



AGENDA

President and Board of Trustees

Village of Arlington Heights

Committee-of-the-Whole

Board Room

33 S. Arlington Heights Rd, Arlington Heights, IL 60005

October 28, 2019

7:00 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

IV. NEW BUSINESS

- A. Adult Use Cannabis

V. OTHER BUSINESS

VI. ADJOURNMENT

Any member of the public wishing to speak will be given the opportunity to do so. If the item is on the Agenda, that opportunity will be while that Agenda item is being discussed. Any member of the public wishing to speak on an item not on the Agenda will be given the opportunity during the Other Business portion of the meeting. Please limit comments to three minutes.

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact David Robb, Disability Services Coordinator, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, (847)368-5793 (Voice), (847)368-5980 (Fax) or drobb@vah.com.



Committee-of-the-Whole
10/28/2019

Item: Adult Use Cannabis

Department: Legal/ Village Manager

Attached are three draft ordinances that either propose regulations for or prohibit adult-use cannabis for the Board's consideration. Staff developed these alternatives at the Board's request after the August 14th COW meeting. Keep in mind that the Village cannot outlaw adult use cannabis and cannot adopt special licensing requirements.

Ordinance A: This ordinance amends the Code to prohibit all types of adult-use cannabis business establishments. This ordinance is straightforward.

Ordinance B: This ordinance sets forth proposed Code amendments, most significantly creating an article in the Code related to cannabis businesses. Any or all of the specific proposals can be changed if the Board wants different parameters. As drafted, only dispensaries would be permitted – all other adult use cannabis businesses would be prohibited. The ordinance prohibits on-premises consumption.

The proposed ordinance sets a limit of no more than three dispensaries. There could only be one in each of three designated areas: south of Central, between Central and Hintz but not in the B-5, and north of Hintz. Further, dispensaries could not be located within 1000 feet of schools and parks. There is a map attached after Ordinance B which shows these proposed location limits for dispensaries. They would be permitted uses in the B-2 and B-3 zoning districts.

There are several reasons Staff is suggesting that dispensaries, if permitted by the Board, be a permitted use, not a special use:

1. Liquor stores and drug stores are both permitted uses in the B-2 and B-3 districts. There are significantly more regulations related to the sale of cannabis than either liquor or prescription drugs. As so many factors are already regulated by the State for cannabis dispensaries, including security, hours of operation, manner of sale, advertising, packaging, etc., there are no obvious local issues for which a special use could be conditioned. Pursuant to State law, dispensaries can only be open between the hours of 6:00 a.m. and 10:00 p.m.

2. By the time any ordinance is adopted permitting the sale of cannabis in the Village, there will have been several public discussions on the subject, including a public hearing at the Plan Commission for certain necessary amendments to the Zoning Code, making a public hearing for a special use seem potentially redundant.

3. Assuming the Village Board limits the number of cannabis dispensaries to two or three as well as the other proposed location limitations, there will already be established limitations on where dispensaries can go, essentially already determining that dispensaries in those areas are acceptable.

Ordinance B also contains proposed amendments to Chapter 28 (Zoning Code) but those are limited to adding appropriate definitions and adding adult use cannabis dispensaries to the Permitted Use Table. That process will include a public hearing before the Plan Commission, with a scope limited to those two proposed amendments. The proposed Chapter 28 amendments would only be presented to the Plan Commission if the Village Board decided to move forward with permitting adult use business establishments.

Ordinance C: This ordinance, which is only necessary to be considered if Ordinance B is moved forward, proposes a 3% tax on the retail sale of adult use cannabis. This is the maximum permitted by the State law.

Conclusion

At this time, in order to ensure that the Village makes its own determination as to regulations related to cannabis businesses prior to January 1, the Committee-of-the-Whole needs to determine which ordinance(s), it wants to recommend the Village Board adopt.

ATTACHMENTS:

Description	Type
Draft Ordinance A - Complete Prohibition	Ordinance
Draft Ordinance B - Proposed Regulations	Ordinance
Map - Proposed Dispensary Location Limitations	Exhibits
Draft Ordinance C - Tax	Ordinance
Excerpt of Committee-of-the-Whole Minutes - August 13, 2019	Minutes
Excerpt of Board of Health Minutes - September 9, 2019	Minutes
Excerpt of Arlington Economic Alliance Minutes - September 18, 2019	Minutes

AN ORDINANCE AMENDING CHAPTER 7 THE MUNICIPAL CODE OF THE VILLAGE OF ARLINGTON HEIGHTS

WHEREAS, the Village of Arlington Heights has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs and that protect the public health, safety and welfare of its citizens; and

WHEREAS, this Ordinance is adopted pursuant to the provisions of the Illinois Cannabis Regulation and Tax Act, Public Act 101-0027, which provides that the Village has the authority to prohibit adult-use cannabis business establishments; and

WHEREAS, the Village has determined that the operation of cannabis business establishments would present adverse impacts upon the health, safety and welfare of the residents, and additional costs, burdens and impacts upon law enforcement and regulatory operations of the Village; and

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Arlington Heights as follows:

SECTION ONE: That Chapter 7, Other Village Government Provisions, of the Arlington Heights Municipal Code, is as follows by the addition of the following new Article XVI:

ARTICLE XVI Cannabis Business Establishments Prohibited

Section 7-1601 Definitions. For purposes of this Article, the following definitions shall apply:

- a. **Adult-Use Cannabis Business Establishment.** A cultivation center, craft grower, processing organization, infuser organization, dispensing organization or transporting organization.
- b. **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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- c. **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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- d. **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, as it may be amended from time-to-time, and regulations promulgated thereunder.

- e. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- f. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- g. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- h. Person. Any person, firm, corporation, association, club, society or other organization, including any owner, manager, proprietor, employee, volunteer or agent.

Section 7-1602 Cannabis Business Establishments Prohibited. The following Adult-Use Cannabis Business Establishments are prohibited. No person shall locate, operate, own, suffer, allow to be operated or aide, abet or assist in the operation within the Village 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 7-1603 Public Nuisance Declared. Operation of any prohibited Cannabis Business Establishment within the Village in violation of the provisions of this Article is hereby declared a public nuisance and shall be abated pursuant to all available remedies.

Section 7-1604 Violations. Violations of this Article may be enforced in accordance with the provisions of Section 1-501 of this Code.

SECTION TWO: If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the

unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance.

SECTION THREE: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

AYES:

NAYS:

PASSED AND APPROVED this ____ day of _____ 2019.

Village President

ATTEST:

Village Clerk

AN ORDINANCE AMENDING CHAPTERS 12 AND 28
OF THE ARLINGTON HEIGHTS MUNICIPAL CODE
TO PROVIDE FOR THE RETAIL SALE OF RECREATIONAL CANNABIS

WHEREAS, the Village of Arlington Heights is a home rule unit of local government, pursuant to Article 7, Section 6 of the 1970 Constitution of the State of Illinois and, as a home rule unit, the Village may exercise any power and perform any functions pertaining to its government and affairs; and

WHEREAS, pursuant to the Act, the Village may enact reasonable zoning ordinances or resolutions not in conflict with the Act, regulating cannabis business establishments, including rules adopted governing the time, place, manner and number of cannabis business establishments, and minimum distance limitations between cannabis business establishments and locations the City/Village deems sensitive; and

WHEREAS, on _____, the Village Board considered amendments to the Municipal Code to provide regulations for businesses related to adult-use cannabis facilities within the Village; and

WHEREAS, pursuant to notice, on _____, the Plan Commission, in Petition Number _____, conducted a public concerning the proposed amendments to Chapter 28 of the Municipal Code and has recommended adoption of the proposed amendments to the President and Board of Trustees; and

WHEREAS, the President and Board of Trustees have determined that amendments to Chapters 7, 8, 12, and 28 of the Arlington Heights Municipal Code is in the best interests of the Village of Arlington Heights,

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ARLINGTON HEIGHTS:

SECTION ONE: That Chapter 12 of the Municipal Code of the Village of Arlington Heights is hereby amended by renumbering Article XX Penalties to Article XXI and adding the following new Article XX Adult Use Cannabis Dispensaries, which shall read as follows:

Article XX Adult-Use Cannabis Dispensaries

Section 12-2001 Definition. Unless otherwise expressly stated, the following terms, phrases, and words shall have the meanings set forth below:

- a. Act. Cannabis Regulation and Tax Act (Public Act 101-0027, 410 ILCS 705/1 et seq.).
- b. Adult-Use Cannabis Business Establishment. A cultivation center, craft grower, processing organization, infuser organization, dispensing organization or transporting organization.

- c. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- d. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- e. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- f. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- g. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.
- h. 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, as it may be amended from time-to-time, and regulations promulgated thereunder.

Section 12-2002 Prohibited Cannabis Businesses. The following businesses are not permitted within the Village: Adult-Use Cannabis Craft Grower, Adult-Use Cannabis Cultivation Center, Adult-Use Cannabis Infuser Organization or Infuser, and Adult-Use Cannabis Processing Organization or Processor.

Section 12-2003 License Required. A Business License shall be required to establish, operate, or maintain an Adult-Use Cannabis Dispensing Organization within the Village.

Section 12-2004 Application. An application for an Adult-Use Cannabis Dispensing Organization shall be made in conformity with the general requirements of this Code relating to applications for licenses. In addition, the applicant shall provide all required licenses from the State with the application as well as an affidavit affirming compliance with all requirements of the Act.

Section 12-2005 Regulations Applicable to Adult-Use Cannabis Dispensing Organizations. In addition to the regulations in the Act, the following shall apply to all Adult-Use Cannabis Dispensing Organizations located in the Village:

- a. No on-premises consumption of cannabis products is permitted.
- b. 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.
- c. Based on the proposed location, the Village may require a parking study to ensure there sufficient parking for the proposed dispensary, depending on the location and the parking situation at that location.

Section 12-2006 Location of Adult Adult-Use Cannabis Dispensing Organizations. In addition to the location restrictions in the Act, the following shall apply:

- a. No Adult-Use Cannabis Dispensing Organization shall be located within 1,000 feet of the property line of a pre-existing primary or secondary school or public park or recreational area which has been designated for park or recreational activities including, but not limited to, a park, playground, nature trails, swimming pool, reservoir, athletic field, basketball or tennis courts, pedestrian/bicycle paths, wilderness areas, or other similar public land within the Village, which is under the control, operation, or management of the Village or the Arlington Heights Park District.
- b. No Adult-Use Cannabis Dispensing Organization shall be located within 1,000 feet of the intersection of Dundee Road and Arlington Heights Road.
- c. There shall be no more than three Adult-Use Cannabis Dispensing Organizations in the Village. One may be located south of Central Road, one may be located north of Central Road but south of Hintz Road, and one may be located north of Hintz Road.
- d. No Adult-Use Cannabis Dispensing Organizations may be located in the Downtown District (the area zoned B5).

SECTION TWO: That Chapter 28, Zoning Regulations, of the Village of Arlington Heights Municipal Code, be and is hereby amended as follows:

- a. The following definition shall be added to Section 3.2, Definitions:

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, as it may be amended from time-to-time, and regulations promulgated thereunder.

b. The Permitted Use Table in Section 5.5-1, Non-Manufacturing and Non-Residential, shall be amended by adding the use, “Adult-Use Cannabis Dispensing Organizations” to the Table, which shall be allowed as a Permitted Use in the B-2 and B-3 Zoning Districts only.

SECTION THREE: This ordinance repeals all ordinances or parts of ordinances in conflict with the provisions hereof, and shall be in full force and effect from and after its passage and approval, and publication in pamphlet form, in the manner provided by law.

AYES:

NAYS:

PASSED AND APPROVED this _____ day of _____ 2019.

Village President

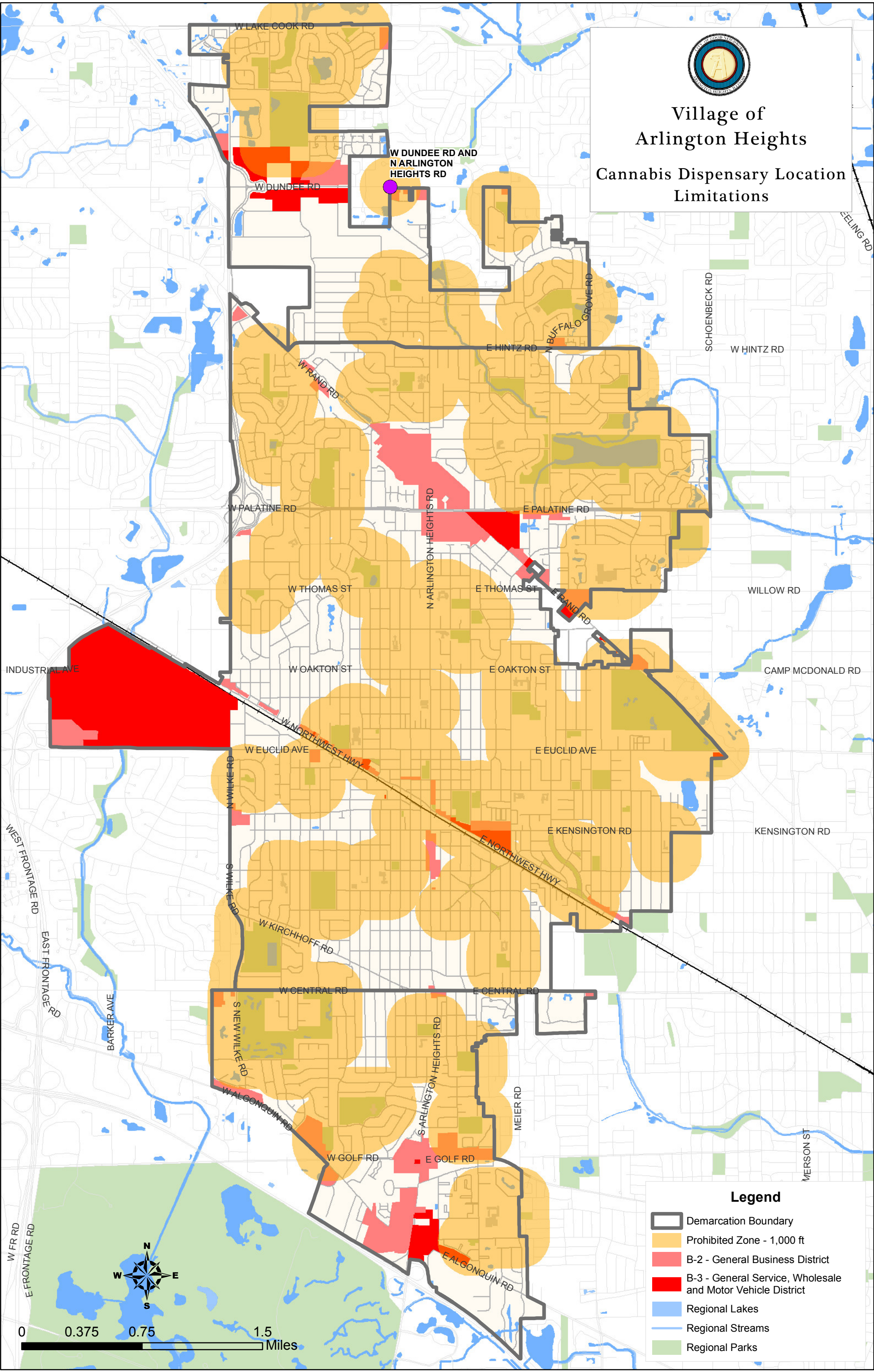
ATTEST:

Village Clerk



Village of
Arlington Heights

Cannabis Dispensary Location
Limitations



Legend

- Demarcation Boundary
- Prohibited Zone - 1,000 ft
- B-2 - General Business District
- B-3 - General Service, Wholesale and Motor Vehicle District
- Regional Lakes
- Regional Streams
- Regional Parks

Ordinance C

AN ORDINANCE AMENDING CHAPTER 7 OF THE ARLINGTON HEIGHTS MUNICIPAL CODE

WHEREAS, the Village has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs and that protect the public health, safety and welfare of its citizens; and

WHEREAS, this Ordinance is adopted pursuant to the provisions of the Illinois Municipal Cannabis Retailers' Occupation Tax Act, 65 ILCS 5/11-8-22 *et seq.* ("Act"); and

WHEREAS, this Ordinance is intended to impose the tax authorized by the Act providing for a Municipal Cannabis Retailers' Occupation Tax which will be collected by the Illinois Department of Revenue;

NOW, THEREFORE, BE IT ORDAINED, BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ARLINGTON HEIGHTS:

SECTION ONE: That Chapter 7 of the Arlington Heights Municipal Code is amended by adding the following new Article XVI:

ARTICLE XVI Municipal Cannabis Retailers' Occupation Tax

Section 7-1601 Municipal Cannabis Retailers' Occupation Tax. 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 in the Village at the rate of 3% of the gross receipts from these sales made in the course of that business. The imposition of this tax is in accordance with the provisions of Sections 8-11-22, of the Illinois Municipal Code (65 ILCS 5/8-11-22).

Section 7-1602 Collection of Tax by Retailers. The tax imposed by this Article shall be remitted by such retailer to the Illinois Department of Revenue ("IDR"). Any tax required to be collected pursuant to this Article and any such tax collected by such retailer and required to be remitted to IDR 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.

Section 7-1603 Severability. If any provision of this Article or the application thereof to any person or circumstances is held invalid, the remainder of this Article and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION TWO: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law; provided, however, that the tax provided for herein shall take effect for all sales on or after the first day of January, 2020.

Copies of this Ordinance shall be certified and sent to the Illinois Department of Revenue prior to September 30, 2019.

AYES:

NAYS:

PASSED AND APPROVED this _____ day of _____ 2019.

ATTEST:

Village President

Village Clerk

**MINUTES
COMMITTEE-OF-THE-WHOLE
PRESIDENT AND BOARD OF TRUSTEES
VILLAGE OF ARLINGTON HEIGHTS
BOARD ROOM
TUESDAY, AUGUST 13, 2019 7:30 P.M.**

BOARD MEMBERS PRESENT: President Hayes; Trustees: Baldino, Canty, LaBedz, Padovani, Rosenberg, Schwingbeck, Scaletta and Tinaglia

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Randy Recklaus, Village Manager; Robin Ward, In-House Council and Kim Peterson, Recording Secretary

SUBJECTS:

B. Discussion of Adult-Use Cannabis

A. Discussion of Adult Use Cannabis

President Hayes explained how the State of Illinois recently passed legislation legalizing adult-use cannabis. This law becomes effective January 1, 2020. President Hayes stated that despite what people's opinions are regarding adult-use cannabis, the law was passed and now all municipalities in Illinois are forced to deal with this issue. President Hayes advised that the Village must now do their due diligence in determining what is best for the residents and businesses in town; therefore, he would like the Board to spend some time discussing this issue, as well as get input from residents, businesses and interest groups. President Hayes explained how Ms. Ward would begin this discussion with a short presentation as well as provide an overview of what the Village's options are moving forward. Following Ms. Ward's presentation, the Board will have the opportunity to ask questions for clarification and then the public will have their chance to provide input. Once the public is finished making their comments, the Board will then have the opportunity to discuss this topic.

Mr. Recklaus explained how the State has already passed this law, so regardless of what people's opinions are, and regardless of what the Board decides to do, there will be people in Arlington Heights using marijuana. The objective of this discussion is to determine if the Village should allow businesses to sell cannabis, and if so, should these businesses allow consumption on their premises, should there be zoning regulations and to what extent should they be taxed. Village Staff has no recommendation on this issue as it is a policy decision for the Village Board.

Ms. Ward explained the Village's role with regard to adult-use cannabis related to businesses, and whether or not they are permitted to sell cannabis. The State handles everything else, including licensing. The Village can require a business license and impose zoning regulations, which would limit the number of businesses and where the businesses could be located. Municipalities can also impose a local excise tax up to 3%. Home cannabis growers have to be medical cannabis program users and they can only grow up to five plants.

Ms. Ward stated the Village has the option to adopt an ordinance completely prohibiting all adult-use cannabis businesses. The Village also has the option to adopt an ordinance permitting one cannabis business in the Village and limit it to being located with a medical cannabis dispensary. In addition, the Village also has the option to adopt an ordinance permitting any number of cannabis businesses. This would require the Board to determine what sorts of restrictions – number of businesses, locations of such businesses, whether to require special uses, minimum distances between cannabis businesses, whether to permit on-premises consumption, or any other regulations the Board wants to put in place.

President Hayes asked Ms. Ward to clarify if the Village could limit the number of adult-use cannabis businesses to an exact number, which Ms. Ward said they could. President Hayes asked for clarification about the existing medical marijuana dispensary and if this law pertains to them. Ms. Ward stated that this law does not include medical marijuana dispensaries; however, the law does allow existing medical dispensaries to have the first opportunity to add adult-use dispensary licenses, as they have already been vetted and have medical marijuana licenses.

Trustee Canty asked Ms. Ward if the law legalizing adult-use cannabis included zoning regulations, such as the distance between businesses, which Ms. Ward stated that it does not include these regulations. Ms. Ward stated that the law does contain advertising restrictions; so for example, a cannabis dispensary cannot advertise within 1000 feet of a school, therefore the business cannot be located within 1000 feet of a school.

Trustee Canty asked Ms. Ward if there are any cultivation centers in the Village, which Ms. Ward stated we do not. There is only one medical dispensary in town.

Trustee LaBedz asked Ms. Ward to clarify her statement about adult-use cannabis businesses not being able to advertise within 1000 feet of a school and if the law is written this way because if a business were to put a sign identifying their business, this would be a form of advertisement, which is not allowed. Ms. Ward reiterated that a cannabis dispensary cannot advertise within 1,000 feet of a school and explained how the law actually states what you can and cannot put in the advertisement.

Trustee Tinaglia asked Ms. Ward to explain what would happen if the Village did nothing and someone decided to smoke marijuana out in the open. Ms. Ward explained that you will not be able to use cannabis publicly.

Dr. David Brottman, pediatrician in Arlington Heights for over 30 years, discussed

the potential damage that can occur to a child's brain from marijuana use and the addictive nature of the substance. Dr. Brottman does not think the Village of Arlington Heights should allow the sale of recreational marijuana just because the State of Illinois passed a law legalizing it. Dr. Brottman is in favor of the Board choosing Option 1, which is to adopt an ordinance that prohibits all adult-use cannabis businesses.

Carson Ezell, resident of Buffalo Grove and a student at Stevenson High School, who also is a member of the Catalyst, a youth drug prevention group at Stevenson High School, has spent the past two years advocating against legalizing recreational marijuana in the State of Illinois. With the recent law that was passed legalizing recreational marijuana, Mr. Ezell believes the best course of action for all of the Villages to take is Option 1, and opt out of all marijuana dispensaries. Mr. Ezell believes that even though the marijuana sales would be limited to those 21 and over, he is certain the schools will be impacted in one way or another. Mr. Ezell provided some statistics to support his theory from State's that allow adult-use cannabis and believes with the rising THC levels, marijuana is only becoming a more dangerous product, particularly for the youth. Mr. Ezell believes marijuana dispensaries can work as hard as they want to normalize marijuana use, but he does not think they should be allowed to operate in our communities.

Victor Shi, student at Stevenson High School and member of Catalyst, a youth drug prevention group at Stevenson High School, discussed the impact marijuana use has on youth, adults and his peers. Mr. Shi also discussed the addictive nature of marijuana and how it is the objective of businesses to get as many individuals addicted to increase sales. Mr. Shi urges the Board to choose Option 1, and opt out of recreational marijuana sales, as the negative implications on the youth, minorities and Illinois residents is too high.

Trustee Rosenberg asked Mr. Shi if he believes many of the cities and villages in Illinois will ban the sale of recreational marijuana, similar to how over half of the counties in the State of Colorado did. Mr. Shi does believe this will happen, however he thinks the Board should choose Option 1 so marijuana does not fall into the hands of the youth. Trustee Rosenberg suggested that even if Arlington Heights were to ban the sale of marijuana, residents might travel to a nearby town to make their purchases. Mr. Shi said this might happen, however, if Arlington Heights chooses to ban the sale of recreational marijuana, this sends a strong message to the youth in the community.

Dr. Aaron Weiner, Licensed Clinical Psychologist and Director of Addiction Services at Linden Oaks Behavioral Health, first stated that he believes there is benefit one can get through exercising one's ability through local control. Dr. Weiner went on to say that more access means more use and less access means less use. This is where local control can come in and the Village can send a message to their residents and determine how easily they can obtain marijuana, despite the legalization by the State. Dr. Weiner provided some statistics regarding marijuana use, from states that have already legalized the sale of recreational marijuana. Dr. Weiner pointed out how the Village of Arlington Heights voted to prohibit the sale of tobacco products to those under the age of 21, which limits the access, and in turn

use. The same concept applies for recreational marijuana sales. If businesses are allowed to sell recreational marijuana, access to this addictive product is much easier; therefore, the marijuana use will rise. Dr. Weiner discussed the rise in THC levels in these products and the harm this can do to one's body and mind. Dr. Weiner believes the Board has an opportunity to determine how easily the residents of Arlington Heights can obtain marijuana to use recreationally. In addition, the Board has the opportunity to send a message about whether they promote or endorse getting high as recreation. The more people that are high, the worse off the community is. Dr. Weiner is recommending the Village opt out.

Trustee Canty asked if Dr. Weiner is also suggesting that the Village ban alcohol sales. Dr. Weiner believes this all comes down to a change in policy, and if the Village decides to allow cannabis sales, and essentially invite this element in, you are sending a message about what is valued here in Arlington Heights.

Jeremy Unruh, Director of Regulatory Affairs for PharmaCann, which is the medical cannabis dispensary in Arlington Heights, stated that there are many statistics being presented at tonight's meeting, however the only fact that is indisputable is how in the more than 3,000 years that cannabis has been used, there has not been one single reported fatality from the overdose of cannabis. Mr. Unruh stated that he would like to invite the Board to allow adult-use cannabis sales in Arlington Heights. In addition, he would like to invite all of the Board members to visit PharmaCann, if they had not already done so, to see what their process is, what their security and consumer protections are like, before they make their decision tonight. Mr. Unruh informed the Board that there has not been one single first responder call since the dispensary opened and it is not their intention to allow onsite consumption. Mr. Unruh explained how based upon their dispensary in Wareham, Massachusetts, who just began selling adult-use cannabis in December of 2018, and generated over \$300,000 in tax revenue for the city with a 3% sales tax, he anticipates being able to give Arlington Heights approximately \$600,000 in tax revenue.

President Hayes asked Mr. Unruh what the maximum amount of THC per dose, which Mr. Unruh stated it is 10 milligrams per dose. President Hayes then asked what the maximum percentage of THC per dose is. Mr. Unruh explained that the limit per dose is 10 milligrams of active ingredient. President Hayes asked how this limit compares to what would be sold in a recreational facility, which Mr. Unruh stated the products would be the same as what they are selling now. The difference will be is that now, a patient will walk in with their medical card, and an adult-use consumer will show their Driver's License or State ID to prove they are 21.

President Hayes asked Ms. Ward if there is anything in the State legislation that limits the amount of THC in recreational marijuana. Ms. Ward could not immediately find any verbiage in the law that limits the amount of THC; however, she did state that any restrictions that are in place for the sale of medical marijuana would be in place for adult-use sales as well. President Hayes would like to ensure the level of potency would be limited if the Board was to go ahead and allow adult-use cannabis sales in town.

Trustee Rosenberg asked if there would be a limit to how much recreational

marijuana someone could buy. Mr. Unruh explained that there is a possession limit. Trustee Rosenberg asked how often someone could purchase recreational marijuana. Mr. Unruh explained how PharmaCann would not be over-dispensing to consumers, as their license costs too much and the potential to be shutdown exists. Trustee Rosenberg asked Mr. Unruh if they would be tracking their customer sales, which Mr. Unruh stated they would not. Mr. Unruh explained how they would have procedures in place to ask someone not to return to their dispensary if they believe someone is abusing the possession restriction.

Trustee LaBedz asked Mr. Unruh if they would be carding everyone entering their facility. Mr. Unruh advised they would actually be carding consumers twice, to confirm they are 21.

Trustee Padovani asked Mr. Unruh what amount of foot traffic does PharmaCann anticipate. Trustee Scaletta is concerned with the amount of questions and time spent discussing what PharmaCann would do if allowed to sell adult-use cannabis, as they are not going to be automatically chosen as a distributor if the Board chooses to allow adult-use sales. President Hayes explained how PharmaCann is currently the only medical marijuana dispensary in town, thereby, giving them the first opportunity to sell recreational marijuana under the new law.

Frank Adams, District 214 student and member of the Linked Together Coalition, discussed the various social media applications that companies use to promote the use of cannabis and normalize its' use. Mr. Adams presented some unique forms of marketing cannabis companies use to capture the attention of youth without outwardly advertising the fact that they sell marijuana. Mr. Adams does not believe Arlington Heights wants to support an industry that markets to local teens.

Jorie Ouimet, representative of the Linked Together Coalition and resident of Buffalo Grove, encouraged everyone to visit PharmaCann's website to see how much THC is in some of the products they sell. Ms. Ouimet referenced the Physician Statement from Linked Together regarding Recreational Use of Marijuana in Teens that she distributed to the Board and highlighted some of the key points. Ms. Ouimet encourages the Board to research some of the other communities that have legalized recreational marijuana and reach out to some of those community members, police officers or school officials to see what kind of impact they have seen from having a recreational marijuana dispensary in their town.

Kevin Corcoran, Arlington Heights resident and medical marijuana user, spoke about the benefits of medical marijuana and how it has improved the quality of his life. Mr. Corcoran obtains his medical marijuana from PharmaCann and thinks very highly of the establishment and their staff. Mr. Corcoran believes the benefits are far greater than any negative issues and PharmaCann should be allowed to continue to operate. President Hayes clarified that PharmaCann's viability as a medical marijuana dispensary is not an issue. The question the Board is discussing is whether the Village should allow businesses to sell adult-use cannabis.

Dan Militello, Director of Retail Operations, PharmaCann, explained how PharmaCann is not interested in on-site use, they would just like to expand their

business and offer adult-use cannabis. Mr. Militello advised that PharmaCann currently operates with approximately 10 – 12 employees and if they are allowed to sell adult-use cannabis, they will need to employ 40 – 50 individuals, preferably from the community.

Mike Alexander, employee of PharmaCann and former police officer, reiterated the fact that there has not been one call for service at PharmaCann and how their average patient is a middle class female, 45 – 62 years of age. Mr. Alexander explained how cannabis is an exit drug, as it helps those who have addictions get themselves off sometimes fatal drugs.

Christine Bernard, medical cannabis patient and PharmaCann customer, does believe individuals will travel to other towns to purchase marijuana, if Arlington Heights decides to not allow businesses to sell recreational marijuana. Ms. Bernard also believes it is important that jobs will be created if businesses are allowed to sell recreational marijuana.

Mike Richards, Outreach and Development Manager, PharmaCann, explained how the most rewarding work he has done in his life has been at PharmaCann and the most important aspect is community involvement. Mr. Richards advised that education is paramount to PharmaCann; therefore, they make it a point to go out into the community to educate physicians and hold workshops, and most importantly teach the youth that cannabis is for those 21 and over.

Lisa Slankard, pharmacist and resident of Arlington Heights, supported the cannabis bill when it was first written and still supports it, as she believes a lot of work went into trying to avoid the issues that occurred in the states that have already legalized recreational marijuana. Ms. Slankard is in favor of Option 3, as the purpose of the law is to make marijuana safer for people who do use it. Ms. Slankard likes the idea of having multiple businesses selling cannabis, as it promotes competition.

Joel Stein, medical marijuana patient and PharmaCann customer, spoke about the pain relief he experiences when using marijuana and how he is in favor of businesses in Arlington Heights selling recreational marijuana. Mr. Stein addressed the problems some individuals experience when trying to obtain their medical marijuana card from the State of Illinois and believes these issues can be alleviated if consumers can just purchase their marijuana at local retailers.

Dina Rollman, Senior Vice President for Government and Regulatory Affairs, Green Thumb Industries, which is a Chicago-based operator of medical cannabis and adult-use dispensaries throughout the country. Ms. Rollman advised that Green Thumb Industries is very interested in operating an adult-use dispensary in Arlington Heights. Ms. Rollman explained how Green Thumb Industries already operates dispensaries in Massachusetts and Nevada. Ms. Rollman discussed the probability of neighboring towns opting to allow recreational marijuana dispensaries, which may or may not be regulated. Ms. Rollman believes it would make sense for Arlington Heights to allow dispensaries, as they can regulate them, and in addition, generate revenue for the community. Ms. Rollman welcomed the

Board to address any of their concerns with her and encouraged them to choose Option 3. Trustee Rosenberg asked Ms. Rollman if her company is allowed to sell adult-use cannabis here in Arlington Heights, would they also sell to those who hold medical marijuana cards, which Ms. Rollman said they would, but it would be at the regular rate, as opposed to the reduced rate medical marijuana card holders receive. In addition, Trustee Rosenberg asked if Ms. Rollman if her dispensaries have a medically trained employee to assist patients who use marijuana for medical purposes. Ms. Rollman stated most of her dispensaries have a licensed pharmacist on-site and many of the employees undergo weeks of in-house training.

Nancy Duel, resident of Arlington Heights, read excerpts from several news articles and brochures that discussed the negative effects of marijuana, mainly when it comes to children, and informed the Board there is currently no roadside sobriety test for marijuana. Ms. Duel explained how she was confused by the options available to the Board, as she associates medical marijuana users with adult-use cannabis. Mr. Recklaus explained how “adult-use cannabis” is the terminology that is used to refer to those that are non-medical or recreational users of cannabis. In response to Mr. Recklaus’ explanation, Ms. Duel is in favor of Option 1.

President Hayes once again reiterated the fact that the issue being discussed tonight has nothing to do with medical marijuana and the dispensary located in Arlington Heights. President Hayes believes PharmaCann has done a great job helping people in the community and understands the difficulties some face when trying to obtain their medical marijuana card from the State, however he does not feel it is the Village’s responsibility to correct the situation. President Hayes believes his primary job is to provide for the health, safety and welfare of the residents and all of those who live and work in the Village. President Hayes also strives to preserve and protect the image and reputation of this community. President Hayes is very proud of the reputation Arlington Heights has as being a family oriented community, therefore he strongly favors Option 1, which would prohibit the sale of recreational marijuana.

Trustee Scaletta thanked everyone who came out and spoke on this issue, as he feels it is important to hear from the residents and those that will be impacted by their decision. Trustee Scaletta is fairly confident one or more of the surrounding communities will decide to sell adult-use cannabis, therefore he believes the Board needs to find a way to permit it, with some restrictions. Trustee Scaletta does not believe adult-use cannabis sales should be in the same environment as the medical dispensary. In addition, Trustee Scaletta is not in favor of one business having the monopoly on adult-use cannabis sales. Trustee Scaletta is unsure if he would have voted for legalizing cannabis in the State of Illinois, but the law was passed and he cannot do anything about that, but what he can do is regulate what goes on in the Village of Arlington Heights. Trustee Scaletta discussed the difficulty most residents experience in defining the borders of Arlington Heights and knowing what businesses are located in what towns. Trustee Scaletta is in favor of allowing adult-use cannabis businesses in Arlington Heights and accepting the 3% local tax to better the tax base, as long as they are required to have a special use permit and business license, and the Village imposes limits on the number of businesses, with no business being located in the central business district or near schools.

Trustee Tinaglia asked Ms. Ward which towns or counties could opt out, which Ms. Ward stated anyone could opt out. Trustee Tinaglia agrees with Trustee Scaletta that the Village's borders are hard to define and would hate to think that a neighboring community would benefit from sales from our residents.

Trustee Tinaglia referenced some of the public comments that talked about potential tax revenue for the Village and asked why there is such a huge disparity in these numbers. Mr. Jeremy Unruh, Director of Regulatory Affairs for PharmaCann, advised that the proposed tax revenue of \$30,000 was given by an individual who is not a proponent of businesses in Arlington Heights selling adult-use cannabis, whereby, the higher amount of \$600,000 was provided by Mr. Unruh himself, and based on the amount of tax revenue generated by one of PharmaCann's adult-use cannabis dispensary in Massachusetts. Trustee Tinaglia asked Mr. Recklaus what other business establishments in the Village generate \$600,000 in tax revenue, which Mr. Recklaus stated "big box" retailers, car dealerships and larger appliance stores. Mr. Recklaus went on to explain how Staff has not done any kind of analysis to validate the \$600,000 in revenue, which he expects the Board to request moving forward.

Trustee Tinaglia has spoken with numerous doctors and has been told by all of them that smoking marijuana is so much safer than taking opioids. Trustee Tinaglia feels that if the Village zones these establishments properly and regulates them, he believes it makes sense to keep the local sales tax here in town. Trustee Tinaglia is in favor of using some of these tax dollars to equip the Police with the necessary tools they need to ensure everyone's safety.

Trustee Canty is in favor of the sale of recreational use marijuana in the Village, as she does not believe the Village should try to undo what the State has done by banning the sale of marijuana, to try to present a moral stand, as the Village currently allows the sale of alcohol and cigarettes, and gambling at the racetrack. Trustee Canty does agree that the Board would need to determine how these establishments should be zoned, how many there should be and how much revenue can actually be generated. Trustee Canty believes it is the duty of the Board to look for additional tax revenue.

Trustee Padovani spent the last three weeks talking to people in the community about this issue and received varying responses, but for the most part, Trustee Padovani could lump the responses into three different groups. The first group is adamantly opposed to the idea, as this is a family oriented community. The next group is interested in the sale of adult-use cannabis, mainly because of the tax revenue these sales can generate. The last group would like to see businesses sell adult-use cannabis here, but would also be okay if they were banned. This final group is also interested in the tax revenue if indeed it is substantial. Trustee Padovani believes the \$600,000 in potential revenue PharmaCann suggested is a number that cannot be ignored. Trustee Padovani would like Staff to verify that this number is real and check with other communities to see what their actual revenue numbers look like. Trustee Padovani is not prepared to make a decision yet, as to which option he is in favor of supporting.

Trustee LaBedz has always been opposed to the legalization of marijuana; therefore, she is really struggling with the idea of Arlington Heights allowing the sale of adult-use cannabis. Trustee LaBedz has also spoken with residents in the community about this topic and heard stories about individuals who lost their lives to drug addiction and marijuana was the entry drug, not the exit drug as discussed earlier. Most of the residents Trustee LaBedz had the opportunity to speak with oppose the sale of recreational marijuana.

In addition, Trustee LaBedz learned that many of the communities that decided to allow for the sale of adult-use cannabis did not end up making anywhere close to the amount of money they thought they would in tax revenue. Trustee LaBedz also read various articles that suggested the cost of purchasing marijuana at an adult-use cannabis dispensary far exceeded the cost of purchasing marijuana from a street dealer. Trustee LaBedz is leaning towards Option 1, but would like some additional information from Staff, before she makes her final decision. Trustee LaBedz plans to visit PharmaCann to see how their dispensary operates.

Trustee Rosenberg is in favor of Option 3, as some of the surrounding communities will most likely vote to allow for the sale of adult-use cannabis, and therefore benefit from any revenue generated by Arlington Heights residents. Trustee Rosenberg believes these businesses should be heavily regulated, and there should be no more than a half dozen spread around the Village. Special use permits and business licenses should be required and the dispensaries should be located a certain distance from schools. Trustee Rosenberg stated that he is concerned about the youth aspect, but feels they will always find a way around it.

Trustee Schwingbeck shares the same philosophy as President Hayes, although he did spend a good deal of time educating himself on the topics of recreational marijuana and medical marijuana use, even so far as visiting PharmaCann to observe their operation, to make an informed decision. Trustee Schwingbeck is in favor of opposing the sale of adult-use cannabis.

Trustee Baldino is sensitive to the issue of marijuana use by youth, however the proposed tax revenue is substantial and this money can go a long way to benefiting the entire Village; therefore, he is in favor of Option 3. Trustee Baldino is not in favor of on-site consumption and feels Trustee Rosenberg's suggestion of a half dozen dispensaries is too high.

President Hayes understands how the revenue aspect can be an enticing factor, but the Board took a stand on several occasions to forgo the potential revenue because what was being proposed was not in the best interest of the community. The Board does not have to accept this. President Hayes believes the consensus of the Board is to gather some additional information and discuss the issue again before a final vote is taken.

Mr. Recklaus advised that the direction he has received from the Board is to revisit this issue sometime in mid to late Fall, with the appropriate prepared ordinances. Mr. Recklaus stated that from the information he has gathered from this meeting,

there is sufficient interest for the exploration of permitting adult-use cannabis businesses. There is not a lot of interest for on-site consumption, although there is interest in establishing some sort of special use process, as well as zoning, and limits on the number of dispensaries. Mr. Recklaus believes the critical piece of information that everyone seems to be interested in is the amount of revenue that could potentially be generated by the 3% local tax. Mr. Recklaus advised Staff will do the best they can to get a revenue estimate. President Hayes believes the Board needs to meet again before the Fall to discuss this issue further, and any ordinances that may be drawn up, should be done following that meeting.

Trustee Tinaglia is interested in knowing what kinds of rules and restrictions will the Board be required to follow when drafting an ordinance.

Other Business

None

Adjournment

Trustee Scaletta moved, seconded by Trustee Tinaglia, to adjourn the meeting at 10:28 p.m. Upon a voice vote, the motion passed unanimously.

Board of Health

Excerpt of Minutes from September 9, 2019 Meeting

Adult-Use Cannabis

Dr. Meservey reported that he and Ms. VanLandeghem went to the August 13 Committee-of-the-Whole meeting regarding adult-use cannabis. Dr. Meservey stated there was discussion both for and against the sale of recreational cannabis in Arlington Heights. He said the current medical dispensary in the Village presented about how well they are performing. Dr. Meservey stated that Mayor Hayes spoke, saying he is against the sale of recreational adult-use cannabis with the type of town we have. Ms. VanLandeghem stated that she attended part of the meeting and reports that discussion took place regarding the pros and cons.

Dr. Meservey said the discussion seemed to focus on the tax money but there was not a vote. Ms. VanLandeghem reported that the discussion questioned how much tax money would really come into the Village. Dr. Meservey reported that the money is the bigger issue for the majority and he shared with the Village Board that the Board of Health sees this as a health issue.

Jorie Ouimet, Prevention Specialist, Project Lead, Link Together Coalition, reviewed various handouts and articles regarding cannabis. She stated that the cannabis industry is targeting youth, and that normalizing the use of cannabis is of great concern for her organization. For example, a phone app that finds the closest location to purchase cannabis was discovered in a local high school. Ms. Ouimet stated that most concerning is when she reviewed the website of the medical cannabis dispensary in Arlington Heights. She identified that they are selling recreational cannabis in other states. She said there are current issues with vaping, and the effects from the amount of THC concentrations are unknown for both adults and teens. Ms. Ouimet stated this would be the type of product sold in Arlington Heights without any regulation of local government regarding the concentration of THC and vaping products. Ms. Ouimet stated if someone gets sick or dies, there is no ability to recall a product since there is no control over what is sold, and there are not enough studies done about the products.

Ms. Ouimet stated that at Buffalo Grove Days, a medical cannabis dispensary passed around marketing materials to adults and teens mentioning recreational cannabis. She shared information created by multiple coalition groups in the Chicagoland area highlighting some effects of cannabis and the cost factor involved. She stated another concern is the increase in emergency department visits once recreational cannabis becomes legal. Ms. Ouimet stated that there is no limit on the amount of THC in products sold, and this is a new generation of marijuana. She said millions of dollars of cannabis would have to be sold in order to generate a financial cost benefit in Arlington Heights.

Ms. Ouimet stated that her organization put together a summary of the key points to the cannabis law, in addition to providing the Board with a copy of the U. S. Surgeon General's Advisory regarding cannabis use and the developing brain.

Dr. Meservey reported that there were three choices that were discussed at the Committee-of-the-Whole meeting. The first choice was not to allow any recreational cannabis dispensaries in Arlington Heights. The second option discussed was that a medical cannabis dispensary would

be allowed to sell recreational cannabis to adults over age 21, or the third option is that anyone can open a store to sell recreational cannabis in Arlington Heights.

Ms. VanLandeghem stated that the information and news articles reviewed prior to today's meeting said the medical cannabis dispensary in Arlington Heights provided detailed background and research, but none was peer-reviewed, scientific journal articles.

Ms. Quimet stated that if Arlington Heights does not opt out of the law, then recreational cannabis dispensaries would be able to sell cannabis in Arlington Heights.

Dr. Meservey asked if the Village Board states that Arlington Heights can have recreational cannabis dispensaries, does that mean that the medical cannabis dispensaries can automatically sell recreational cannabis? Ms. Quimet stated medical cannabis dispensaries get the first opportunity to apply. Dr. Barnett stated since the medical cannabis dispensary is already established, they would likely be first to begin the sale of recreational cannabis. Dr. Meservey questioned why the medical cannabis dispensary automatically moved towards selling recreational cannabis? Chair Laurie speculates that medical dispensaries already have a business model, security methods and a vault in place. Dr. Meservey said medical cannabis is monitored by a prescription, but recreational cannabis is not monitored.

Ms. VanLandeghem questioned if the Board of Health is being asked for a recommendation to vote on allowing recreational cannabis to be sold in Arlington Heights. Mr. McCalister stated that the Village Board is requesting recommendations from the Board of Health on the topic of whether or not the Village should permit the sale of adult-use recreational cannabis. Therefore, the only advice the Board is seeking is whether or not to permit the retail sale of adult-use cannabis to adults over age 21 within the Village. State law already allows the sale of medical cannabis and there is currently one medical dispensary in the Village. The sale of medical cannabis is not a part of this discussion.

Ms. VanLandeghem stated research shows that the increase in access to cannabis affects both children and adolescents. Chair Laurie said they could comment on the impact to youth but make a motion not to sell recreational cannabis to adults. Chair Laurie discussed the economic impact to allowing recreational cannabis to be sold in Arlington Heights. Dr. Meservey stated the focus of the Board is not only on the economic impact, but also on the health concerns caused by selling recreational cannabis within the community. Chair Laurie stated the Board could vote no to selling recreational cannabis in Arlington Heights and further define supporting reasons why the Board of Health moved not to allow local, recreational cannabis dispensaries. Ms. VanLandeghem stated the Board should not wait a year to make a decision due to the current evidence supporting the health impacts from cannabis use. Dr. Barnett agreed, and stated the Board of Health can recommend no to selling recreational cannabis and offer the Board's reasons for not allowing recreational cannabis dispensaries in Arlington Heights.

Dr. Meservey asked why Naperville did not allow the sale of recreational cannabis? Ms. Quimet stated she did not have the opportunity to review all articles, but she is aware that Naperville had about 175 residents speak out saying no to allowing the sale of recreational cannabis in Naperville. Ms. VanLandeghem said Naperville is putting the decision into a vote by the citizens. Dr. Barnett stated that Naperville put off making the decision for one year, but the issue is that selling recreational cannabis to adults will already be legal by that time. Ms.

VanLandeghem reported that the Surgeon General stated on record for the first time about cannabis and that in itself is significant. She said cannabis is federally illegal, and the research is not available.

Mr. McCalister stated the Board could make a motion today or have another meeting before the end of the month. Dr. Barnett stated the Board is prepared to make a motion, but they need to have information organized to support the motion. Dr. Meservey asked if anyone needs more information to make a motion. The Board agreed they were prepared to make a final motion with supporting information.

Ms. VanLandeghem stated there is a health impact on both adults and adolescence from increased access to cannabis in the community. She said there is a cost to having more Police and Public Service officials involved. Deputy Chief Hayes stated there is also an impact on the Fire Department. Ms. VanLandeghem stated the proposed or projected economic benefits are not aligned with the negative impact on Police, Fire and Public Safety. Ms. Quimet stated the proposed economic benefits were to go back to Police, Fire and Public Safety, but not to tax payers. Chair Laurie stated crime could be increased, and then the economic benefit would just go to covering the increased Police support for crime. Dr. Barnett stated there is a medical cost with increased depression and psychosis, emergency room visits, car accidents and deaths. He said the closer cannabis dispensaries are to people, the more people are going to use it. Dr. Barnett stated this sends a message to the community. Chair Laurie stated there are no safeguards in place on how to monitor the sale of recreational cannabis. There are no regulations, codes or ways to monitor dispensaries. Dr. Barnett stated THC concentrations are not regulated and there are no reliable testing methods. Deputy Chief Hayes stated the Police do not have a method to quantify THC usage. He said that the Police do not have a method to test drivers at a traffic stop and the only way to know is through a blood test. Dr. Barnett stated we would expect to see the same impact on youth as seen from the tobacco and alcohol industries.

After discussing the language to include in the motion, the Board finalized both the motion and reasons supporting the motion.

DR. MESERVEY MADE A MOTION TO MAKE A RECOMMENDATION TO THE VILLAGE BOARD THAT WE SHOULD NOT PERMIT THE SALE OF RECREATIONAL ADULT-USE CANNABIS DUE TO THE FOLLOWING REASONS, SECONDED BY DR. BARNETT AND APPROVED BY UNANIMOUS CONSENT.

The Board of Health in partnership with the Village Board puts the health of the community first. Therefore, the Board of Health recommends the Village not permit the sale of recreational cannabis for numerous reasons, including the following:

1. The negative health impact of increased access for recreational cannabis on adults, and the subsequent negative impact on youth as a result of greater access in the community.
2. The health and social cost burden may outweigh the economic benefits, taking into account increases in emergency room visits, motor vehicle accidents, and disease associated illnesses including both psychiatric and physical impairment.
3. Increased burden on public safety, health and social services.

4. Lack of safeguards and regulations regarding concentrations of THC. In addition, there is a lack of long term, quality, peer-reviewed scientific data regarding cannabis effects.
5. The sale of recreational cannabis does not align with our commitment to the health and well-being of the residents of Arlington Heights.

ARLINGTON ECONOMIC ALLIANCE EXCERPT OF MINUTES FROM SEPTEMBER 18, 2019

Retail Sale of Adult-Use Cannabis

Mr. Mertes summarized the new State law that will allow the retail sale of adult-use cannabis, as well as the Village Board's direction on the Alliance's discussion. Ms. Barabicho recused herself from participation in the discussion.

Ms. Ruhl asked if the levels of THC in product, which was a concern expressed by the Board of Health in their recommendation against retail sales of adult-use cannabis, was something that could be considered as part of the process should the Village decide to allow such sales as a special use only. Mr. Ridler responded that potency is regulated by the State. Verilife, the existing medicinal marijuana dispensary in Arlington Heights, also has such information displayed on their products.

Mr. Paisley asked if the Village could also still allow additional medicinal-only dispensaries. In terms of zoning, Mr. Mertes responded that such uses are defined as *Drug Store and Pharmacy* in the Code, and are permitted in most commercial B-zones (excluding B-4) assuming they have appropriate state approval. Ms. Holton-Crowe asked if there are limits on how many retail sites the Village is allowed to have, and Mr. Mertes replied that the Village can limit the number of licenses, if desired. He added that there are also already some State-designated restrictions based upon the number Illinois will allow overall, as well as proximity to certain public places (e.g. schools, parks, etc.) in terms of marketing. Existing medicinal marijuana providers will get first right to apply for retail licenses with the State. Mr. Ridler added that there are 55 currently medical marijuana dispensaries statewide.

Mr. Casey, representing Northwest Community Hospital, expressed his opposition to retail sales of cannabis from a health care perspective. Mr. Stengren is also opposed despite potential economic benefit. He asked if it was possible for the Village to review the impact on other communities before legalizing retail sales itself. In agreement, Mr. Fink asked if it was necessary for Arlington Heights to be an early adopter. In response, Mr. Ridler said that Verilife might move on to a community that will allow them adult-use retail sales. Additionally, you will get more experienced operators at first. If the Village waits to approve retail sales, they are more likely to have inexperienced retailers approach them in the future. Ms. Holton-Crowe feels that allowing early adopters has economic benefit and affords better oversight. Mr. Casey noted that the community could assess the experience of future applicants, following statewide implementation, before moving forward with permitting such businesses.

According to Mr. Parulo, the Commission needs to recognize that the State has already passed the law and needs to decide if allowing retail sales fits the Village's image. Additionally, he inquired as to the residents' perspective on this issue. Mr. Casey asked if the Village Board requested input from other Commissions. Mr. Mertes said that the Board of Health was asked to review this issue by the Village Board. It voted against retail sales. Looking at which neighboring communities are supporting adult-use cannabis sales might be valuable, in Mr. Paisley's opinion. Mr. Mertes was not aware of any that have *formally* allowed it to this point. That said, Buffalo Grove approved a 3% tax rate on such sales if formally approved. Rolling Meadows had a public discussion with a medicinal dispensary and did not seem to have any formal objections according to *The Daily Herald*. Palatine is currently researching the issue, while Mount Prospect's Committee-of-the-Whole is scheduled to review the issue in the next week.

Ms. Ruhl asked when the Arlington Heights Village Board plans to formally vote on this issue. The date is not official, but late October or early November is a possibility. Mr. Ridler referred to a recent State

referendum on the issue and Mr. Mejdrich, an employee of Rep. Mark Walker's office, provided the results from Arlington Heights precincts. Mr. Ridler noted that about 10,000 Arlington Heights voters showed 56% support of retail sales. Questioning the potential economic impact, Mr. Guido wondered aloud if the benefits trump the impacts. Mr. Mertes noted that the maximum total tax share for Arlington Heights would actually be 5% (2% for general municipal plus home rule taxes, and an additional 3% specifically for cannabis sales).

Emphasizing the significance of the referendum results, Mr. Ridler added that the Village also has the right to regulate number and location of stores. Per Mr. Stengren's question, Mr. Mertes responded that any such revenues are not tied to a specific fund at this point. Mr. Ridler said that some of the revenues can be earmarked for appropriate needs, such as assisting the Police Department with enforcement.

Current dispensaries in Illinois, according to Mr. Roginski, are all medical users that exist to aid people. There is a possibility that any new sellers in the community would just focus on recreational use. Ms. Ruhl feels that pharmaceutical companies may have a higher standard of accountability than those selling retail only. Arlington Heights has a nice hometown feel and the Commission needs to consider if legal cannabis sales is a desired image.

Regarding image arguments against allowing retail sales, Chairman Whisler questioned such positions, stating that the racetrack is an example of the Village allowing gambling. He added his support of video gaming in the Village. There should be limits on the number/location of retailers though, although it is not fair if Verilife gets the only approval from the Village. Additionally, the industrial areas are not well-suited for such retailers as they are less likely to be able to accommodate customer parking. Ms. Ruhl agreed, saying that limited traffic, and lighting in such areas during the evening, is a security risk. Chairman Whisler feels that special use approval for retail sales is appropriate.

Mr. Ridler noted the Chamber's support for the community's existing medical marijuana dispensary, emphasizing expansion of business. Hindering business growth is not an image the Village wants. Mr. Casey feels that regulation is important, using health care as an example of something typically regulated by the State. Mr. Stengren inquired why the Chamber is supporting one business getting approval to sell retail cannabis, but not supporting the overall expansion of such sales. Additionally, he feels that the Chamber's position cops out on the importance of community image. Mr. Ridler responded that the Chamber's position is based upon support of a locally established business. Ms. Holton-Crowe wants to ensure Arlington Heights as a place of business and lifestyle inclusiveness, but does favor regulations, such as a special use requirement for such uses. Mr. Stengren expressed that his position on this issue is not based upon an unwillingness to be inclusive.

Mr. Guido would like to see consideration towards funding public safety with some of the proceeds from the new tax revenue that would be generated by such a retailer. Regarding Mr. Roginski's inquiry whether the Village could regulate that the retailer only sell product grown in Illinois, Mr. Ridler responded that Illinois retailers must obtain the product from State growers. It is illegal to transport product across boundaries of States that do not legally permit it.

Based on the Arlington Heights-based votes for the State-wide referendum, Mr. Parulo sees the 56% in support as acknowledgement that retail sales of cannabis is something residents favor. Regardless of whether or not Arlington Heights has any such retailers itself, Ms. Ruhl stated that the Village would have to deal with usage and traffic within the community regardless, as those who consume it will be legally be able to buy it elsewhere. Mr. Parulo views the overall discussion of the Alliance as acknowledging the State-approved legality of such a business type, that the referendum results show resident support, and that the

Commission does not want to restrict trade while still appropriately regulating such businesses. Further, the Village should tax at the maximum rate possible. Mr. Casey sees this issue as a question of regulation, and not a debate of legal/illegal.

LYNDSAY HOLTON-CROWE MOVED AND JON RIDLER SECONDED A MOTION TO RECOMMEND TO THE VILLAGE BOARD THAT:

- 1. MULTIPLE LOCATIONS MAY POTENTIALLY SELL RETAIL ADULT-USE CANNABIS**
- 2. SUCH USES ARE LOCALLY REGULATED**
- 3. SUCH USES ARE TAXED AT THE FULL 3% RATE ALLOWED BY STATE LAW**

Ms. Cayer, resident, inquired about the cost of the product that would be sold and whether or not the Village would regulate home-grown marijuana. Prices would be contingent upon the retailer itself to determine. The State regulates home-grown cannabis, but the Village does not. Mr. Moens, resident, expressed his support of allowing retail sales of adult-use cannabis, referencing the 56% of residents who supported the same in a public referendum.

AYE: CHAIRMAN WHISLER; GUIDO; HOLTON-CROWE; PAISLEY; PARULO; RIDLER; ROGINSKI; RUHL

NAY: CASEY; FINK; STENGREN

RECUSED: BARABICHO

THE MOTION WAS APPROVED BY AN 8-3 VOTE WITH ONE RECUSAL.