

Staff Responses to Council Questions September 10, 2019

Item 6. Active Agenda, B. - Direct Staff to Prepare Amendments to the Zoning Ordinance for Plan Commission Review and Consideration at a Public Hearing:

Please provide an estimate of any increase in costs to provide police services related to the operation of cannabis dispensary.

The Village has identified the following potential police related impacts related to the operation of a cannabis dispensary:

- Potential increase in incidents of driving under the influence for those traveling to and from dispensaries
- Potential increase of investigations for adults providing cannabis to underage individuals
- Potential rise in illegal trafficking of cannabis legitimately purchased from a dispensary
- Dispensaries may be a potential target for robberies
- Customers may be a potential target for burglaries
- Potential increase in resources to conduct undercover checks for compliance

Cost impacts are difficult to project at this time as there is not much data available on the topic. The current zoning idea limits the number of cannabis businesses to three, which means the total costs and operational impact is likely to be small when compared to the overall operating expenses.

Since the current zoning idea requires Special Use approval for all cannabis businesses, staff will be able to estimate the operational and cost impacts for each proposed business based on a review of their application materials.

If the Village decides to ban cannabis businesses now and revisit the issue prior to the second phase of the issuance of state licenses for dispensaries, when would the Village have to begin the reconsideration?

The State of Illinois is scheduled to issue the second phase of licenses by January 1, 2021 and the Village would need to reconsider this issue in early 2020. Applications take a long time to process, and the physical location of where the business will be established must be listed on the application.

It should be noted that there may be no additional dispensary licenses made available in the second phase. The State of Illinois will conduct a disparity and market study to determine if any additional licenses are needed.

On a per square foot basis, how much sales tax revenue can be expected to be generated for a cannabis dispensary? How does this compare to other retail stores?

Staff estimates that dispensaries will be 2,000 to 4,000 square feet in area and generate \$7 to \$10 million in annual sales. This is a range of \$1,750 to \$5,000 per square foot in annual sales. Typical retail stores generate about \$350 per square foot in retail sales.

See below for articles on the topic:

- [Bucks from Bricks: These retailers make the most money per square foot on their real estate](#)
- [Average Square Footage and Retail Sales per Square Foot Across Major Brands](#)

Item 7. First Reading, B. - Discuss Results of Water Rate Study:

What would the revenue requirements be if the Village were not charged anything for the purchase of water?

Approximately 55% of the total costs for operating the water distribution system are for capital projects, maintenance activities and other operations. These costs traditionally increase at 2.5% per year. This The remaining 45% of the total cost of operating the water distribution system is the cost of purchasing water.

Please explain the rationale behind the proposed difference in rates for incorporated versus unincorporated customers.

Rates for unincorporated customers are approximately 13% higher than the rates for incorporated customers. This rate structure is designed to make sure that unincorporated customers pay their fair share of costs for a catastrophic failure of the water system. Any catastrophic failure in the water system would be paid for using funds in the Risk Fund and General Fund. These two funds are supported by Village of Downers Grove taxpayers. The difference between incorporated and unincorporated rates is based upon this risk premium.

What would happen if the Village uses a rate structure which reduces the unit price for water consumed for high volume consumption customers? Do other municipalities employ such a rate structure?

This rate structure is known as a declining block rate. Decreasing rates for high volume consumption customers would shift more of the cost of the water system to lower volume users. Since the DuPage Water Commission does not offer a high volume discount to the Village, there would be no financial incentive for the Village to structure rates in this fashion.

If requested, staff could conduct research to identify municipalities which this rate structure.

Item 7. First Reading, C.-E. - St. Joseph Creek Restoration Project:

Is the Village following the original plan for this area that was in place at the time the properties were acquired? Have any aspects of the original plan changed?

Yes, the properties that were acquired are intended to serve as small detention areas during times of increased runoff, then drain when flows subside. No aspects have changed, with the exception of maintenance activities between Fairmount Avenue and Barth Pond.

Is the contractor required to make any changes to the plantings that are noted during the 3-year monitoring period? Are the costs of these changes included in the price of this contract?

Yes, the contractor is required to make changes to plantings if they are not growing/becoming established within the 3-year period. These costs are included within the contract price.

How many controlled burns are performed on streambanks? How often? Does the Village perform any other controlled burns?

It is unlikely that a controlled burn would be recommended for the streambank project. Controlled burns are used in areas that have a high volume of dead or dormant vegetation that is preventing native seeds from growing, due to a lack of space and light. Streambanks do not generally get this build up of

vegetation. Detention basins and prairies are more likely to get the vegetation build up and require burns. There are several other sites in the Village that may have controlled burns in the next two seasons. These sites have heavy cattail or common reed presence that have choked out desirable natives. The frequency of controlled burns varies greatly depending on the site's vegetation and ecosystem. Sites can be burned every year, every other year, or every few years depending on the density of dead or dormant vegetation. Answer

Will the contractor monitor the wildlife in the stream? If so, how?

The contract does not require the contractor to monitor wildlife.

When the Village uses herbicides, do we consider the impact on bees and pollinators?

Yes. The Village strives to protect pollinators. Herbicides are applied by licensed applicators that are trained in plant identification. Herbicides are applied with spot applications, so the smallest effective amount of herbicide is used.

Please explain the rationale for using partridge pea plants. It seems like the plans call for a large amount of this plant material.

Partridge pea is a good plant for starting prairies and edge areas, it is a legume and fixes nitrogen in the soil. Partridge pea plants have large seeds, so one pound of partridge pea would have about 43,000 seeds. For example, black eyed susans have over 2 millions seeds per pound. Some of the other species in the seed mixes have even smaller seeds, so less weight would equal a similar number of seeds.

Please explain the rationale for using edge species. Where will these be planted? Why?

The wetland edge mix will likely be installed between the water's edge and approximately 2 feet above the waters' edge. That elevation may change depending on the "bounce" of the stream, i.e. the projected high and low water levels. The live plants/plugs are often installed within the low and high water levels because seed can wash away before it germinates and gets rooted in. The final location and species mix will be determined by the contractor. The edge mix species are adapted to fluctuations in water levels and their roots are adapted to being inundated with water.

Attachments

No rEmarks for this week