

## STAFF REPORT

## 2019-22P: Zoning Chapter Amendment

Community Development Department

Council Chambers, 7:30 PM, August 1, 2019

To: Paul Luke, Chairman, Skokie Plan Commission  
From: Peter Peyer, Community Development Director  
Steve Marciani, Planning Supervisor  
Case: **2019-22P: Zoning Chapter Amendment**  
Cannabis Dispensing Organization

General Information	
<i>Petitioner</i>	Skokie Village Manager
<i>Purpose</i>	To review and possibly modify sections of the Zoning Chapter of the Village Code regarding cannabis dispensing organizations.

### STAFF ANALYSIS

The Village Manager requested that Staff study the issue of cannabis dispensing organizations and amend the Zoning Chapter of the Village Code to allow some form of cannabis dispensing organization in compliance with the new State Cannabis Regulation and Tax Act. On June 4, 2019, the Illinois legislature passed the Cannabis Regulation and Tax Act (the "Cannabis Act"). Under the Cannabis Act, Illinois residents over 21 years of age may legally possess 30 grams of marijuana flower and five grams of marijuana concentrate for their personal use, starting January 1, 2020. The Cannabis Act also established licenses for the cultivation and dispensing of cannabis. Local governments were given the right to enact ordinances and rules, "governing the time, place, manner, and number of cannabis business establishment operations, including minimum distance limitations between cannabis business establishments and locations it deems sensitive, ...". However, a local unit of government may not unreasonably restrict such establishments or their operation.

The Village can use its zoning authority to regulate the location and land use related operation of cannabis sales establishments to limit any possible impact on adjacent land uses. A separate Village Code amendment is needed to address licensing, fees, taxing and the internal operation of the cannabis dispensaries in compliance with the Cannabis Act. The proposed Village Code amendment was reviewed by all departments.

A survey by staff of numerous communities in the Chicago area revealed that most have not yet considered the regulation of cannabis dispensaries despite a January 1 start of the program. A July 26<sup>th</sup> article in Crain's Chicago Business.com reported that Naperville, Libertyville, and Bloomingdale have voted down the sale of cannabis;

however, it is yet to be determined if these communities have the authority to do so based on the Cannabis Act.

The Village already had provided for the dispensing of medical cannabis as a special use in M2 and M3 zoning districts. Based on the actions of the State and the adoption of the Cannabis Act, Staff is recommending that the uses be combined into a single use, cannabis dispensary, and specific use regulations be adopted that dictate distances from school grounds, child care centers, public parks or libraries, or games arcade establishments or recreation centers or facilities to which admission is not restricted to persons 21 years or older. The recommended spacing distance is 1,000 feet, which will severely restrict the location of cannabis dispensaries to a few locations. A map of potential locations as of today is attached.

Also, there are specific site regulations for safety about lighting and parking lot visibility as well as facility operations limiting hours and activities. As long as these standard conditions are met, Staff is recommending that the use be permitted in B2 and B3 zoning districts, similar to alcohol and tobacco sales uses, with a parking requirement of 1 space per 300 ft<sup>2</sup> of net floor area similar to other retail establishments. As all activities will be conducted indoors and operations are strictly regulated by the State, there are no anticipated operational externalities that would warrant extra land use control. With the removal of medical cannabis dispensing organization as a separate use, the *health and personal care* parking requirements are reverting back to their original formatting.

Based on these recommendations, case 2019-23P is not necessary, is hereby withdrawn.

## **STAFF RECOMMENDATION**

Staff recommends that the following sections of Chapter 118 Zoning of the Skokie Village Code be amended, with text to be added **highlighted** and text to be removed **highlighted and stricken through** in the attached draft ordinance.

## **ARTICLE II. - DEFINITIONS**

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Sec. 118-32. General Definitions

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***Cannabis dispensary***, means a facility operated by an organization or business that is registered by the Illinois Department of Financial and Professional Regulation or successor to acquire cannabis from a cultivation center, craft grower, processing organization, or another dispensary for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia, or related supplies and educational materials to purchasers or to qualified medical cannabis patients and

caregivers, including a registered medical cannabis organization as defined in the Compassionate Use of Medical Cannabis Pilot Program Act or its successor Act that has obtained an Early Approval Adult Use Dispensing Organization License.

*Car dealer* means an establishment retailing automobiles and light trucks, motorcycles, sport utility vehicles, and passenger and cargo vans, including replacement parts and accessories.

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*Medical cannabis cultivation center* means a facility operated by an organization or business that is registered by the Illinois Department of Agriculture to perform necessary activities to provide only registered medical cannabis dispensing organizations with usable medical cannabis.

~~*Medical cannabis dispensing organization, or "dispensing organization", or "dispensary organization"* means a facility operated by an organization or business that is registered by the Illinois Department of Financial and Professional Regulation or successor to acquire medical cannabis from a registered cultivation center for the purpose of dispensing cannabis, paraphernalia, or related supplies and educational materials to registered qualifying patients.~~

#### **ARTICLE IV. - GENERAL PROVISIONS**

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Sec. 118-99. Cannabis dispensaries.

- (a) *Building form.* The use must be located in a free-standing building.
- (b) *Licensure.* The use must have all required State of Illinois and Village of Skokie licenses.
- (c) *Location restrictions.* A dispensary shall not be located within 1,500' of the property line of a pre-existing dispensary or within 1,000' of the property line of private or public school grounds, a child care center, a public park or library, or a games arcade establishment or recreation center or facility to which admission is not restricted to persons 21 years or older.
- (d) *Lighting.* All site lighting and inside the dispensary building must be provided and kept in good working order and of sufficient wattage for security cameras and the safety of customers and employees.
- (e) *Visibility.* The parking facility must be visible from a public street.
- (f) *Vehicle Access.* The parking facilities must be accessed directly from a public street.
- (g) *Screening.* A dispensary site must be separated from an adjacent lot with a building containing a residence by a 6' high solid fence.
- (h) *Hours of operation.* Hours of operation are limited to between 10 a.m. and 8 p.m.
- (i) *Staffing.* A minimum of 2 employees must be working at a dispensary when it is open.

- (j) *Location of sales.* All product storage, display, and sales must be conducted inside an enclosed building. Drive-through facilities are prohibited.
- (k) *Sales only.* Cannabis products shall be sold at retail at the dispensary but are prohibited from being cultivated, processed, or manufactured.
- (l) *Combined uses.* Other uses that are permitted or special uses in the district in which the dispensary is located may be combined with a cannabis dispensary provided that they meet off-street parking requirements and all other code requirements for each use.

**ARTICLE XI. - OFF-STREET PARKING AND LOADING FACILITIES**

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**Sec. 118-218. Required number of motor vehicle parking spaces.**

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(4) *Office, retail, service, and industrial uses.*

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Barbershops, beauty parlors, and other similar establishments: 1 parking space for each 200 ft<sup>2</sup> of net floor area.

Cannabis dispensaries: 1 parking space for each 300 ft<sup>2</sup> of net floor area.

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Health and personal care: 3.0 parking spaces for each 1,000 ft<sup>2</sup> of gross floor area. If a clinic or outpatient care use is operated in conjunction with this use, 5.0 parking spaces for each 1,000 ft<sup>2</sup> of gross floor area are required for that portion of the use.

~~a. Medical cannabis dispensing organization: Determined by the Plan Commission.~~

~~b. All other health and personal care uses: 3.0 parking spaces for each 1,000 ft<sup>2</sup> of gross floor area. If a clinic or outpatient care use is operated in conjunction with this use, 5.0 parking spaces for each 1,000 ft<sup>2</sup> of gross floor area are required for that portion of the use.~~

**APPENDIX A. USE TABLE**

~~Medical cannabis dispensing organization subject to Sec. 54-283 Special Use M2 and M3~~

Cannabis dispensary Permitted Use B2 and B3

**ATTACHMENT**

Cannabis Dispensary Location Restriction Map