

# **BLOOM HOLDINGS I LLC**

## **Memorandum**

Date: April 21, 2020

To: Mayor Richard C. Irvin and Members of the Aurora City Council

From: Peter Stazzone, Partner, Bloom Holdings I LLC  
Thomas Duffy, Partner, Bloom Holdings I LLC

Subject: Special Use Petition for a Cannabis Dispensary for the Property Located at 35 North Broadway, Aurora, Illinois

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Much has taken place since Bloom Holdings I LLC submitted the Special Use petition and supporting documents for the property at 35 North Broadway for use as a cannabis dispensary. The petition received approval from the Aurora Planning Commission on March 4 and subsequently that recommendation went to the City Council's Building, Zoning and Economic Development Committee for consideration on March 11. Unfortunately, since then movement has been delayed due to the Covid-19 emergency.

It is our hope that should this application receive approval at both the local and state level that this Aurora location will be the first to open, bringing additional foot traffic into downtown, assist in the further revitalization of the downtown in general and the Broadway commercial corridor specifically, and provide the City of Aurora with an additional source of revenue. Bloom Holdings desire to locate in the Downtown Core was driven by the recent development activity Bloom desires to be a part of, plus the fact that the City Council included the Downtown Core as a potential district for such a use.

The attached Qualifying Statement for the Special Use request, dated January 10, can provide a synopsis of Bloom Holdings I LLC and summary of its requested action. The following discussion and action steps came about as a result of comments and questions after the submittal of the Qualifying Statement, and prior, during and after Bloom Holdings appearance at the Aurora Planning Commission.

On March 10, representatives of Bloom Holdings met with Alderwoman Garza and several local Broadway businesses, where several discussion points came up. The most frequent issue that came up had to do with the perceived lack of parking for the current businesses in the area, with security issues being important but secondary to parking. Following is a summary of both.

## **PARKING**

The City of Aurora owns and maintains four public parking lots, consisting of **279** spaces, within one-half block of the petitioners proposed location. They are:

- Lot E (newly renovated) immediately behind petitioners business of which there are 111 spaces
- Lot M behind the Fire Museum which contains 49 spaces along with an additional 20 spaces located on LaSalle Street
- Lot N is along Broadway north of La Quinta de los Reyes Restaurant and contains 63 spaces
- Lot F is along the Fox River west of the Broadway businesses along New York Street and contains 36 spaces

Of these 279 public spaces (not including on-street parking), during the weekday and Sundays there may be anywhere from 140-170 surplus parking spaces available.

Also, there is an underutilized private parking lot just east of the BNSF viaduct along New York Street. This private lot, owned and managed by Dolan and Murphy Commercial Real Estate, consists of 135 parking spaces. This lot is available to lease in whole or part, and Dolan and Murphy has indicated to Bloom Holdings that these spaces are available to lease.

According to the local businesses and verified by on-site inspections, Friday evenings and Saturdays are busier times for the downtown and therefore parking availability decreases. Parking Lot N also sees an increase in La Quinta Restaurant customers during evening hours, as does Lot F.

However, the businesses were in general agreement that for the most part adequate parking is available during most days and evenings except for Friday evening and Saturday, when again many of the parking lots experience increases in use. It shall be noted that many businesses along Broadway are closed on Sunday and close in the early evening hours (6:00 or 6:30 with some closing at 8:00). Again, for the most part, parking is available even accounting for Bloom Holdings peak customer capacity of 50-75 people (which again are during peak times after 6:00 PM and weekends).

Below is a list of local businesses and their hours of operation:

Paramount Theater Broadway Series show times (should not interfere with normal dispensary peak business operations)

- Monday – closed
- Tuesday – closed
- Wednesday- 1:30 and 7:00
- Thursday – 7:00
- Friday – 8:00
- Saturday – 3:00 and 8:00
- Sunday – 1:00 and 5:30

#### Nearby Business Hours:

- Aurora Jewelry – 10:00- 6:30 M-Sa (closed Sunday)
- Balderas Beauty Salon – 9:00 -8:00 M-F, 9:00-6:00 Sa (closed Sunday)
- Belle Jewelers – 10:00-6:00 M-F, 10:00-4:00 Sa (closed Sunday)
- Hercules Gallery of Hair – 9:00-5:00 Mo Tu We Th, 9:00-4:00 We, 8:00-4:00 Sa (closed Sunday)

Upon reviewing a sampling of other dispensaries, for the most part there is a steady stream of customers during the day, when parking would be available at this location. Customers increase later in the afternoon into the evening hours when again parking is available here due to nearby businesses generally being closed. And again many nearby businesses are closed on Sundays. This information will be helpful in advertising Bloom Holding's customers to the best times when parking is most available.

In summary, **414** parking spaces are available nearby, well in excess of the petitioners needs and well in excess of what is being provided by the two previously approved cannabis dispensaries in Aurora. But in listening to the businesses in the near vicinity, the following is being proposed by Bloom Holdings:

1. All employees will not park in Lot E (immediately behind the building) but will be directed to more remote public/private parking lots.
2. Petitioner will physically direct customers away from Lot E during peak times so that existing businesses on the block can continue to enjoy the use of available parking close to their places of business.
3. Petitioner will contract for additional customer parking spaces that can be used during business hours, peak times, and for employee parking (peak times being Fridays and Saturdays) in the private Dolan and Murphy commuter lot located east of the train viaduct between Spring Street and New York Street. That lot contains 135 parking spaces with over 100 spaces vacant most of the time.
4. Bloom Holdings will not advertise or promote Parking Lots N and F (La Quinta Restaurant and lot along the river) in any of their media publications. Also, Bloom Holdings will emphasize to its customers the best times in which to visit the store so as to reduce any parking congestion that may occur.
5. Petitioner shall work with neighboring businesses to provide additional way finding signage if need be and if allowed by downtown regulations to direct Broadway business customers to parking facilities.

#### SECURITY

The security plan for the dispensary is included in the application submitted to both the City of Aurora and State of Illinois. The security consultant is the same firm that represented the previously approved dispensary licenses in Aurora. The security plan is what the state generally looks at as part of the application, and if approved the state will be performing a more thorough on-site inspection of the premises. Security cameras will be placed both inside and outside of the

building, and will enable the security personnel the ability to watch closely over Lot E. No loitering of customers will be allowed in the general vicinity, and there will be interior waiting area(s) to avoid any outside waiting (which will not be along Broadway).

In addition to the security plan submitted to the State, Bloom's security manager will contact each individual business on the block to get input and advisement on any security concerns past or present. Bloom will provide security to enforce no loitering along the outside of the building and will walk the parking lot on a regular basis. No customers will be allowed to wait in line outside the building along Broadway but shall be directed into the building which will provided with a waiting area.

Blooms security personnel will direct their customers away from parking in those portions of Lot E that at times could hinder the business operations of adjacent businesses due to lack of adequate parking.

Regarding locating a dispensary downtown:

- It meets many of the criteria outlined in the newly adopted downtown master plan approved by the Aurora Planning Commission and City Council in the recent past.
- The peripheral benefits from this location will be felt in this neighborhood on Broadway area as well as downtown as a whole (foot traffic, disposable income, the business being an active part of Broadway redevelopment)
- Bloom will provide marketing materials for downtown businesses in their building.
- Customers may be Aurora residents or people visiting the downtown for the first time – and might patronize local restaurants and shops.
- Bloom will assist in the further redevelopment of Broadway which will include engaging in conversations with our new neighbors.
- Parking – there are approximately 414 public parking spaces in five lots (one private) within one-half block of this building, plus thousands of other parking spaces throughout the downtown if customers wish to visit downtown and see what the downtown has to offer.

QUALIFYING STATEMENT  
35 N. Broadway, Aurora, Illinois (“Property”)  
January 10,2020

Introduction

The undersigned is Vice President and Secretary and a 51% shareholder in Bloom Holdings Corp., an Illinois corporation (the “Company”). The Company filed on December 30, 2019, a Conditional Adult Use Dispensing Organization License Application (“Illinois Dispensary Application”) for the Property and two other locations in northern Illinois that the Company has under control, also identified in the Illinois Dispensary Application. The Illinois Dispensary Application filed by the Company identifies the undersigned as a Social Equity Applicant (See Schedule 1). Bloom Holdings I LLC (“Proposed Project Tenant”), an affiliate 100% owned by the shareholders of the Company, has entered into a Letter of Intent (See Schedule 2) with Knightsbridge Global Ltd., the owner of the Property, for a lease, with an option to purchase, relative to the development of the Property with a cannabis dispensary (the “Project”). The owner of the Property has issued an Owner’s Consent and Authorization to proceed with the proposed development of the Project as a cannabis dispensary (See Schedule 3). A copy of the legal description of the Property is attached as Schedule 4.

Although the Company does not hold an existing medical cannabis dispensary license in the State of Illinois, the undersigned anticipates that the location of the Property and the other two locations referred to above are high-traffic areas located at key arterial intersections that are very desirable sites for a profitable cannabis dispensary, which will result in increased revenue for both the State and the City of Aurora.

As to the experience The Company has in the cannabis industry, The Company’s President, who holds a 44.1% interest, has significant experience as the chief financial officer of an established integrated cannabis company doing business in several western states, as further described in Schedule 5.

The Company’s operating procedures have been submitted to the State for their review and are also attached as Schedule 6. The proposed floor plan for the Project is attached as Schedule 7. The current PME School of Cake Decorating & Confectionary Art is well suited for the proposed re-use and has been meticulously remodeled and upgraded.

As part of the Company’s business plan, the Illinois Dispensary Application identifies certain not-for-profit organizations which the Company has committed to promote through donations derived from the Project’s operations. The Company’s mission is to work with local non-profits, and it is The Company’s intention to create working relationships with them.

The Company’s security plan that has been submitted to the State is consistent for all locations being applied for, and attached as Schedule 9.

This Property is located at the southeast corner of the highly visible intersection of State Route 25 (Broadway) and New York Street. Along with its physical location, it, just as importantly, is

located immediately adjacent to the City's public parking lot commonly known as Lot E. Lot E has just completed a majority reconfiguration and reconstruction. The City has added additional lighting than what was located there previously, creating a stronger sense of security, and has also installed a security camera system. Not only is Lot E available to potential customers, but there are also two additional public parking lots located just off the northwest and northeast corners of the intersection, all within view and comfortable walking distance to the Property. The Company recognized the ample availability of, and ease of access to, downtown parking in its site selection process.

The Company is aware that any improvements to the Property must be in conformance with the FoxWalk Design Review Rules and Regulations, and is prepared to work with City staff on any exterior design modifications as well as signage for the redevelopment of the Property. Although the City recently completed the installation of two parking Lot E entrance signs, The Company will continue to work with local businesses to determine if additional wayfinding signage is necessary, and if the Property can assist in the placement of said wayfinding signage on the façade. The Company and its affiliates plan to be actively involved in the Aurora Downtown business organization, plan to become a member of the Greater Aurora Regional Chamber of Commerce, and other organizations in furthering its relationship with the city.

The undersigned has reviewed the Aurora Ordinances and Regulations that pertain to cannabis dispensing facilities and the Project will fully comply with all applicable Ordinances and Regulations. Its location also meets the separation requirements contained in the Ordinance.

One important aspect of locating in downtown Aurora worth noting is that The Project conforms to and will promote the CMAP Downtown Master Plan for Aurora. To that end, the Project :

- Will add to the growth and diversification of businesses in the downtown ;
- Will maintain the historic integrity of the building;
- Will integrate uniform building design and signage;
- Will assist in the overall marketing of the downtown and will promote local businesses from within the facility;
- Will assist in the redevelopment of the Broadway redevelopment corridor;
- Will promote use of public transportation given its proximity to bus service and the Aurora Transportation Center;
- Will generate additional foot traffic in the downtown, which is vital in support of this and other businesses in the downtown;
- Will create jobs and encourage additional small business development;
- Will desire to be an active participant in the creation of an art and culture plan for the City;
- Will promote activities that enhance the enjoyment of the Fox River and its attractions.