive Guideline #1-D:

Strategic Use of Incentives: Economic incentives considered by the City of Bloomington will additionally factor in the economic impact an incentive to a specific applicant has to revitalize a particular area of the City beyond just the applicant's property.

Staff also calls Council attention to the following Economic Development Strategic Plan Goals and Objectives:

Prosperous Community:

B. Provide normal and customary incentives to new and existing businesses that locate within the City and create jobs.

C. Carefully scrutinize requests for non-customary assistance or incentives to ensure a favorable return on any City investment and minimize risk to City taxpayers.

The proposed project and associated incentive align with the following Comprehensive Plan 2035 Goals and Objectives:

ED-1 Ensure a broad range of employment opportunities for all residents

ED-1.1 Focus on retention and expansion of existing businesses

ED-4 Enhance the image of Bloomington as a business friendly community

ED-4.2 Prioritize infill and redevelopment to spur growth and reinvestment in the City

ED-4.4 Evaluate commercial land use needs in the context of changing economic trends

ED-4.5 Identify and reduce barriers for local growth and economic development

FUTURE OPERATIONAL COST ASSOCIATED WITH NEW FACILITY CONSTRUCTION: N/A

Respectfully submitted for Council consideration.

Prepared By:

Austin Grammer, Economic Development Coordinator

Reviewed By: Bob Mahrt, Community Development Director
Jim Karch, Public Works Director
Kevin Kothe, City Engineer
Tony Meizelis, Civil Engineer I

Finance & Budgetary Review By: Chris Tomerlin, Budget Analyst
Scott Rathbun, Finance Director

Legal Review By: Kathleen Field Orr, Counsel for Economic Development

Recommended by:



Tim Gleason
City Manager

Attachments:

- Ordinance
- Agreement
- Pictures of the Subject Property from May 11, 2017
- Pictures of the Water Tower