

Lake County Recreational Cannabis Task Force

Lake County Planning, Building
& Development Department

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MEMORANDUM

To: Lake County Recreational Cannabis Zoning Taskforce Members

From: Eric Waggoner, Task Force Chair, Lake County Planning, Building and Development Director

Subject: Final Report from the Lake County Recreational Cannabis Zoning Task Force

Overview

Thank you for your participation in the Lake County Recreational Cannabis Zoning Task Force. The following executive summary provides information about the Cannabis Regulation and Tax Act ("the Act"), delineates the Act's scope of local authority contained therein and further describes the Task Force's process and outcomes. It is intended that the documents included with this memo will serve as a useful resource as local governments consider their available regulatory options.

Summary of Illinois Recreational Cannabis Statute

The Cannabis Regulation and Tax Act (Public Act 101-0027) was signed into law by the Illinois Governor with an effective date of June 25, 2019. Starting January 1, 2020, adults over 21 will be able to legally possess, use, and purchase recreational cannabis from licensed dispensaries across the state. Registered qualifying patients will also be able to cultivate limited amounts of cannabis for personal use. To support this new activity, the Act provides for the regulation and licensing of various businesses entities engaged in the cultivation, dispensing, processing, and transportation of cannabis. Cannabis businesses must follow specific provisions in the Act regarding health, safety, packaging, advertising, and local zoning ordinances. Additionally, companion legislation creates a Cannabis Cultivation Privilege Tax and a Cannabis Purchaser Excise Tax and authorizes the imposition of a County Cannabis Retailers' Occupation Tax and a Municipal Cannabis Retailers' Occupation Tax. Revenues collected from these taxes will be allocated to funds in the State treasury. Further, the Act provides for expungement of minor cannabis violations under specified circumstances. Among all these issues, the topic of local zoning/siting was the key focus of the Lake County Recreational Cannabis Task Force. Highlights of the Act's local facility siting provisions are as follows:

- Existing Facilities Authorized Under the Compassionate Use of Cannabis Act
 - Cultivation organizations
 - Medical cannabis cultivators may apply for a license within 60 days of the effective date (June 25, 2019) of the Act
 - Licenses will be distributed to eligible applicants within 45 days.
 - Medical Dispensing organizations

- Medical cannabis dispensaries may apply for a license within 60 days of the effective date of the Act.
- Licenses will be distributed to eligible applicants within 14 days.
- These entities may apply for a second license at a new location under the same parameters.
- Facility Types Defined in the Act
 - Cultivation Center
 - Dispensary
 - Craft Growers: (5,000-14,000 sq. ft.) May have a dispensary, processor, or lounge/café attached
 - Processor: Produces concentrate for dispensaries and infusers
 - Infuser: Produces cannabis-infused products (brownies, candies, etc.)
 - Transporter: Trucking companies that ship product to cannabis businesses
- Licensing of New Facilities
 - Illinois Department of Agriculture
 - up to 40 licenses for craft growers, up to 40 licenses for processors, and licenses (no cap) for transporting organizations will be awarded on July 1, 2020
 - up to 60 licenses for craft growers, up to 60 licenses for processors, and transporting organizations will be awarded on December 21, 2021
 - Department of Financial and Professional Regulation
 - up to 75 licenses for new dispensing organizations will awarded on May 1, 2020
 - up to 110 licenses for new dispensing organizations will awarded on December 21, 2021
- Taxation: Net taxation to approximately reach 40% of purchase price
 - County Tax: Maximum of 3.00% in incorporated areas; 3.75% in unincorporated areas.
 - Municipal Tax: Maximum of 3.00% by 0.25% increments.
 - Existing state (6.25%), county, local, and excise taxes still apply.
 - State tax revenues go to the general revenue fund, investing in underserved communities, substance abuse treatment, budget stabilization, local governments, and public education.
 - Current Tax Ordinance Timeline:
 - June 1st, 2020- Deadline to file with the Illinois Department of Revenue
 - September 1st, 2020- Local tax ordinances become effective and enforced by Illinois Department of Revenue.
- Municipal Regulations
 - Local Governments cannot prohibit the use of cannabis within their boundaries.
 - A unit of local government may enact ordinances or rules governing the time, place, manner, and number of cannabis establishment operations, including a minimum distance limitation between cannabis establishments and locations it deems sensitive using special use permits.
 - Although licensing appears to be a function of the State under the Act, local government attorneys have differing interpretations of the Act on whether communities can enact separate licensing requirements. It is essential that every community consult with their own counsel prior to enacting a licensing mechanism.
- Buffering
 - Best practices include setting minimum distances from sensitive uses including residential zoning districts, schools and colleges, houses of worship, parks, and open spaces, etc.

- The Act provides that a dispensing organization may not be located within 1,500 feet of the property line of a pre-existing dispensing organization.
- Other Considerations
 - Local ordinances and state licensing
 - Applicants must provide proof of compliance with local zoning and ordinance rules
 - A dispensing organization shall maintain compliance with State and local building, fire and zoning requirements or regulations.
 - Joint Committee on Administrative Rules (JCAR) rules are expected at the end of the year. [\(JCAR website\)](#)

Summary of Lake County Recreational Cannabis Zoning Task Force Review Process

Following the Act’s adoption, the Task Force convened three meetings in August, September, and October to assess the potential scope of local zoning authority and to develop model regulations based on this authority. The Task Force intended the model regulations to serve as the basis for individual community regulations following the conclusion of the Task Force’s work. The Task Force focused on the following topics:

- Cannabis Tax Revenue Model: The simple revenue model assumes Colorado levels of sales per capita, and store penetration while adjusting for County population. It is designed to look at the impact once the market is more fully formed (4-5 years). It does not incorporate licensing and regulatory issues.
- Mapped Buffering Standards: In order to evaluate various options in mitigating cannabis facility impacts on various land use types throughout area communities, Lake County staff developed an online mapping tool for participating communities. The mapping tool overlaid both local zoning and land uses; the Act’s identified “sensitive” uses including schools, day cares and residential zones, places of worship, parks, forest preserves, library and government uses. Various buffer lengths were assigned to each identified “sensitive use” to allow for scenario-testing of various buffer combinations. Given the unique distribution of zoning and land uses within each Lake County community, the mapping tool was designed to flexibly accommodate individual approaches to land use buffering by each participating community. The buffer types and lengths considered various studies and best practices identified through extensive staff research in other states’ experiences with recreational cannabis.
- Operational Standards: The Task Force devoted the bulk of its analysis of facility operation standards to signage, site design and security, again considering extensive national best practices research and studies on recreational cannabis facility impacts.

Highlights from Task Force Model Regulations for Cannabis Businesses

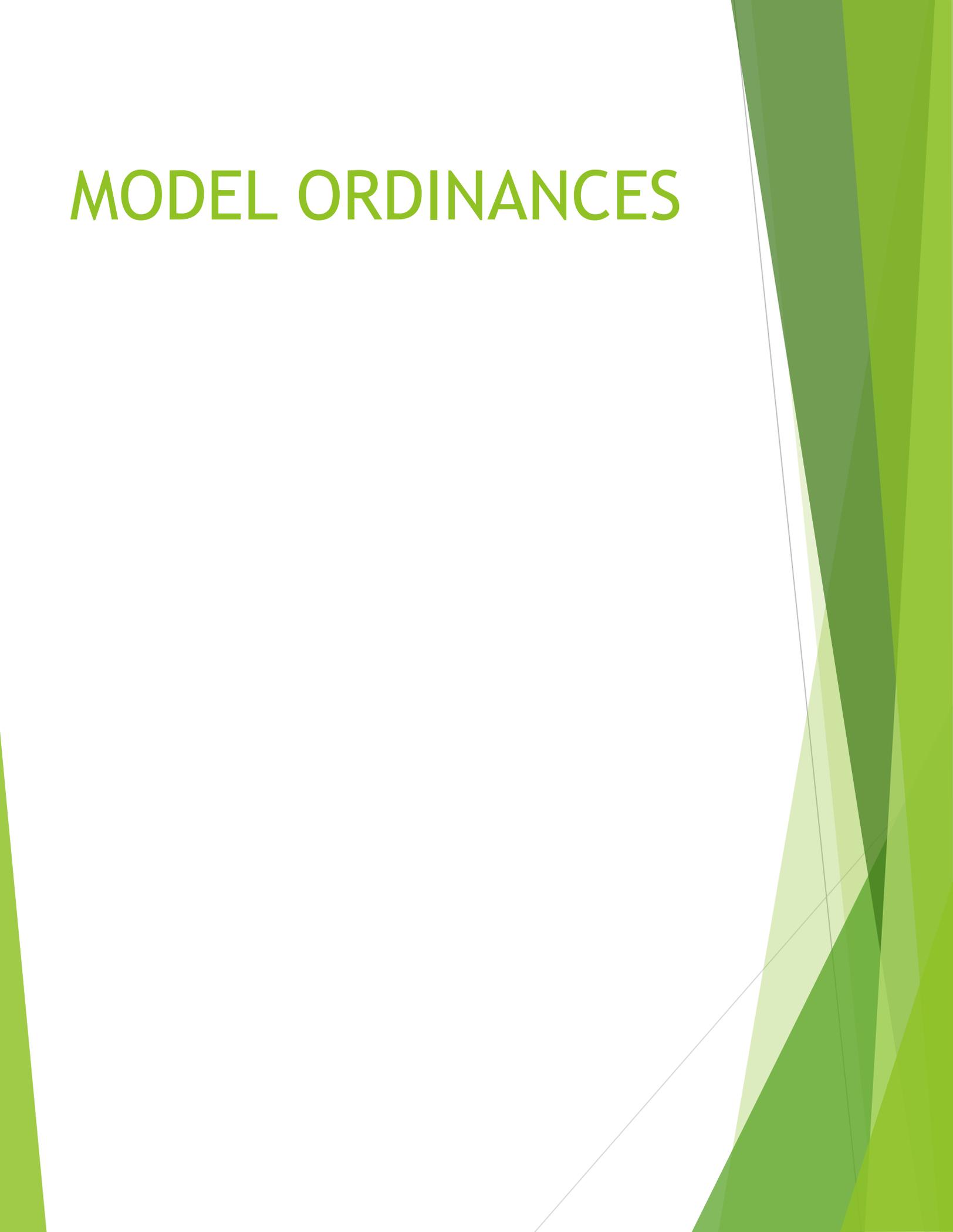
- Buffering from “Sensitive Uses”
- Setbacks from the facility structure to property lines

- Signage and Exterior Display restrictions (prohibiting references to cannabis and its use)
- Parking visible from exterior of property, well-lit and monitored by surveillance video
- Access restrictions limiting on-site access to specified authorized persons
- Deliveries and dispensing limited to specified secured areas
- Hours of operation for dispensaries
- Odor prevention at cultivation centers
- Security and video surveillance plan review by local law enforcement; videos accessible to facility staff and local law enforcement

Additional Legal Considerations

The Task Force's model regulations are intended to serve as a general guide for individual communities and are not intended to constitute legal advice. While considering the model regulations and the studies, each community should consult its legal counsel in drafting its community's individual standards for recreational cannabis businesses.

MODEL ORDINANCES

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LAKE COUNTY RECREATIONAL CANNABIS MODEL ZONING ORDINANCE TASK FORCE

I. ACKNOWLEDGEMENTS

The Model Ordinances and other documents in this packet were developed through the efforts of the Lake County Recreational Cannabis Model Zoning Ordinance Task Force, which was comprised of representatives from more than thirty local communities and organizations. Contributions were made by numerous task force participants and Lake County staff. Additionally, several outside sources were used in compiling the information contained within this packet, including but not limited to the Illinois Municipal League, the United Counties Council of Illinois and the Illinois Department of Financial & Professional Regulation. The Lake County Planning and Development Services Division would like to thank all parties for their participation and contributions.

II. AUTHORITY

Lake County communities may adopt provisions of the Model Ordinances pursuant to the powers granted and limitations imposed by the Constitution and laws of the State of Illinois, including the statutory authority granted in Chapter 65 ILCS 5/11-13-1 for municipalities and Chapter 55 ILCS 5/5-12001 for counties.

III. HOW TO USE THE MODEL ORDINANCES

The regulatory language provided here is not intended to be a stand-alone section of a zoning ordinance. The model ordinances assume that municipalities have typical sections within their codes, and all applicable sections will be amended as necessary to fit their community's needs. The sections that may be amended and/or excluded include: Definitions, Use Regulations, Review Procedures, Dimensional Standards, and Site Design requirements as noted by brackets and underlining (i.e. [__]) and/or asterisks. For text marked as "Option", each community can independently decide to include or modify the language.

Please note, subsections are commonly listed (ex. Section 1.1, 1.1.2, etc.) are a generic heading, and will need to be modified to fit each communities' regulatory language and framework.

The Lake County Recreational Cannabis Model Zoning Ordinance Task Force encourages each jurisdiction to evaluate the separate provisions of these Model Ordinances, with attorney review, to assure that the provisions will suit their own particular needs.

RECREATIONAL CANNABIS BUSINESS ZONING MODEL ORDINANCE

1.0 PURPOSE AND INTENT

It is the intent and purpose of this ordinance to provide regulations regarding the cultivation, processing, infusing, transporting, and dispensing of adult-use cannabis occurring within the corporate limits of the [name of City or Village*]. Such facilities shall comply with all regulations provided in the Cannabis Regulation and Tax Act (P.A. 101-0027) (Act), as it may be amended from time-to-time, and regulations promulgated thereunder, and the regulations provided below. In the event that the Act is amended, the more restrictive of the state or local regulations shall apply.

*If including a purpose and intent section into a resolution or ordinance, replace text in brackets with the name of the appropriate jurisdiction.

2.0 DEFINITIONS

RECREATIONAL CANNABIS CULTIVATION CENTER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, process, transport and perform necessary activities to provide cannabis and cannabis-infused products to licensed cannabis business establishments, per the Illinois Cannabis Regulation and Tax Act, (P.A. 101-0027).

RECREATIONAL CANNABIS CRAFT GROWER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure, and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization, per the Illinois Cannabis Regulation and Tax Act, (P.A. 101-0027). Licensees may share premises with a processing organization or dispensing organization, or both. May contain up to 5,000 sq. feet on its premises for plants in the flowering stage (increases available by Department of Agriculture in increments of 3,000-max 14,000 sq. ft.

RECREATIONAL CANNABIS INFUSER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product, per the Illinois Cannabis Regulation and Tax Act, (P.A. 101-0027). Licensees may share premises with a craft grower, or dispensing organization or both.

RECREATIONAL CANNABIS PROCESSOR: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to either extract constituent chemicals or compounds to produce cannabis concentrate or incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis product, per the Illinois Cannabis Regulation and Tax Act, (P.A. 101-0027).

RECREATIONAL CANNABIS DISPENSARY: A facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire

cannabis from licensed cannabis business establishments for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies to purchasers or to qualified registered medical cannabis patients and caregivers, per the Cannabis Regulation and Tax Act, (P.A. 101-0027).

RECREATIONAL CANNABIS TRANSPORTER: An organization or business that is licensed by the Illinois Department of Agriculture to transport cannabis on behalf of a cannabis business establishment or a community college licensed under the Community College Cannabis Vocational Training Pilot Program, per the Cannabis Regulation and Tax Act, (P.A. 101-0027).

3.0 USE REGULATIONS

3.1 USE TABLE

Principal Use	Residential	Commercial	Light Industrial	Medium/Heavy Industrial
Recreational Cannabis Dispensary	N	C/S*	C/S*	C/S*
Recreational Cannabis Cultivation Center	N	N	C/S*	C/S*
Recreational Cannabis Processing Center	N	C/S*	C/S*	C/S*
Recreational Cannabis Craft Grower	N	C/S*	C/S*	C/S*
Recreational Cannabis Infuser	N	C/S*	C/S*	C/S*
Recreational Cannabis Transporter	N	N	C/S*	C/S*

N=Not Permitted P=Permitted C/S=Conditional or Special Use Permit *General Development Standards Apply

3.2 USES LISTED (ALTERNATIVE FORMAT TO USE TABLE)

Commercial Districts:

Section 1: Uses Permitted by Conditional/Special Use

- 1.1 Recreational Cannabis Dispensary
- 1.2 Recreational Cannabis Processing Center
- 1.3 Recreational Cannabis Craft Grower
- 1.4 Recreational Cannabis Infuser

Industrial Districts:

Section 1: Uses Permitted by Conditional/Special Use

- 1.1 Recreational Cannabis Dispensary
- 1.2 Recreational Cannabis Cultivation Center
- 1.3 Recreational Cannabis Processing Center
- 1.4 Recreational Cannabis Craft Grower
- 1.5 Recreational Cannabis Infuser
- 1.6 Recreational Cannabis Transporter

Residential/Institutional/Agricultural Districts:

Section 1: Uses Not Permitted

- 1.1 Recreational Cannabis Dispensary
- 1.2 Recreational Cannabis Cultivation Center
- 1.3 Recreational Cannabis Processing Center
- 1.4 Recreational Cannabis Craft Grower
- 1.5 Recreational Cannabis Infuser
- 1.6 Recreational Cannabis Transporter

4.0 RECREATIONAL CANNABIS DISPENSARY (RETAIL SALES AND SERVICES)

4.1 APPLICABILITY/REVIEW PROCEDURES

- 4.1.1 Recreational Cannabis Dispensaries proposed within certain zoning districts shall comply with the general development standards as specified within this code. These standards shall include separation from protected uses, setbacks, buffering, parking, signage, outdoor lighting, site layout, access, hours of operation, exterior displays, advertising, and security. Approval of general development standards [site plan review] may be obtained concurrently at the time of any required [Special/Conditional Use Permit].
- 4.1.2 Applicant shall install building enhancements, such as security cameras, lighting, or other improvements, as set forth in the conditional use permit, to ensure the safety of employees and customers of the dispensary. These improvements shall be determined based on the specific characteristics of the dispensary floor plan and the building site.
- 4.1.3 All dispensaries shall comply with the Cannabis Regulation and Tax Act (P.A. 101-0027) and all rules and regulations adopted in accordance thereto.

4.2 DIMENSIONAL STANDARDS

- 4.2.1 Minimum Distance from Protected Uses: No recreational cannabis dispensary shall be established, maintained, or operated on any lot that has a property line within [___] feet** of the property line of a pre-existing public or private nursery school, preschool, primary or secondary school, day care center, day care home or residential care home, or an area zoned for residential use*. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.

OPTION: *In addition to school/day cares, sensitive land uses may include:

- Youth centers
- Places of worship
- Hospitals
- Drug/Alcohol rehabilitation facility
- Correctional facilities
- Retail firearm sales
- Transitional housing

OPTION: **Minimum distances may vary among sensitive land uses as determined by individual communities.

4.2.2 Measurement: For the purposes of the minimum distances section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property line of the lot on which an applicable dispensary is located to the nearest point on any property line of any protected use.

4.2.3 Setbacks: Each recreational cannabis dispensary shall be a minimum of [30] feet from its surrounding property lines.

OPTION: Dispensaries must meet the setback requirements for a principal structure in the underlying zoning district

4.2.4 Buffering from Other Recreational Cannabis Dispensaries: Each dispensary shall be a minimum of [1,500 feet] from all other dispensaries, as measured from the applicable property lines.

OPTION: 1,500 feet is Minimum distance set by Cannabis Regulation and Tax Act (P.A. 101-00027).

4.3 PARKING

4.3.1 Required spaces: For purposes of determining required parking, dispensaries shall be classified as [Retail sales and service not otherwise classified] which requires [4 off-street parking spaces per 1,000 square feet of floor area].

OPTION: Minimum/additional parking requirements shall be established as part of the Conditional/Special Use permit.

4.3.2 Visibility and Security: Parking shall be located in an area which is visible from a public road or a private road that is accessible to the public. It cannot be screened from the roadway with vegetation, fencing or other obstructions.

Parking areas shall be well lit and monitored by video surveillance equipment whose live images can be viewed by dispensary staff and are continually recorded in a tamper proof format.

4.4 EXTERIOR DISPLAY

4.4.1 No dispensary shall be maintained or operated in a manner that causes, creates, or allows the public viewing of recreational cannabis, recreational cannabis infused products, or cannabis paraphernalia or similar products from any sidewalk, public or private right-of-way or any property other than the lot on which the dispensary is located. No portion of the exterior of the dispensary shall utilize or contain any flashing lights, search lights or spot lights or any similar lighting system.

4.5 SIGNAGE AND ADVERTISING

4.5.1 Signage: All commercial signage for a dispensary shall be limited to one flat wall sign not to exceed ten square feet in area, and one identifying sign, not to exceed two square feet in area, which may only include the dispensary address; such signs shall not be directly illuminated. Exterior signs on the dispensary building shall not obstruct the entrance or windows on the dispensary.

Electronic message boards and temporary signs are not permitted in connection with a dispensary.

Signage shall not contain cannabis imagery such as cannabis leaves, plants, smoke, paraphernalia, or cartoonish imagery oriented towards youth or language referencing cannabis.

4.5.2 Advertising: No cannabis dispensary nor any other person or entity shall place or maintain, or cause to be placed or maintained, an advertisement of cannabis or a cannabis-infused product in any form or through any medium:

- a. Within 1,000 feet of the perimeter of school grounds, a playground, a recreation center or facility, a child care center, a public park or public library, or a game arcade to which admission is not restricted to persons 21 years of age or older
- b. On or in a public transit vehicle or public transit shelter;
- c. On or in publicly owned or publicly operated property

4.5.3 Compliance: All advertising shall comply with the rules and regulations set forth in the Cannabis Regulation and Tax Act (P.A. 101-0027).

4.6 AGE AND ACCESS LIMITATIONS

4.6.1 Each dispensary shall prohibit any person who is not at least twenty-one (21) years of age from entering the dispensary facility, except for cardholders granted medical access under the Compassionate Use of Medical Cannabis Act over 18 years of age. Dispensaries shall not employ anyone under the age of twenty-one (21). Access to the

dispensary facility shall be limited exclusively to dispensary staff and those specifically authorized under the Cannabis Regulation and Tax Act (P.A. 101-0027).

4.7 OPERATIONAL STANDARDS

- 4.7.1 A dispensary may operate between the hours of [6 AM to 10 PM] local time.
- 4.7.2 At least 75% of the floor area of any tenant space occupied by a dispensing organization shall be devoted to the activities of the dispensing organization as authorized by the Act, and no dispensing organization shall also sell food for consumption on the premises other than as authorized in [Section 3.10 On-site Consumption] in the same tenant space. Facility may not conduct any sales or distribution of cannabis other than as authorized by the Act.

OPTION: Hours set forth within the Cannabis Regulation and Tax Act (P.A. 101-0027).

4.8 DRIVE-THRU WINDOWS

- 4.8.1 Dispensaries may not have a drive-through service.

4.9 SECURITY AND VIDEO SURVEILLANCE

- 4.9.1 Each dispensary shall be an enclosed locked facility. Each dispensary shall provide and maintain adequate security on the entire property on which the dispensary exists, including lighting, video surveillance, security personnel, and alarms reasonably designed to ensure the safety of persons and to protect the site from theft.
- 4.9.2 The dispensary parking area, client entrance, sales area, back room, storage areas, delivery bay, and entrance shall be monitored by video surveillance equipment whose live images can be viewed by dispensary staff and continually recorded in a tamper proof format.
- 4.9.3 A sign shall be posted in a prominent location which includes the following language “This area is under live/recorded video surveillance to aid in the prosecution of any crimes committed against this facility or its patrons”.
- 4.9.4 The Planning Building and Development Director shall review the adequacy of lighting, security, and video surveillance installations with assistance from local law enforcement officials. The Director has the discretion to conduct periodic review of security features as appropriate.
- 4.9.5 Each dispensary shall report all criminal activities occurring on the property to the applicable law enforcement agency immediately upon discovery.
- 4.9.6 Deliveries shall occur between 7 am local time and 9 pm local time within a secure enclosed delivery bay and shall not be visible from the exterior of the facility.
- 4.9.7 Facilities shall comply with all applicable standards set in the Cannabis Regulation and Tax Act (P.A. 101-0027).

4.10 ON-SITE CONSUMPTION

- 4.10.1 On-site consumption of cannabis products shall be [prohibited/allowed] in the recreational cannabis dispensary and on the site occupied by the dispensary*.
- 4.10.2 Dispensary may be issued a permit to host on-site consumption of cannabis if located in a freestanding structure occupied solely by the dispensing organization and smoke from the facility does not migrate into an enclosed area where smoking is prohibited. The security plan for the facility shall also reflect adequate provisions to respond to disruptive conduct and over-consumption. The on-site consumption permit shall be reviewed annually and may be suspended or revoked following notice and hearing as provided in [Section of Municipal or County Ordinance].

OPTION: *Cannabis business establishments or other entities authorized or permitted by a municipality to allow on-site consumption shall not be deemed a public place within the meaning of the Smoke Free Illinois Act.

5.0 RECREATIONAL CANNABIS INDUSTRY SUPPORT ORGANIZATIONS [CULTIVATION CENTER, PROCESSING CENTER, INFUSERS, CRAFT GROWER, TRANSPORTER]

5.1 APPLICABILITY/REVIEW PROCEDURES

- 5.1.1 Recreational cannabis industry support organizations (support organization) [Cultivation Centers, Processing Centers, Infusers, Craft Growers, Transporters] proposed within certain zoning districts shall comply with the general development standards as specified within this code. These standards shall include dimensional standards, parking, signage, access, security, and noxious odors. Approval of general development standards [site plan review] may be obtained concurrently at the time of any required [Special/Conditional Use Permit] or [prior to permit issuance for permitted uses].

Each support organization shall comply with the Cannabis Regulation and Tax Act (P.A. 101-0027) and all rules and regulations adopted in accordance thereto.

5.2 DIMENSIONAL STANDARDS

- 5.2.1 Minimum Distance from Protected Uses: No support organizations shall be established, maintained, or operated on any lot that has a property line within [__] feet** of the property line of a pre-existing public or private nursery school, preschool, primary or secondary school, day care center, day care home or residential care home, or an area zoned for residential use*. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.

OPTION: *Additional sensitive land uses may be listed.

OPTION: **Minimum distances may vary among sensitive land uses as determined by individual communities.

5.2.2 Measurement: For the purposes of the minimum distance sections, distances shall be measured in a straight line, without regard to intervening structures or objects from the nearest point on the property line of the lot on which an applicable support organization is located to the nearest point on a property line of any protected use.

5.2.3 Setbacks: Each support organization shall be a minimum of [30] feet from its surrounding property lines.

OPTION: Facility must meet the setback requirements for a principal structure in the underlying zoning district or as established as part of the Conditional/Special Use Permit.

5.3 PARKING

5.3.1 Required spaces: For purposes of determining required parking, support organizations shall be classified as [Industrial sales and service not otherwise classified] which requires [2.5 off-street parking spaces per 1,000 square feet of floor area].

OPTION: Minimum/additional parking requirements shall be established as part of the Conditional/Special Use permit.

5.3.2 Visibility and Security: Parking areas shall be well lit and monitored by video surveillance equipment whose live images can be viewed by support organization staff and are continually recorded in a tamper proof format.

The electronic security system shall be available 24 hours per day, and 7 days per week to the Department and law enforcement agencies via a secure web-based portal.

5.4 SIGNAGE

5.4.1 All commercial signage for support organizations shall be limited to one flat wall sign not to exceed ten square feet in area, and one identifying sign, not to exceed two square feet in area, which may only include the support organization address. Such signs shall not be directly illuminated.

5.4.2 Electronic message boards and temporary signs are not permitted in connection with a support organization.

5.4.3 Signage shall not contain cannabis imagery such as cannabis leaves, plants, smoke, paraphernalia, or cartoonish imagery oriented towards youth or language referencing cannabis.

5.4.4 All applicable advertising regulations set forth in the Cannabis Regulation and Tax Act (P.A. 101-0027) shall apply.

5.5 AGE AND ACCESS LIMITATIONS

5.5.1 Each support organization shall prohibit any person who is not at least twenty-one (21) years of age from entering the support organization property. Support organizations shall not employ anyone under the age twenty-one (21). Access to the support organization site shall be limited exclusively to support organization staff, local, and state officials and those specifically authorized under the Cannabis Regulation and Tax Act (P.A. 101-0027).

5.6 OPERATIONAL STANDARDS

5.6.1 **INFUSER:** At least 75% of the floor area of any tenant space occupied by an infusing organization shall be devoted to the activities of the infusing organization as authorized by the Act. Facility may not conduct any sales or distribution of cannabis other than as authorized by the Act.

5.6.2 **PROCESSOR:** At least 75% of the floor area of any tenant space occupied by a processing organization shall be devoted to the activities of the processing organization as authorized by the Act. Facility may not conduct any sales or distribution of cannabis other than as authorized by the Act.

5.7 SECURITY AND VIDEO SURVEILLANCE

- 5.7.1 All manufacturing, production, and related operations at a support organization shall occur in an enclosed locked facility. Each support organization shall provide and maintain adequate security on the entire site on which the support organization sits, including lighting, video surveillance, security personnel and alarms reasonably designed to ensure the safety of persons and to protect the site from theft. The facility shall be enclosed by high security fence or wall. The fence or wall must be adequately secure to prevent unauthorized entry and include gates tied into an access control system.
- 5.7.2 The support organization parking, cultivation and warehousing areas and shipping bays and entrance shall be monitored by video surveillance equipment whose live images can be viewed by support organization staff and continually recorded in a tamper proof format.
- 5.7.3 The electronic security system shall be available 24 hours per day, and 7 days per week to the Department and law enforcement agencies via a secure web-based portal.
- 5.7.4 A sign shall be posted in a prominent location which includes the following language; “THESE PREMISES ARE UNDER CONSTANT VIDEO SURVEILLANCE”.
- 5.7.5 The Planning, Building and Development Director shall review the adequacy of lighting, security, and video surveillance installations with assistance from local law enforcement officials. The Director has the discretion to conduct periodic review of security features as appropriate.
- 5.7.6 Loading of product shall occur within secure enclosed shipping bays and shall not be visible from the exterior of the facility.

5.8 NOXIOUS ODORS

- 5.8.1 All support organizations shall operate in a manner that prevents odor impacts on neighboring premises or properties and, if necessary, the facility shall be ventilated with a system for odor control.

5.9 CONDUCT ON SITE

- 5.9.1 A support organization may not sell or distribute any cannabis to any individual or entity other than a dispensary organization registered under the Cannabis Regulation and Tax Act (P.A. 101-0027).
- 5.9.2 It shall be prohibited to consume cannabis products in a support organization or anywhere on the site occupied by the support organization. A sign, at least 8.5 by 11 inches, shall be posted inside a support organization building in a conspicuous place visible to staff and shall include the following language: “Smoking, eating, drinking, or other forms of consumption of cannabis products is prohibited on support organization property”.

RECREATIONAL CANNABIS BUSINESS PROHIBITION MODEL ORDINANCE

Section 1: Recreational Cannabis Business Establishments Definitions

Adult-use cannabis business establishment: A cultivation center, craft grower, processing organization, infuser organization, dispensing organization or transporting organization.

Adult-use cannabis craft grower: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

Adult-use cannabis cultivation center: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, process, transport and perform necessary activities to provide cannabis and cannabis-infused products to licensed cannabis business establishments, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

Adult-use cannabis dispensing organization: A facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from licensed cannabis business establishments for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies to purchasers or to qualified registered medical cannabis patients and caregivers, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

Adult-use cannabis infuser organization or infuser: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

Adult-use cannabis processing organization or processor: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to either extract constituent chemicals or compounds to produce cannabis concentrate or incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis product, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

Adult-use cannabis transporting organization or transporter: An organization or business that is licensed by the Illinois Department of Agriculture to transport cannabis on behalf of a cannabis business establishment or a community college licensed under the Community College Cannabis

Vocational Training Pilot Program, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

Section 2: Prohibition

The following recreational cannabis business establishments are prohibited in the [City/Village] of [Municipality]. No person shall locate, operate, own, suffer, allow to be operated or aide, abet or assist in the operation within the [City/Village] of [Municipality] of any of the following:

- Adult-Use Cannabis Craft Grower
- Adult-Use Cannabis Cultivation Center
- Adult-Use Cannabis Dispensing Organization
- Adult-Use Cannabis Infuser Organization or Infuser
- Adult-Use Cannabis Processing Organization or Processor
- Adult-Use Cannabis Transporting Organization or Transporter

Section 3: Violations

Operation of any prohibited business establishment as detailed in Section 2 shall be considered a violation and subject to the remedies and penalties provide for in [Chapter/Section].

Section 4: Severability

The provisions and sections of this Ordinance shall be deemed separable and the invalidity of any portion of this Ordinance shall not affect the validity of the remainder.

Section 5: Effective Date

This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law.

**MODEL ORDINANCE
MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX**

Section 1: Tax imposed; Rate.

(A) A tax is hereby imposed upon all persons engaged in the business of selling cannabis, other than cannabis purchased under the Compassionate Use of Medical Cannabis Pilot Program Act, at retail locations in the [name of City or Village*] on the gross receipts from these sales at the following rate:

- (1) 3.00% of the gross receipts of sales made in a municipality located in Lake County; and

(B) The imposition of this tax is in accordance with the provisions of the County Cannabis Retailers' Occupation Tax Law (55 ILCS 5/5-1006.8) (the "Act").

Section 2: Collection of tax by retailers.

(A) The tax imposed by this Ordinance shall be remitted by such retailer to the Illinois Department of Revenue (the "Department"). Any tax required to be collected pursuant to or as authorized by this Ordinance and any such tax collected by such retailer and required to be remitted to the Department shall constitute a debt owed by the retailer to the State. Retailers may reimburse themselves for their seller's tax liability hereunder by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with any State tax that sellers are required to collect.

(B) The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department. The Department shall have full power to administer and enforce the provisions of the Act.

Section 3: Severability.

The provisions and sections of this Ordinance shall be deemed separable and the invalidity of any portion of this Ordinance shall not affect the validity of the remainder.

Section 4: Effective Date.

This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law, provided, however, that the tax provided for herein shall take effect for all sales on the first day of January, 2020, or thereafter in accordance with the provisions of the Act. Copies of this Ordinance shall be certified and sent to the Illinois Department of Revenue immediately upon effect.

MAPPING TOOL



Recreational Cannabis Mapping Tool Instruction Sheet

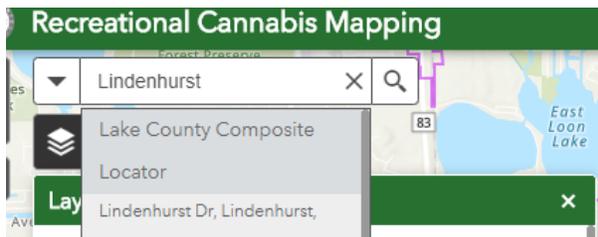
The tool was developed by the Lake County GIS Section of the Lake County IT Department. It was built using ESRI's ArcGIS Online technology and optimized to run on **Chrome or Firefox**. While it can be run on other web browsers performance may be degraded.

There are 2 ways one can use the tool. Through the Layer List alone or by use of the Query Tool and Layer list.

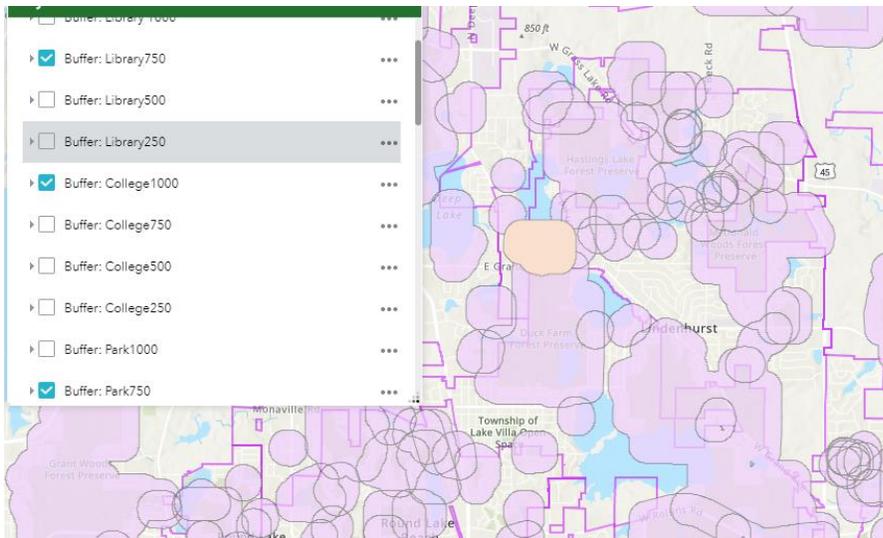
Tool URL: arcg.is/1uXuTK

Using the Layer List window to Visualize the data

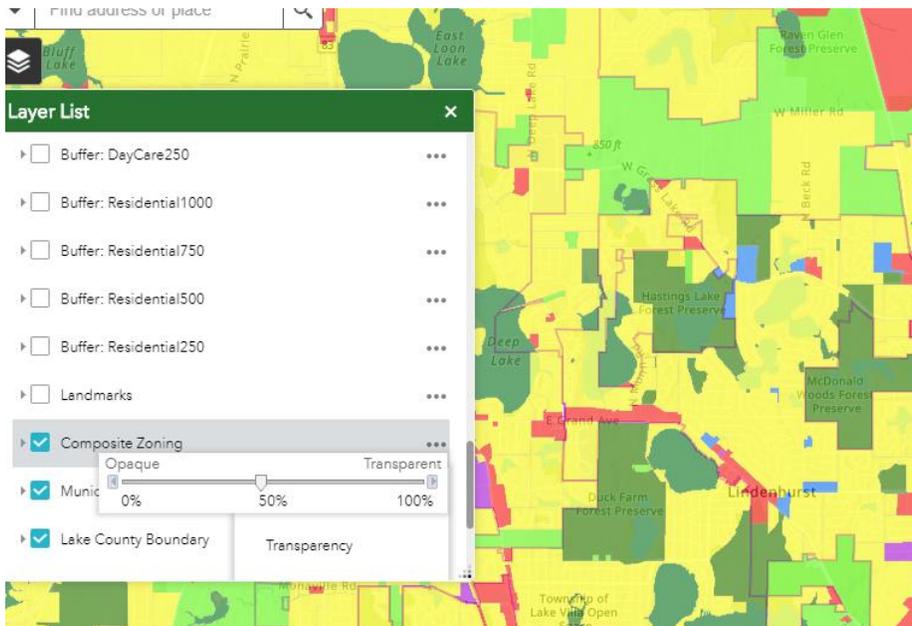
- 1.) When the tool opens a map of the county with municipal boundaries, two floating windows, the Layer List window (left side of display) and the Query window (right side of display) and a search box (upper left of display).
- 2.) The search box can be used to center the map on a municipality. Type the municipal name into the box and click the hourglass icon. This search box can also be used to refocus the map on a specific address or PIN.



- 3.) When the map is re-centered you can use the Layer List window to turn on and off a prepopulated list of buffered sensitive use (i.e. schools, churches, parks etc.) The uses are buffered at 250, 500, 750 and 1,000 feet for the use property line. Check the box next to layer you would like to overlay your municipality



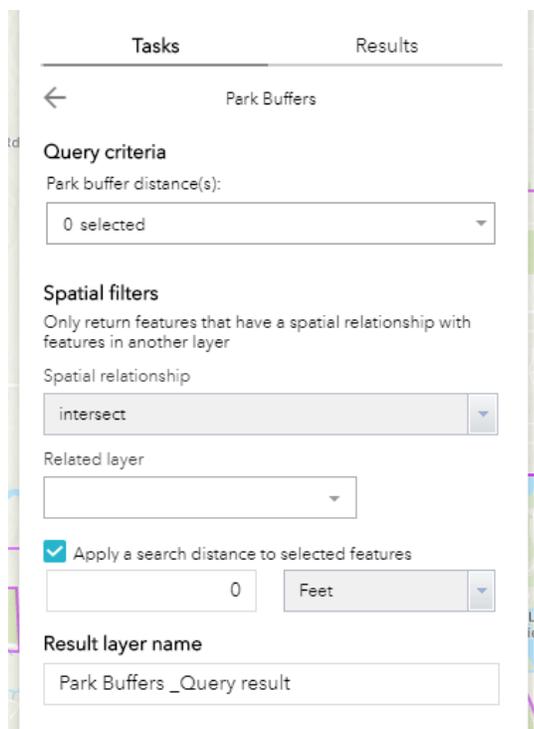
- 4.) The layer list also contains a Composite Zoning layer that is a generalized layer of all county and municipal zoning districts symbolized in standard colors used to visualize zoning district. It is possible to adjust the transparency of this layer and all layer in the list by clicking on the three dots located after the layer name and selecting transparency from the dropdown menu. This may be useful if you add multiple layer to the map. Click the small triangle on the left side of the layer name will display the layer legend.



Using the Query Window to Visualize the Data

This is a somewhat involved process, but it may be the results may be easier to understand.

- 1.) After choosing sensitive use from the list of layers the window will open a Tasks window that presents several options. You will not need to modify all of them.



- 2.) In this example the query tool will act on the 250 ft Park Buffer layer
 - a. From the dropdown box labeled “Park buffer distance(s)” select “250”
 - b. From the dropdown box labeled “Related layer” select “Municipalities”.
 - c. The query widow should then open a selection tool. If the selection tool fails to appear after step b. reopen the mapping tool.

intersect

Related layer

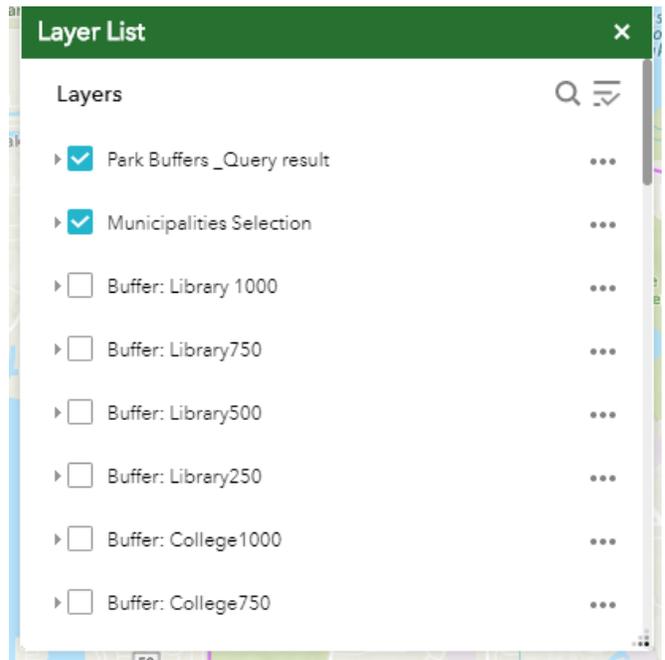
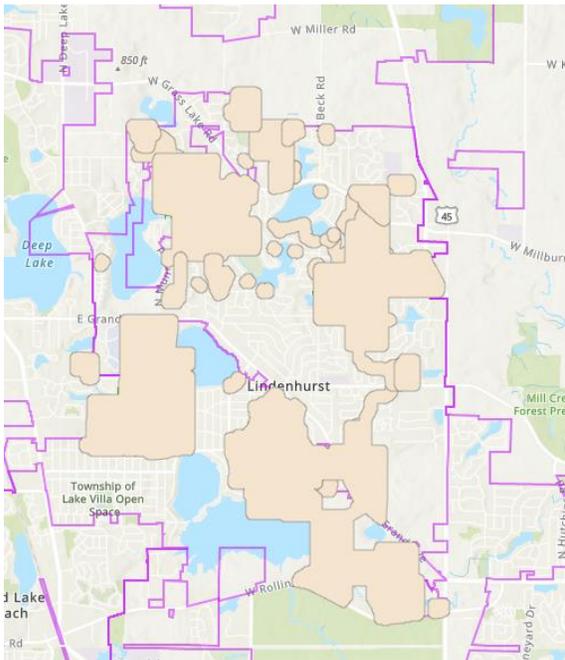
Municipalities

Apply a search distance to selected features

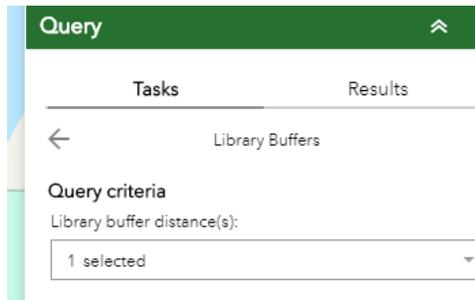
0 Feet

- d. Use the selection tool, the “black box”, to select your municipality from the map. Draw a square within the municipal boundaries. If the selection worked, the selected municipality will be highlighted in blue. (I selected Lindenhurst)

Click the “Apply” button. The park buffer areas that intersect your municipality will appear on the map and the map will refocus on the selected buffer features. The query results will also appear a new layer in the Layer List widow. Note: The tool will reset if the webpage is closed therefore the query_reults layers will disappear.

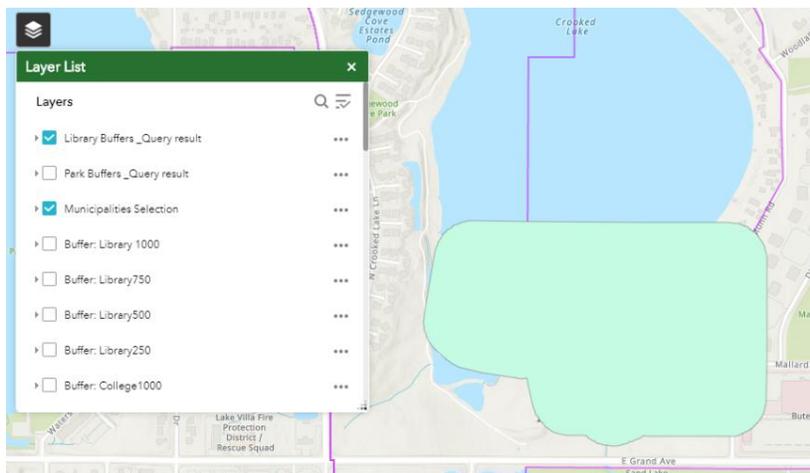


- 3.) One can repeat the process, adding additional buffer layers to the map. This is accomplished by clicking on the word “Tasks” in the Query window and then the arrow located at the top of the Query window. The Query window will return to sensitive use list.

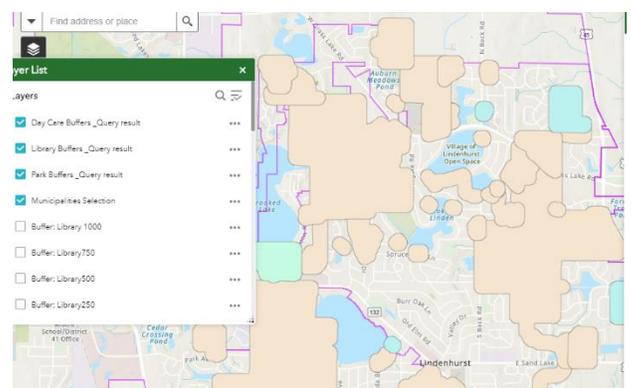
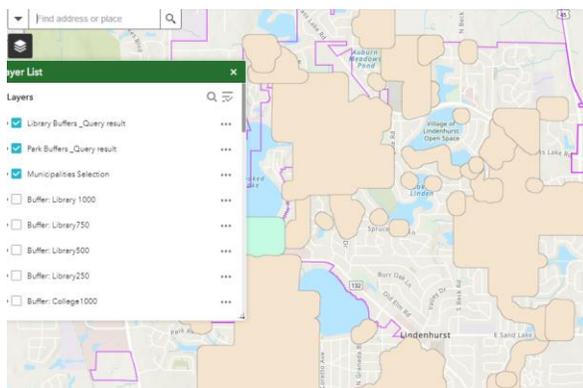


- 4.) Repeat the process to add additional buffers. When additional query layers are added to the map the previously added layers will be unselected but will remain in the Layer List. These layers can be turned back allowing one to see the cumulative impact of buffering different sensitive uses.

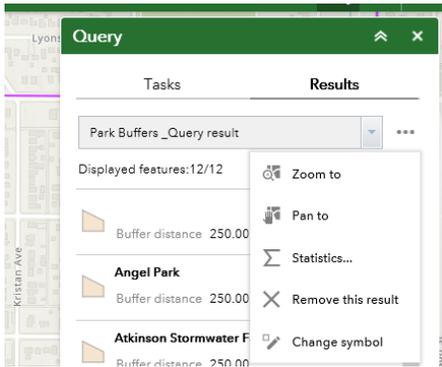
- a. In this example, I selected the 250-library buffer that intersects Lindenhurst. The map refocused on the library buffer and turned off the park buffer, but it still remained in the layer list.



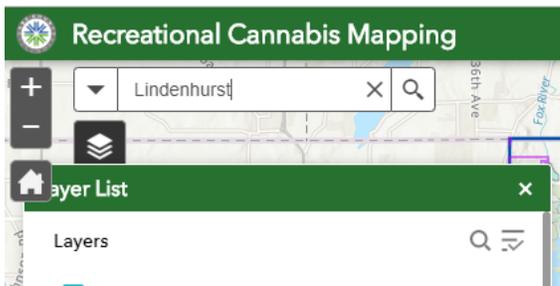
- b. I turned the park buffer query results back on and panned out using the mouse scroll wheel so I could see my results. I then repeated the process with the daycare sensitive use.



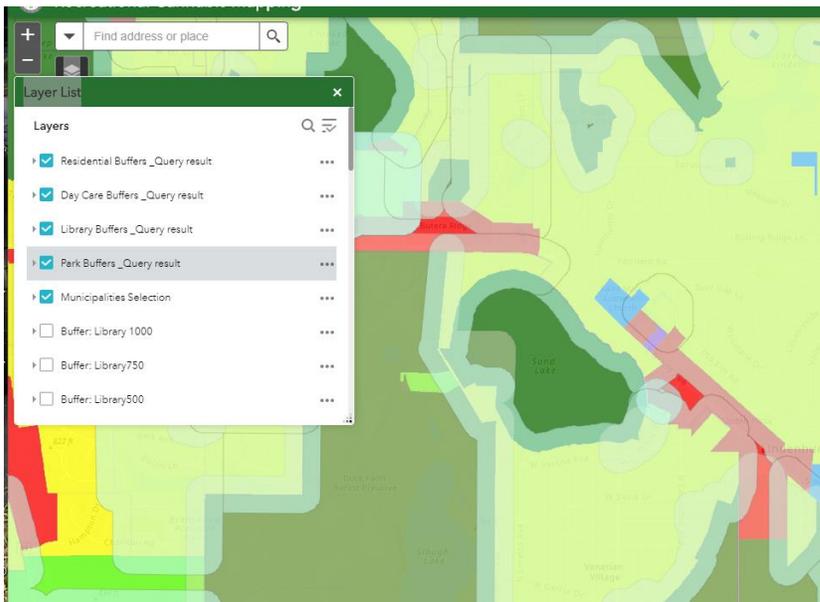
- c. In order to remove a query result from the Layer list, select the three-circle icon to the left of the “query results” and select “remove this result” from the dropdown list.



To refocus the map on your jurisdiction pan to it with your mouse or search with the search box located in the upper left corner of the tool. Zoom in or out of the map with the mouse scroll button.



The results of my theoretical buffering exercise for Lindenhurst would be that if the village included 250 ft buffers from the sensitives uses of schools, parks, libraries and daycare facilities, there would be only 2 small areas in its commercial strips (The area in bright red from the composite zoning layer, turn that layer on through the “Layer List” window) that could accommodate a cannabis facility.

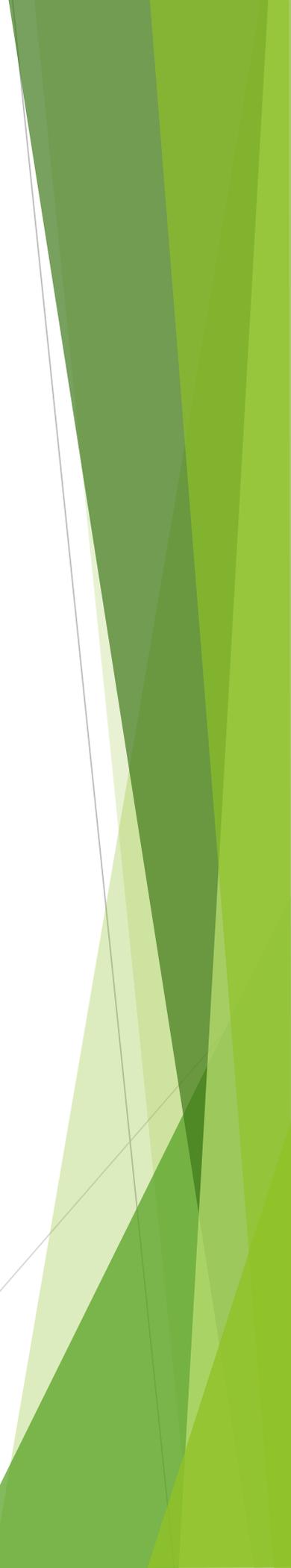


Please note: *this example does not represent any decisions the Village Lindenhurst has made about allowing or locating cannabis facilities within its jurisdiction and it should not be represented as such.*

Word of Caution: This tool was developed to assist municipalities in developing recreational cannabis facilities regulations. Though steps were taken to verify the accuracy of the data, it is a composite of data, from many sources, that are subject to change. The results should be field checked before any final actions are taken by your municipality.

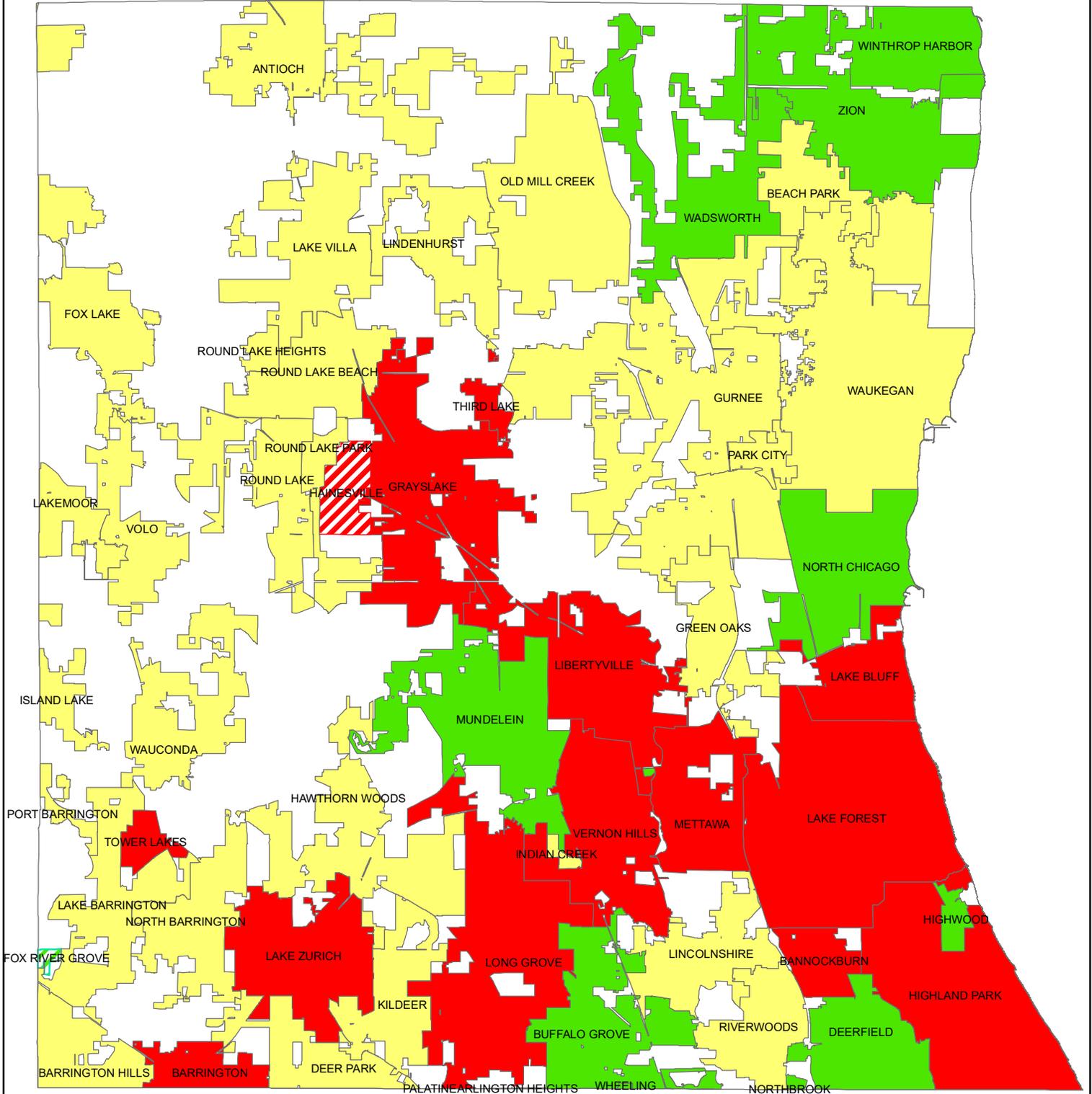
If you have any questions about the tool please contact me at 847-377-2120 or tchefalo@lakecountyil.gov

Regulatory Status of Lake County Municipalities



Status of Recreational Cannabis Regulation by Municipality

As of November 6, 2019



DECISION - Subject to Change

-  Approved However Regulation Not In Place
-  Banned
-  Temporary Ban or Similar Action
-  Undecided/No Action Taken
-  Allowed

2020-2021 Licensing Timeline

