



City of Aurora

5th Floor Conference
Room of City Hall
44 East Downer Place
Aurora, Illinois 60505
www.aurora-il.org

Planning Council Meeting Minutes

Tuesday

February 04, 2020

10:00 AM

CALL TO ORDER

Mr. Sieben called the meeting to order at 10:00 a.m.

ROLL CALL

The following members were present: Mr. Sieben, Mr. Broadwell, Mr. Sodaro, Mr. Minnella, Mr. Phipps and Mr. Beneke.

OTHERS PRESENT

Others Present: Mike Frankino (Fox Metro), Thomas Duffy (Bloom Holdings) and Peter Stazzone (Bloom Holdings).

APPROVAL OF MINUTES

20-0064

Approval of the Minutes for the Planning Council meeting on January 28, 2020.

A motion was made by Mr. Broadwell, seconded by Mr. Minnella, that the minutes be approved and filed. The motion carried by voice vote.

PUBLIC COMMENT

None.

AGENDA

[19-0961](#)

Requesting approval of an Annexation Agreement for 67.57 acres located at the southeast corner of Ogden Avenue and Farnsworth Avenue for KEKA Farms Development (KEKA Farms, LLC / K. Hovnanian Homes - 19-0961 / OS01/1-18.150-PA/A/SUPD/Ppn/Psd - TV - Ward 9)

Mr. Sieben said there is nothing new on Planning and Zoning's end with this.

Mr. Phipps said there is nothing new from Engineering either.

[19-0962](#)

Requesting the Annexation, pursuant to an Annexation Agreement, of 67.57 acres located at the southeast corner of Ogden Avenue and Farnsworth Avenue (KEKA Farms, LLC / K. Hovnanian Homes - 19-0962 / OS01/1-18.150-PA/A/SUPD/Ppn/Psd - TV - Ward 9)

Mr. Sieben said there is nothing new on Planning and Zoning's end with this.

Mr. Phipps said there is nothing new from Engineering either.

[19-0963](#)

Requesting the Establishment of a Special Use Planned Development, pursuant to an Annexation Agreement, with an underlying B-2 Business, General Retail, O Office, R-5 Multiple Family Dwelling, and R-2 One Family Dwelling zoning districts on the property located at the southeast corner of Ogden Avenue and Farnsworth Avenue (KEKA Farms, LLC / K. Hovnanian Homes - 19-0963 / OS01/1-18.150-PA/A/SUPD/Ppn/Psd - TV - Ward 9)

Mr. Sieben said there is nothing new on Planning and Zoning's end with this.

Mr. Phipps said there is nothing new from Engineering either.

[19-0964](#)

Requesting approval of a Preliminary Plan and Plat on Parcel E for Ogden Ridge Subdivision located at the southeast corner of Ogden Avenue and Farnsworth Avenue for detached single family dwellings (KEKA Farms, LLC / K. Hovnanian Homes - 19-0964 / OS01/1-18.150-PA/A/SUPD/Ppn/Psd - TV - Ward 9)

Mr. Sieben said there is nothing new on Planning and Zoning's end with this.

Mr. Phipps said there is nothing new from Engineering either.

[20-0048](#)

Requesting approval of a Special Use for a Cannabis Dispensing Facility (2115) use on property located at 35 N. Broadway (Bloom Holdings, LLC - 20-0048 / AU22/3-19.218-SU - TV - Ward 2)

Representatives Present: Thomas Duffy and Peter Stazzone

My name is Tom Duffy. I am an owner along with my partner, Peter Stazzone, who is the President of our company, Bloom Holdings Corp. Bloom Holdings Corp. filed an application for a cannabis dispensary license with the State of Illinois on December 30th of last year. The process is that the State of Illinois will award licenses for cannabis dispensaries other than existing medical cannabis dispensaries that converted to recreational that are allowed to add on one dispensary to their existing dispensary. So the new round of licensing will be issued in May. We've applied for a license and we have identified 3 different locations that we intend to do business. We have a location in Wadsworth at the intersection of 41 and 173 that we are in the Special Use process that is a mile from the intersection of I-94, the route up to Milwaukee, Wisconsin and north. We have a second location in Antioch on Route 83 that we are also in the process of getting a Special Use permit. Then the final location is at 35 Broadway in Aurora. We spent a lot of time looking at locations in Aurora. We'd looked at the location that's in the paper, the Meijer location that's in the news today, and we decided that we didn't think that was a good location for us because you

had to get Meijer's approval and we wanted a single standalone building. We've also looked at properties on 31. We looked at Eola Road and we looked downtown. We think that for the opportunity that we would focus on downtown. We've been working with Bill Wiet, who has been very helpful and is a great person to work with. To make a long story short, we ended up getting involved with the owner of the property at 35 Broadway. We have a letter of intent to enter into a lease with an option to purchase. We are looking at putting a dispensary in the ground floor level, the first floor, but we also have the option of expanding into an additional 3,500 square feet in the basement, which would be very easy to finish and it's got very high ceilings. It is an attractive space. The building has been renovated. It is used as a cake decorating business and we have the full cooperation of the owner in appearing before you today. We think this property is ideally situated to suit the city's purposes. As I understand it, the city wants to have 4 dispensaries, 2 social equity. I am a social equity applicant and I'll explain that in a minute. We think that this location is superior visibility-wise, traffic count-wise, location-wise and the building is ideally suited for what we want to do. As you can see, we've adapted a floor plan, which was adapted from the floor plan we submitted to the State of Illinois as part of the licensing application. We had that retrofitted to the space that is currently developed on the property. You don't have to open any walls. Take furniture out, put our stuff in and we are ready to operate. Now this is an advantage for the city because that means that when we get a license, because I'm not saying if, because I think this is also a real estate transaction as much as it is a cannabis dispensary license procurement venture. For example, on the location we have in Wadsworth, I went up there yesterday to have that floor plan adapted for that space. That's 7,500 square feet. It's got 18 foot ceilings. We are going to have inside parking in there because parking is a concern as everyone has seen during the honeymoon period. We have ample parking there and we have more than ample parking here. We think that our operation is specifically tailored to this town because of the connections with the people that we are working with and that is Steve Warrenfeltz and Bill and the people that we've met through the process so far. We think we would be a valued member of your community. I know the Mayor is interested in foot traffic downtown. This will certainly help foot traffic. I think that that block, some of which is undergoing renovation, that our opening a business there would be a very significant stimulus to the further rehabilitation of that block. We know there are a number of development restrictions on properties downtown and we will satisfy every single one of them. We are not asking for any variances. We think our project will fit within the zoning. I've talked too long. I'll give you the social equity thing. I'll turn it over to Pete. He can say whatever he wants. Don't hesitate to interrupt us with any questions you may have. I'm a social equity applicant. I'm a lawyer, but I'm an artist and I have an art studio. I had an art studio in Waukegan and I had a couple of boats up there and I was arrested for possession of cannabis. I didn't get convicted. I was arrested. The purpose of the act to qualify as a social equity you follow 1 of 3 criteria. You were arrested or convicted for violation of the cannabis laws that were formerly in effect. That's me. You employ people that are from a census tract that is considered socially disadvantageous and you have employees like that. I don't even remember the third one because I got the first box checked. That didn't have any effect on my career or anything like that. There's no black marks. I'm still practicing law, very active in redevelopment of all kinds of properties. If you don't have any questions for me, I'm going to turn it over to Pete.

My name is Pete Stazzone. I'm Tom's partner, President of the company. One thing I want to say is that we submitted an application for 3 dispensaries. The other locations aren't like alternatives to Aurora like if we don't get something we are going to move somewhere else. We've got 3 sites because we've applied for 3 dispensary licenses. As Tom said, we are social equity qualified. I am currently the CFO, Chief Financial

Officer of a cannabis company and I've been in the business for 4 years. Prior to that I was the CFO for a telecommunications company for 17 years. I'm a graduate of Illinois here. I'm a CPA. I got my MBA from DePaul University and I lived here the first 40 years of my life before moving out to Arizona, which is where I currently reside, but obviously, I'll be coming back here for Bloom Holdings. This property and the way it began is as Tom mentioned. Steve Warrenfeltz was not only my college roommate, but he's one of my dearest friends and so when he started and was very instrumental with the Venue with the Fox Valley Music Foundation, you know I've been following along, and when he heard what Bloom Holdings was going to do he said you need to look at downtown Aurora, what's happening there. I've worked with the people and I know what the Mayor and the city is trying to do to downtown. I think it would be a great site. He then said why don't you talk with another Board member of the Fox Valley Music Foundation, which is Bill Wiet and that's how a lot of this came to be. They are both great guys. They both speak highly of their experience in dealing with the City of Aurora in getting the Venue opened. Part of our application with the State, you know, we have a community engagement plan and we did identify that the Fox Valley Music Foundation and as well as, I believe it has something to do with the Aurora Police Department with the things that we would like to contribute. We want to be good corporate neighbors. As far as the employees, the 3 social equity components were someone who had been convicted or arrested for a minor marijuana offense that owns 51% of the company or if you have more than 10 employees and 51% of those employees come from a disparaged impact area and three is if you lived in a disparaged impact area for more than 5 of the last 7 years or something like that and you own 51% of the company. Those were the 3 qualifications if you qualify. Since we qualify as social equity, our intent is however to hire from the Aurora community for our employees and particularly to seek those that would qualify social equity applicants and for that I'm hoping that we can get some direction here from the city of people or organizations we can talk to when we start that interviewing process. We certainly intend that would be our top priority for engaging employees for the company. My firm manufactures. We have grown and we are in 3 states not in Illinois. My company, which is called Straits, is not part of this. Them and the Board of Directors are fully aware that I'm involved with Bloom Holdings. I really welcome the opportunity to come back to Illinois and close out my career so to speak. I think it is a tremendous opportunity. I looked at putting a Harry Carey's restaurant where I think Walter Payton's is years ago. I was one of the original developers and owners of the first Harry Carey's restaurant in Chicago. We did a number of restaurants and hotels while we were there. Then that was sold off unfortunately because there's now about 5 or 6 Harry Carey's. I wish we would have kept them. But I do have experience in retail as well.

Mr. Sieben said could either of you touch on the application process? My understanding is the State is going to be giving out, is it 47 in May? Is that correct?

Mr. Stazzone said as Tom pointed out, the State is issuing 75 new licenses. There were 55 existing medical dispensaries in the State of Illinois and each one of those medical dispensaries were allowed to open a second one.

Mr. Sieben said those are the plus ones?

Mr. Stazzone said the plus ones. In fact, this one that Zen Leaf wants to do on Route 59, that would be their plus one. The state will then issue 75 new licenses to be awarded by May 1st to new applicants. They divided the State into what they call BLS regions for the 75. 47 of those new licenses will be issued in what's called the Chicago/Naperville/Elgin region and so that encompasses about 6 or 7 counties, Kane,

Cook, DuPage, Lake, McHenry, and Will, so this falls under that Chicago/Naperville/Elgin BLS region. We've applied for 3 licenses within that. Obviously it was a very voluminous and exhaustive process compared to other states that I'm familiar with. The fact that they are focused on social equity I think is a good thing. In fact, it is kind of leading the way for future states that want to legalize marijuana. But part of it was environmental plans and security plans and employee training plans and purchaser training plans and operating and business, all these things, which we've done. We've engaged 2 consulting firms to help us with some experience plus the experience I have with people that I know in the industry that have helped with putting that together. We feel confident. Our Advisory Board of our company is made up of Joe Duffy, which is Tom's son. He has his own lobbying firm and has been active politically throughout the country in campaigns. Jim Lowry is one of the more prominent, just about the most prominent African American businessman. He is also an owner in our company. I've known Jim for 30 years. He has written books. His specialty is in diversity plans for cities and states. He is also currently a senior advisor or something like that at Boston Consulting Group. So Jim is part of it. Luba Andras and her husband Gene owned 2 medical dispensaries here in Illinois, 1 in Lakeview in Chicago and 1 in Rockford, which they sold in March of last year to Presco Labs. They spent 5 years owning and operating a medical dispensary here in Illinois and they've been mentoring and advising me and will be instrumental in helping us with the opening, the vendor relationships for getting inventory as well as directing us to what they consider are the most qualified employees for us to employ for our company. Then Sherry Taylor is on our advisory. Sherry is a former Vice President of Ketmark Bank, which prior to that she was GMAC. She was the head of Human Resources and Compliance, so she will be instrumental in helping us with all the human resource issues that come as well as compliant issues.

Mr. Duffy said the one thing I want to say about this particular location, and I don't mean to interrupt your line of questioning, but there are a lot people that are applying for licenses. There are 600 people that applied for licenses. There is no guarantee that any of us are going to get a license, but this property, the way it is situated right now, is such a desirable building and location, not just location, but building and location that I would anticipate in the unlikely event that we do not get a license people with licenses will be approaching us about being their partner on that building in opening a dispensary. That's a fallback plan. We don't intend to do that. We intend to get a license and we intend to operate a business there, but even if we are not part of the chosen few, we will still operate a dispensary there, which will be up and running, remember this building was renovated, up and running faster than something that needs a total rehab. One other thing about my son, my son is a lobbyist in Springfield. He ran the campaign for the Attorney General, Kwame Raoul, and he is an active participant in our venture and he has been working with many of the people in Springfield in connection with expanding this business and all the accompanying stuff.

Mr. Sieben said so we are in receipt of all the plans that are required, so we're in the process of reviewing that. Tracey is off sick today, but she'll be circling back with you if we have any comments or we need anything additional, but otherwise the next step would be setting it for the public hearing at our Planning Commission, so probably in the next week or so she'll be getting back to you with what that anticipated date is. She'll work with you on the notices. There are certified mailings that have to go out to properties within 250 feet. We do provide you guys with a sign. What goes out in the certified mail we provide you with a location map and an information sheet. She'll work with you on that.

Mr. Stazzone said we look forward to successfully completing the process.

Mr. Sieben said let me turn it over to the rest of the staff. Herman is our Building Director. Herman, any comments?

Mr. Beneke said nothing at this time. When you get to the building portion feel free to contact us at that time.

Mr. Sieben said Mark, any Engineering issues?

Mr. Phipps said no, I don't think so.

Mr. Sieben said Fox Metro?

Mr. Frankino said we are just happy to be a part of the process. I'll give you my card.

Mr. Minnella said what's your plan for the second floor?

Mr. Sieben said there is an existing State Farm agent. Are you guys closing on the lease?

Mr. Duffy said he has a lease. I don't know when it expires. The owner of the building and I toured the building, we went through his space, it is nice, and I originally visited the building with the intent of inspecting the first floor, but the basement is very attractive. Pete was in Vegas last weekend and he saw a store in Vegas that he said was really very impressive. It is like a superstore and it is high-end. I had never been to a dispensary in Illinois and Sunday I went to the dispensary in Mundelein and it was not impressive. This is going to be an impressive operation. It is going to be high tech. The basement, I think, is going to be part of it. I don't know what number of square feet that we're going to do in the basement. I think this location would merit more than just the first floor, including the basement and God knows, maybe the third floor sometime. We're looking to have an option to purchase the building so we have the flexibility to deal with it. Right now our letter of intent is for a lease with a stated term and to negotiate an option to purchase and the owner of the building is very interested in being part of this venture. Thank you very much for your time. If anyone has any questions, call us.

PENDING

ANNOUNCEMENTS

ADJOURNMENT

Mr. Sieben adjourned the meeting at 10:25 a.m.

**VISIT OUR WEB SITE FOR CURRENT AGENDAS:
<https://www.aurora-il.org/AgendaCenter>**