



**CITY OF WASHINGTON, ILLINOIS**  
**Committee of the Whole Agenda Communication**

**Meeting Date:** July 8, 2024

**Prepared By:** Michael D. McCoy

**Agenda Item:** Discussion involving the Peak, owned by J. Giebelhausen

**Discussion:** Mr. Giebelhausen has asked the City Council, in writing, to allow the Peak to immediately obtain a City of Washington Gaming License, in violation of current City of Washington Ordinance.

As summary information, Mayor Manier and I met with Jeff Giebelhausen just after Mr. Gieblehausen had purchased the old McMahons, which had been unoccupied for a long period of time, located in Sunnyland Plaza. City Ordinance was explained in detail to Mr. Giebelhausen about what he must do to obtain a City of Washington Liquor License and a City of Washington Gaming License. Mr. Giebelhausen asked that the two (2) year waiting period be lowered to a one (1) year wait for a Gaming License

Soon after the meeting, City Ordinance was amended to establish a one (1) year waiting period, after opening a business, to obtain a gaming license, compared to the usual two (2) year waiting period. Mr. Giebelhausen put in a laundromat and then began work to open the bar. Mr. Giebelhausen opened the bar and was issued a City of Washington Liquor License. Now, Mr. Giebelhausen is asking the City of Washington to allow him relief to obtain a Gaming License... immediately.

Instead of recreating all correspondence and timelines, I have attached paperwork.

1. July 5, 2023 Liquor License Application
2. May 13, 2024 Letter from Chief McCoy to Mr. Giebelhausen
3. Three pages of correspondence from Mr. Giebelhausen
4. Two pages of timelines from City Clerk Brod

**Fiscal Impact:** Unknown

**Action Requested:** City Council review discussion and recommendation



## Washington Police Department

Michael D. McCoy

Chief of Police

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115 WEST JEFFERSON STREET  
WASHINGTON, ILLINOIS 61571  
NON-EMERGENCY (309) 444-2313  
FAX (309) 444-7511

May 13, 2024

Jeffery Giebelhausen  
1105 Fondulac Dr.  
East Peoria, Illinois 61611

Dear Mr. Giebelhausen:

On May 8, 2024, Mayor Gary Manier, Deputy Chief Jeff Stevens and I were treated, by you, to a tour of your new Sunnyland Smokehouse.

While the meeting was concluding you inquired about the ability to have 'gaming' made available in your establishment in just two weeks. You stated that you had already obtained a State of Illinois Gaming License.

As you know, the City of Washingtons requirement for having a gaming license in a newly owned and operated establishment is ...one year from the date of opening for business. Your initial liquor license was issued on May 1, 2024. This is something that was discussed with you prior to any action that you took to create the Sunnyland Smokehouse.

In accordance with Washington Ordinance you will become eligible for a Washington Gaming License on May 1, 2025. If you have any additional questions feel free to contact me.

Michael D .McCoy  
Chief of Police  
Public Safety Director

Received  
7-6-23

CITY OF WASHINGTON, ILLINOIS  
LOCAL LIQUOR CONTROL COMMISSION

APPLICATION FOR ALCOHOLIC LIQUOR LICENSE  
(If any item is not applicable, please indicate with NA)

Date: July 5, 2023

To the City of Washington Local Liquor Control Commission:

I, Jeff Giebelhausen, being first duly sworn, and on oath,  
state(s) as follows:

1. Applicant's Full Name: Jeffery D. Giebelhausen
2. Applicant's Address: [REDACTED]
3. Applicant's Phone Number - (cell) [REDACTED]
4. Applicant's Email: jeff@giebargroup.com
5. Applicant's Date of Birth: [REDACTED] Social Security Number [REDACTED]
6. Applicant's Position w/Business: owner/manager Percentage of Ownership: 100
7. Liquor License Classification applied for: on & off-site
8. Business Name (to appear on license): Lacon Riverview Subdivision dba Sunnyland Smokehouse
9. Business Address: 201 S. Summit Drive
10. Business Phone Number - (cell) 309-657-9371 Fresh Food S
11. Does applicant or applicant's business own the premises for which this license is being sought? Y(N)
  - a. If no, provide landlord name, address and phone number: Summit Drive Depot,  
1016 Springfield Road, East Peoria 61611  
309-~~657-9371~~ 265-8412 (attach a copy of the current signed lease)
12. List addresses of all current locations where the applicant or applicant's business is engaged in the sale of alcoholic liquor at retail: 2464 Washington Road, East Peoria  
2466 Washington Road, East Peoria
13. If the business is to be conducted by a manager/agent, please provide the following:
  - a. Name: N/A
  - b. Address: N/A
  - c. Date of Birth: \_\_\_\_\_ Social Security Number: \_\_\_\_\_
14. If applicable, the date of filing of the "assumed name" of the business with the County Clerk  
October 19, 2020 (attach a certified copy of the "assumed name" certificate)
15. In the case of a co-partnership, the date of formation of the partnership: \_\_\_\_\_
16. In the case of an Illinois corporation, the date of incorporation: October 23, 2012
17. In the case of a foreign corporation, the state of incorporation and the date of it becoming qualified under the "Business Corporation Act of 1983" to transact business in the State of Illinois.  
State: N/A Date: \_\_\_\_\_
18. Attach a certified copy of the Certificate of Good Standing issued by the Illinois Secretary of State for the corporation, and a copy of the Articles of Incorporation for the business.

## **Lacon Riverview Subdivision dba Sunnyland Smokehouse and Fresh Foods – 201 S. Summit**

### **Ownership and Tenant Chronology -**

1. Late Fall, 2020 – Giebelhausen family placed 201 S. Summit Drive under contract for purchase
2. January, 2021 – Applied for Washington City Liquor License
3. March, 2021 – Washington Liquor License Received
4. April 2021 – Summit Drive Depot purchases the property. Summit Drive Depot is owned by members of the Giebelhausen Family
5. April 2021- early, 2023 – Giebelhausen’s decide what to do with the building/property – multi-family, office, car wash were all reviewed
6. Early 2023, Giebelhausen’s settle on a Laundromat in part owned by Cody, an upscale bar/restaurant owned by Jeff; design and budgeting commences
7. June 9, 2023 – Permitting process commences – Washington Fire Inspector Garry Grugan requests a full life safety review; Summit hires PCM+D Architects to perform
8. June 12, 2023 – Cody e-mail to Garry for “what else is needed for review”
9. June 12, 2023 – e-mail from Jon Oliphant to Cody outlining what Garry needs for life safety; City issues construction permit
10. June 13, 2023 – Cody e-mail to Garry the life-safety plans and asks if anything else is needed – there was no response and the permit was issued so work was commenced per the permit
11. September 6, 2023 – Cody receives e-mail from Garry saying no longer Washington Life Safety Inspector when Cody emailed a question about the type of door closer needed
12. September 6, 2023 – Cody emails Jon Oliphant as to who the new inspector was
13. September 6, 2023 – Jon emails Cody back copying Justin Hale, the new inspector
14. September 6 – November 19, 2023 – period in which Justin developed new requirements other than what Garry had previous outlined/stated needed to be done (and issued permit for)
15. September 1, 2023 – New Washington Liquor License issued
16. October 2023 – Summit Laundry Opens incurring approximately \$6,000 in new incremental costs due to inspector changes. Intent was to open
17. April 20, 2024 – City of Washington occupancy permit granted after over \$70,000 in New Work required by change in inspectors and 5 months of delays.
18. April 26, 2024 – Health Department Category III license granted
19. Category I Health License (which allow full cooking), will be issued when the hood is completed, which still needs final electric, gas and ansul system. Approximately another \$15,000 in expense. This will bring the full costs of changes due to differing opinions between Washington’s previous Fire Inspector and the current Fire Inspector to almost \$100,000 AND over 6 months of lost operations. It is worth noting the changes required by the new Fire Inspector are Not Supported by most architects.

## 201 S. Summit Drive

### Lacon Riverview Subdivision LLC dba Sunnyland Smokehouse and Fresh Foods and dba The Peak

**Request of the City of Washington: Allow gaming to commence immediately**, recognizing the following facts and Differentiation

1. A Dilapidated, vacant building was purchased and renovated – benefitting the entire Plaza;
2. Project has been in the works over 3 years, showing a significant long-term commitment;
3. A Substantial \$1 million Investment with No City funds or incentives (other than Enterprise Zone);
4. A Substantial hold period for the Washington liquor license cumulatively (but not consecutively due to an error on our part missing a renewal mailing) for at least a couple years;
5. Gaming License has been received from the State;
6. Direct Action of the City personnel changes costing over 6 months of operations lost and \$100,000 in additional expense, that we chose not to contest, but instead complied with

Further, Recognition that the Approval of Gaming will result in:

1. More investment in the business including types of food operations and bar service, further differentiating it from other businesses in the City;
  - a. Food operation overseen by a very well-respected food operations expert, Phil Caplis owner of Geos Pizza in Metamora, formerly Two25 in Peoria and the Golden Corral
2. Better security and safety for area businesses
3. Synergy and support provided to other Plaza businesses, strengthening the City as a whole
4. Additional Tax Revenue as the business expands

We Can be “live” with gaming within 2 weeks of City. Your consideration is requested.

Respectfully Requested

  
Jeff Giebelhausen

309.657.9371

jeff@giebgroup.com

## **Lacon Riverview Subdivision LLC dba Sunnyland Smokehouse and Fresh Foods and dba The Peak**

### **Total Investment To-Date**

1. Purchase - \$120,000
2. Improvements – Over \$350,000 (roof, parking, mechanicals, etc)
3. Laundry equipment - \$270,000
4. Restaurant Equipment - \$180,000
5. Life Safety Upgrades Required Due Solely to Change in City Inspectors - \$70,000

Total Investment Tenants and Landlord – approximately \$1 million

### **What Remains to be Added/Accomplished with the Property/Business:**

1. Full cooking capability, allowing for Salad/Hot Food bar, including ala-carte to go
2. Pop-Up Kitchens allowing for differentiation of menus regularly
3. Cooked to Order capability
4. Pour Your Own Wine Stations
5. Self-Pour 12-Tap Beer Wall
6. Tasting and Sampling Events
7. Upscale Outdoor Patio including covered areas and fire pits

### **Why Gaming is Important:**

1. Allows for Full Hours and Staffing
2. Provides funds for remaining improvements
3. Increases chances business will succeed, since most businesses fail at the beginning
4. Laundromat will always be an unmanned business, with intent always being that the “shadow staffing” comes from the restaurant operations adjacent

### **Why Full Hours Business Hours, Offerings and Staffing are Important to Others:**

1. More business and licenses generate more revenue for the City
2. More businesses being open benefits others in the Plaza, especially the theater
3. More variety of food benefits customers and area residents
4. More hours of operation benefits the laundromat from a security perspective and less police interaction

Date	Notes:
10/13/20	Mr. Giebelhausen contacted the city regarding opening an establishment at the closed McMahon's location.
11/17/20	Mr. Giebelhausen stated in an email that "I have decided if it remains two years then we will not pursue a liquor license or gaming and, instead, go with other non-retail commercial uses in the building. Either way we are going to buy it but we have a few office options we could do instead of the BBQ retail operation - I got convinced by my banker that the two year wait for gaming was not worth it and to go another direction with the building uses"
11/18/20	Deputy Chief Stevens offered see if there is Council/Public Safety interest in reducing the waiting period.
1/19/21	City Council passed ordinance to reduce waiting period from two to one year.
1/22/21	Received initial application for "Lacon Riverview Subdivision dba Sunnlyland Smokehouse & Fresh Foods"  Illinois Business Authorization Certificate of Registration provided to "LACON RIVERVIEW SUBDIVISION LLC DBA: SUNNYLAND #1 STOP" in East Peoria, IL
2/9/21	A draft ordinance was started increasing the amount of class A liquor licenses from 10 to 11 to accommodate Mr. Giebelhausen's establishment.
3/23/21	License #A-1758 issued to "Lacon Subdivision dba: Sunnlyland Smokehouse & Fresh Foods for the prorated for \$122.85.  License expires 4/30/21 and requires renewal.
4/30/21	License cancelled.  Owner did not provide response to renewal paperwork for FY21/22
4/30/22	No license issued for FY22/23
8/23/23	License #A-2335 issued to "Lacon Riverview Subdivision dba/Sunnlyland Smokehouse & Foods". License expires 4/30/24. Prorated for \$867.51
3/22/24	Renewal letters sent out. Renewals due by 4/22/24.
4/23/24	Received email asking to come to city hall to sign affidavit and told bond has been applied but not yet issued.
4/30/24	License #A-2414 issued to "Lacon Riverview Subdivision dba/Sunnlyland Smokehouse & Foods. Expires 4/30/25. Paid for full license.
5/23/24	Establishment opened under unlicensed name "The Peak on Summit"
5/24/24	City made aware of unlicensed establishment via community advertisements. Chief McCoy made contact with establishment.

	<p>Mr.Giebelhausen stated that the license is Under Sunnyland Smokehouse DBA (Doing Business As) the Peak.</p> <p><b><i>This statement is incorrect. Establishment owner provided a signed and notarized application stating that the dba will be "Sunnyland Smokehouse..."</i></b></p> <p>Establishment owner informed clerk that he will correct the paperwork over the weekend.</p>
6/4/24	<p>Establishment provided new application with corrected name "Lacon Riverview Subdivision dba/The Peak on Summit. Verified with the Illinois Liquor and Gaming Commission that The Peak on Summit is not a registered business within the State. The State noted that the establishment is now responsible for correcting their paperwork and the city will not be held liable should something happen.</p>
6/7/24	<p>Establishment picked up new license.</p>