



MEMORANDUM

TO: Scott R. Niehaus, Village Manager

FROM: Community Development Department

DATE: July 8, 2019

SUBJECT: **Zoning Issues Related to Recreational Cannabis**

In the event the Village Board decides to allow recreational cannabis businesses within the Village of Lombard, the Village's Zoning Ordinance would require updating to address the new use(s). Community Development staff has identified several broad planning and zoning policy issues that will be essential to any discussion about regulations for this use. These policy issues are presented below. This document is intended to offer an overview of the types of issues that will require discussion in order to determine the specifics of any future regulations. Staff is not offering any proposed regulations at this time.

1.) Undertake a review and possible update of relevant definitions in the Zoning Ordinance.

Terms requiring review include:

- Medical cannabis dispensing organization (existing definition)
- Smoking establishment (existing definition)
- Consider need for additional definitions related to recreational cannabis businesses
 - Cannabis dispensing organization
 - Cannabis cultivation, processing, wholesaling, etc.

2.) Determine which zoning districts would allow for recreational cannabis businesses.

Planning staff has held internal discussions about what zoning districts might be appropriate for recreational cannabis businesses. These discussions have focused on the following considerations: the purpose statements within the Zoning Ordinance as related to the various zoning districts within the Village; staff's understanding/best guess as to the geographic range from which these businesses will attract customers; other uses permitted within the Village that might be considered analogous for purposes of administering the Zoning Ordinance.

Based upon these discussions, staff offers the following observations:

- We expect recreational cannabis businesses to have a regional draw, similar to big box retailers, Yorktown Mall or other commercial uses that operate on a regional scale. The regional scale of the business will result from the state limiting the number of licenses it issues and the possibility that some municipalities will opt out of allowing recreational cannabis. Assuming recreational cannabis businesses will function similarly to other retail uses with a regional draw (for zoning and planning purposes), the Village might look to the higher intensity commercial districts (B3, B4, B4A) as reasonable locations for these uses.
- Some aspects of the recreational cannabis business will be similar to the sale of alcohol in that it is legal for people over the age of 21 to purchase and consume, with some restrictions based on time and manner. The Zoning Ordinance permits liquor stores (packaged goods) in the B2, B3, B4, B4A, B5 and B5A districts. Liquor stores are conditional uses in the B1 district.
- The Zoning Ordinance currently lists medical cannabis dispensing organizations as conditional uses in the Office District.

In light of the foregoing, staff has identified several possible courses of action with respect to identifying the zoning districts in which recreational cannabis businesses would operate. The following list is ordered from most restrictive to most permissive scenarios. This list is not exhaustive.

- Amend the Office Zoning District to include recreational cannabis dispensaries as a conditional use. No amendments to any other districts.
- Add recreational cannabis dispensaries as permitted or conditional uses to select B districts.
- Add recreational cannabis dispensaries as permitted or conditional uses in the B3, B4, B4A, O and I Districts.
- Special consideration and policy direction should be given to whether retail sales of cannabis in any form should be permissible in downtown Lombard (B5 and B5A Zoning Districts).

3.) Determine whether the use would be a permitted use or a conditional use.

Permitted uses are permitted by right; would-be businesses are not required to go through a public hearing in order to open.

Conditional uses require approval through a public hearing process with the Plan Commission and Village Board. This process takes approximately 60-90 days.

Staff did not look at the commercial production of cannabis. When staff reviewed medical cannabis in 2014, we also did not review the production noting that a built-out mature community, like Lombard, may not receive any inquires on this matter. Staff has not received any inquires on cultivation centers for either medical or recreational to date. Staff can review this issue, or review if at such time we receive a request.

4.) Determine whether to enact distancing requirements or other performance standards.

The state statute provides for municipalities to enact distancing requirements between cannabis businesses and other uses deemed to be sensitive.

The state statute states that cannabis dispensing organizations may not be located within 1,500 feet of another pre-existing dispensing organization or medical cannabis dispensing organization.

Staff conversations with planners working in states that already allow medical and recreational cannabis suggest that odor control can be an issue for businesses that engage in cannabis cultivation, extraction and manufacturing. This may not be relevant if the defined uses are limited to retail establishments (see part 1 above).

5.) Determine if zoning regulations related to smoking establishments require amendment.

The Zoning Ordinance currently provides for smoking establishments as conditional uses in the B4A District. Smoking establishments are also subject to the Smoke Free Illinois Act, which places restrictions on the types of buildings smoking establishments may occupy. More research will be required in order to determine how recreational cannabis will be treated with respect to smoking establishments at the state level, which may impact the Village's regulations for smoking establishments.

6.) Municipal outreach

Staff contacted municipalities in the surrounding area to ask if they have began researching the zoning issue on recreational cannabis or had any discussions with their Boards/Commissions.

The municipalities with an asterisk () currently have a medical cannabis dispensary.*

Municipality	Status
Addison*	August 14 th Planning & Zoning Commission meeting to add licensed adult use cannabis dispensing & cultivation to those districts where medical marijuana is already permitted
Arlington Heights*	Hope to have something to the Board in the fall
Bourbonnais	Discussing, working on a staff report
Brookfield	Not reviewing at this time
Buffalo Grove*	Researching, some Board discussions
Champaign*	Not reviewing at this time
Des Plaines	Resolution scheduled on July 1 to direct the Plan Commission to hold a public hearing for text amendments
Deerfield*	Resolution scheduled on July 1 (#19-62) to direct the Plan Commission to hold a public hearing for text amendments (possibly in August)
Downers Grove	Started research, given a summary of the law to the Council
DuPage County	Researching
Elmhurst	Not reviewing at this time
Elmwood Park*	
Evanston*	May bring to the Council in summer or fall
Highland Park*	Will discuss with the Board on July 8
Homewood*	Reviewing zoning changes to allow for one facility (existing medical cannabis center)
Itasca	
Joliet*	Researching for a possible future text amendment
Kankakee County	Researching, noted their existing medical marijuana ordinance may be adequate by only removing the word medical
La Grange	Researching and hope to provide information to the Board before their July 8 meeting
Mokena*	Not reviewing at this time
Mount Prospect*	Researching
Mundelein*	Will be researching soon
Naperville*	Hope to bring to Council in July for initial reaction
North Aurora*	Not reviewing at this time
Oak Brook	Anticipated to opt-out of retail sales
Oak Park*	Not reviewing at this time, will reach out to the medical cannabis owner to discuss his intentions

Rolling Meadows*	Not reviewing at this time
Romeoville*	Internal discussions only
St. Charles*	
South Elgin	May allow, but will limit it to 1 or 2 facilities for purchase only (similar to a liquor license). They will most likely not allow for lounges.
Tinley Park	Will discuss with the Board on August 6

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