MEMO

DATE: September 18, 2019

TO: Village of Poplar Grove Planning and Zoning Commission

FROM: Village of Poplar Grove Planning Staff

SUBJECT: Recommendation for case: 2019-05; Adult-Use Cannabis (TA)

REQUEST:
The applicant, Village of Poplar Grove, 200 North Hill Street, Poplar Grove, IL 61065 is requesting an amendment to the Zoning Ordinance pertaining to Sections 8-2-3 Definitions, 8-6-9(B) General Business District, 8-6-10(B) Central Business District, 8-6-11(B) Light Industrial District, 8-6-12(B) Heavy Industrial District, 8-6-13 Permitted Uses Table, 8-7-10 Adult-Use Cannabis and 8-7-11 Temporary Uses and Special Events in accordance with Section 8-5-4, Text Amendment. The request will permit adult-use cannabis business establishments by special use in the General Business, Central Business, Light Industrial and Heavy Industrial Districts. The proposed language is as follows:

Section 8-2-3: DEFINITIONS
ADULT THEATER: ....

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.

AGRICULTURE: ....

Section 8-6-9(B): GENERAL BUSINESS DISTRICT (GB)

A. Description and Purpose: This district is intended to permit both small and large scale high quality commercial and institutional development that is compatible with the overall suburban character of the Village. A wide range of commercial uses including retail, lodging and office uses are permitted within this district. Most new and infill commercial development will be in the GB District.

B. List of Allowable Principle Land Uses:

1. Permitted by Right:
Personal or professional service
Indoor Retail Sales/Service
Indoor Repair Sales/Service
Public Parks and Open Space
Utilities
Wireless Communication Facility

2. Permitted by Special Use:
Public and Private Institutional
Outdoor Retail Sales/Service
Indoor Entertainment Sales/Service
OutdoorEntertainment Sales/Service
Vehicle Related Sales and Service
Animal Boarding
Indoor Lodging (bed and breakfast)
Indoor Lodging (commercial)
Daycare Facility
Boarding Houses
Parking Lot (off-site)

Self-Service Storage Facilities (mini warehouses)
Adult-use Cannabis Dispensing Organization
Adult-use Cannabis Transporting Organization or Transporter

Section 8-6-10(B): CENTRAL BUSINESS DISTRICT (CB)

A. Description and Purpose: This district is intended to provide a range of large and small commercial development as well as some institutional and higher-intensity residential uses in the downtown area. This may be accomplished by providing incentives for infill development and redevelopment, allowing minimal building setbacks and no requirements for on-site parking or landscaping.

B. List of Allowable Principle Land Uses:

1. Permitted by Right:
Personal or professional service
Indoor Retail Sales/Service
Indoor Repair Sales/Service
Indoor Entertainment Sales/Service
Indoor Lodging (commercial)
Public Parks and Open Space
Utilities

2. Permitted by Special Use:
Public and Private Institutional
Institutional Residential
Community Living Arrangements
Outdoor Retail Sales/Service
OutdoorEntertainment Sales/Service
Indoor Lodging (bed and breakfast)
Daycare Facility
Boarding Houses
Parking Lot (off-site)
Rail Transit Station
Adult-use Cannabis Dispensing Organization

Section 8-6-11(B): LIGHT INDUSTRIAL DISTRICT (LI)

A. Description and Purpose: This district in intended to permit high-quality industrial and office uses at intensities compatible to the suburban-character of the village. This is accomplished in part through relatively low maximum buildable site area. The primary difference between this and the HI District is that the typical industrial activities will be indoors and not produce high levels of noise, exhaust, odors and other nuisances typically associated with more intense industrial activities.

B. List of Allowable Principle Land Uses:

1. Permitted by Right:
Personal or Professional Service
Indoor Repair Sales/Service
Vehicle Related Sales and Service
Daycare Facility
Light Manufacturing/Industrial
Self-Service Storage Facilities (mini warehouses)
Public Parks and Open Space
Utilities

2. Permitted by Special Use:
Public and Private Institutional
Indoor Retail Sales/Service
Indoor Entertainment Sales/Service
Animal Boarding
Parking Lot (off-site)
Rail Transit Station
Airport/Heliport
Rail Yard
Indoor Warehouse/Wholesale

Wireless Communication Facility	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 Processer Adult-use Cannabis Transporting Organization or Transporter

Section 8-6-12(B): HEAVY INDUSTRIAL DISTRICT (HI)

A. Description and Purpose: This district is intended to permit a wide variety of indoor and outdoor industrial land uses and other land uses not permitted in any other zoning district. This does not mean that all land uses are permitted in this district. Specific performance standards must be met. The HI District also provides space for land uses that have the potential to produce more of a nuisance to adjacent properties; in this district the potential nuisances on adjacent properties are minimized.

B. List of Allowable Principle Land Uses:

1. Permitted by Right:	**2. Permitted by Special Use:**
Indoor Repair Sales/Service	Agricultural Service
Light Manufacturing/Industrial	Auto Salvage
Heavy Manufacturing/Industrial	Outdoor Repair Sales/Service
Indoor Warehouse/Wholesale	Distribution Center
Public Parks and Open Space	Outdoor Storage/Wholesale
Utilities	Waste Related Use
Wireless Communication Facility	Composting Related Use
	Junkyard/Salvage Yard
	Extraction
	Parking Lot (off-site)
	Rail Transit Station
	Airport/Heliport
	Rail Yard
	Sexually Orientated Land Use
	Adult-use Cannabis Craft Grower
	Adult-use Cannabis Cultivation Center
	Adult-use Cannabis Infuser Organization or Infuser
	Adult-use Cannabis Processing Organization or Processer
	Adult-use Cannabis Transporting Organization or Transporter

Section 8-6-14: PERMITTED USES TABLE

Table 8-6-13: Permitted Uses:

Land Uses	Zoning District										
	A-1	RE	R-1	R-2	R-3	R-5	NB	GB	CB	LI	HI
Agricultural Land Uses											
Agricultural retail	P	S									
Agricultural service	S										S
Cultivation	P	P									
Husbandry	S										
Intensive agriculture	S										
Residential Land Uses											
Duplex				S	P	P					
Multi-family						P	S				
Mobile home park/subdivision (See Title 10, Ch. 1 of the Village of Poplar Grove Municipal Code)					S	S					
Modular home	P	P	P	P	P	P					
Single family detached	P	P	P	P	P		S				
Institutional and Civic Land Uses											
Community living arrangements			S	S	S	S			S		
Institutional residential	S	S	S	S	S	S			S		
Public parks and open space	P	P	P	P	P	P	P	P	P	P	P
Public and private institutional	S	S	S	S	S	S	S	S	S	S	
Utilities (basic)	P	P	P	P	P	P	P	P	P	P	P
Commercial Land Uses											
Animal Boarding	S	S						S		S	
Bed and Breakfast	S	S	S	S	S	S	S	S	S		
Boarding houses					S	S		S	S		
Camping facilities	S										

Land Uses	Zoning District										
	A-1	RE	R-1	R-2	R-3	R-5	NB	GB	CB	LI	HI
Daycare facilities					S	S	P	S	S	P	
Indoor entertainment sales or services							S	S	P	S	
Indoor commercial lodging								S	P		
Indoor repair sales or services								P	P	P	P
Indoor retail sales or services							S	P	P	S	
Office/personal or professional service							P	P	P	P	
Outdoor entertainment sales or services	S							S	S		
Outdoor repair sales or services											S
Outdoor retail sales or services								S	S		
Sexually orientated land use											S
Vehicle related sales and services								S		P	
Transportation Related Land Uses											
Airport/heliport	S									S	S
Off-site parking lot								S	S	S	S
Rail transit station	S								S	S	S
Rail yard										S	S
Industrial and Related Land Uses											
Auto salvage											S
Composting related use	S										S
Distribution center											S
Extraction											S
Heavy manufactoring/industrial											P
Indoor warehouse/wholesale										S	P
Junkyard/salvage yard											S
Light manufactoring/industrial										P	P
Outdoor storage/wholesale											S
Planned WECS	S										
Self-service storage facilities (miniwarehouses)								S		P	
Waste related use											S
Wireless communication facility	P	P						P		P	P

Land Uses	Zoning District										
	A-1	RE	R-1	R-2	R-3	R-5	NB	GB	CB	LI	HI
Adult- Use Cannabis Establishments											
Adult-use Cannabis Craft Grower										S	S
Adult-use Cannabis Cultivation Center										S	S
Adult-use Cannabis Dispensing Organization								S	S	S	S
Adult-use Cannabis Infuser Organization or Infuser										S	S
Adult-use Cannabis Processing Organization or Processor										S	S
Adult-use Cannabis Transporting Organization or Transporter								S		S	S
Accessory Land Uses and Structures											
Accessory apartment					S	S		S	S		
Agricultural buildings	P	S									
Beer Garden								S	S	S	
Cemetery related activities	S	S	S	S	S	S		S		S	
Children's playhouse	P	P	P	P	P	P	P				
Community rooms											
Detached guesthouse/employee living quarter	S	S	S	S							
Garden/tool shed	P	P	P	P	P	P	P	P	P	P	P
Home occupation	P	P	P	P	P	P	P				
In-family suites	S	S	S	S	S	S					
Migrant labor camp	S										
Mini WECS	S	S	S	S	S	S	S	S	S	S	S
Private clubhouse	S	S						S	S	S	
Private recreational facility	P	P	S	S	S	S	S	S	S	S	S
Private residential garage	P	P	P		P	P	P				
Private stable	P										
Private swimming pool/pool house	P	P	P	P	P	P	P				

Land Uses	Zoning District										
	A-1	RE	R-1	R-2	R-3	R-5	NB	GB	CB	LI	HI
Property management office											
Stadiums/grandstands								S	S	S	S
Temporary Uses											
Construction dumpsters	P	P	P	P	P	P	P	P	P	P	P
Contractor's on-site equipment storage facility	P	P	P	P	P	P	P	P	P	P	P
Contractor's project office	P	P	P	P	P	P	P	P	P	P	P
Garage sales	P	P	P	P	P	P					
General temporary outdoor sales	P						P	P	P	P	P
On-site real estate sales office	P	P		P	P	P	P	P	P	P	P
Relocatable Building	P	P	P	P	P	P	P	P	P	P	P
Seasonal outdoor sales of farm products	P										
Temporary outdoor food stands								P	P	P	P
Temporary outdoor seating and services								P	P	P	
Tents for special events		P	P	P	P	P	P		P	P	P

* P- permitted use
** S- special use

8-7-10: ADULT-USE CANNABIS

A. Purpose: It is the intent of this Section to provide regulations regarding the cultivation, processing and dispensing of adult-use cannabis. 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.

B. Applicability: Unless otherwise provided in this Title, no building or land may be used, and no building may be erected, converted, enlarged or structurally altered, in any zoning district except in compliance with the requirements of this section.

1. A special use is required for all adult-use cannabis establishments.
2. Petitioner shall install building enhancements, such as security cameras, lighting or other improvements, as set forth in the special use permit, to ensure the safety of employees and customers of the adult-use cannabis business establishments, as well as its environs. Said improvements shall be determined based on the specific characteristics of the floor plan for an Adult-Use Cannabis Business Establishment and the site on which it is located, consistent with the requirements of the Act.
3. Facilities may not conduct any sales or distribution of cannabis other than as authorized by the Act.

C. Minimum Requirements:

1. Adult-Use Cannabis Craft Grower: In those zoning districts in which an Adult-Use Cannabis Craft Grower may be located, the proposed facility must comply with the following:
   (a) Facility may not be located within 250 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. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.
   (b) Facility may not be located within 250 feet of the property line of a pre-existing property zoned or used for residential purposes.

2. Adult-Use Cannabis Cultivation Center: In those zoning districts in which an Adult-Use Cannabis Cultivation Center may be located, the proposed facility must comply with the following:
   (a) Facility may not be located within 250 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. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.
   (b) Facility may not be located within 250 feet of the property line of a pre-existing property zoned or used for residential purposes.

3. Adult-Use Cannabis Dispensing Organization: In those zoning districts in which an Adult-Use Cannabis Dispensing Organization may be located, the proposed facility must comply with the following:
   (a) Facility may not be located within 250 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. Learning

centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.

(b) Facility may not be located in a dwelling unit or within 250 feet of the property line of a pre-existing property zoned or used for residential purposes.

(c) 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 8-7-10-C(3)(d) below in the same tenant space.

(d) Facility shall not host on-site consumption of cannabis.

4. Adult-Use Cannabis Infuser Organization: In those zoning districts in which an Adult-Use Cannabis Infuser Organization may be located, the proposed facility must comply with the following:

(a) Facility may not be located within 250 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. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.

(b) Facility may not be located in a dwelling unit or within 250 feet of the property line of a pre-existing property zoned or used for residential purposes.

(c) 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.

5. Adult-Use Cannabis Processing Organization: In those zoning districts in which an Adult-Use Cannabis Processing Organization may be located, the proposed facility must comply with the following:

(a) Facility may not be located within 250 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. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.

(b) Facility may not be located in a dwelling unit or within 250 feet of the property line of a pre-existing property zoned or used for residential purposes.

(c) 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.

6. Adult-Use Cannabis Transporting Organization: In those zoning districts in which an Adult-Use Transporting Organization may be located, the proposed facility must comply with the following:

(a) Facility may not be located within 250 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. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.

(b) Facility may not be located in a dwelling unit or within 250 feet of the property line of a pre-existing property zoned or used for residential purposes.

(c) The transporting organization shall be the sole use of the tenant space in which it is located.

D. Co-Location of Cannabis Business Establishments. The Village may approve the co-location of an Adult-Use Cannabis Dispensing Organization with an Adult-Use Cannabis Craft Grower Center or an Adult-Use Cannabis Infuser Organization, or both, subject to the provisions of the Act and Section 8-5-7 of the Poplar Grove Zoning Ordinance. In a co-location, the 75% floor space requirement shall not apply, but the co-located establishments shall be the sole use of the tenant space.

E. Revocation: Revocation of an adult-use cannabis establishments may be made for the following reasons:

1. Any change in the use for which the permit was issued;
2. Failure to allow required inspections;
3. Failure to comply with the applicable provisions herein;
4. Violation of any Village Ordinance, State law, or Federal Law.

8-7-~~10~~ 11: TEMPORARY USES AND SEPCIAL EVENTS

The methods used to show changes are:
xxxxxxxxxx = (Standard text) existing text within the zoning code; no changes proposed.
~~xxxxxxxxxx~~ = (Strike through text) text that is proposed to be deleted from the zoning code.
xxxxxxxxxx = (Highlighted and underlined text) new text that is proposed to be inserted into the zoning code

BACKGROUND AND SUMMARY OF FINDINGS:
On June 25, 2019 Public Act 101-0027 (Cannabis Regulations and Tax Act) was signed into law. This act will take effect on January 1, 2020 and allows for the private consumption and possession of cannabis by persons over the age of 21 in the State of Illinois. The Act allows for municipalities to create regulations for adult-use cannabis establishments that are consistent with the Act. However, a municipality cannot prohibit the private consumption of cannabis.

A Municipal Cannabis Retailer's Occupation Tax of 3% may be imposed on adult-use cannabis products. If the Village of Poplar Grove pursues this tax, it will be an amendment to the municipal code, not the Zoning Ordinance.

A limited number of cannabis-related licenses are available. During the first round of licenses only 75 dispensaries, 40 processors and 40 craft growers will be permitted in the entire state. A second round of licenses will permit an additional 110 dispensaries, 60 processors and 60 craft growers in the state. The likelihood of smaller communities getting an adult-use cannabis establishment is low. However, in order to be prepared, the Village should have regulations in place.

Staff utilized the model ordinance provided by the Illinois Municipal League as a template. Consistency in definitions and language throughout the state can make enforcement and interpretation easier. Two major changes from the draft ordinance are being proposed are the prohibition of on-site consumption (cannabis lounges) and a reduction in setbacks.

The reduction in setbacks is proposed because a very limited number of commercial and industrial zoned properties met the proposed 1,500-foot setback. If the Village is going to permit such businesses in the community, then the requirements must allow for a reasonable ability to

establish the business. The proposed setbacks of 250 feet are still greater than those of a liquor license.

All adult-use cannabis establishments are permitted by special use, therefore each business will be reviewed on a case by case basis and voted on by the Village Board. Craft growers, cultivation centers, infusers and processors are only permitted by special use in the industrial districts. Even though some of the uses are considered agricultural in nature, due to the size of the buildings and infrastructure needed, they are more suitable in the industrial districts. Dispensaries and transporters are only permitted by special use in limited commercial districts and the industrial districts. The retail nature of the dispensary lends itself to a commercial business; due to setbacks from other land uses, however, such establishments are not compatible with the neighborhood business district. Transportation facilities are not compatible with the central business district (due to the types of vehicles that may be needed for transporting).

The 75% floor area requirement for processing, infusing and dispensing is proposed in order to prevent non-cannabis businesses from selling such products. One can go to a video store for instance and buy CBD oil infused water and food even though that has no connection to the main business and families entering the store to rent a video may not be anticipating such products displayed.

RECOMMENDATION:
The planning staff recommends approval of case 2019-05 for the Zoning Ordinance text amendment for adult-use cannabis.

PLANNING AND ZONING COMMISSION/VILLAGE BOARD ACTION:
The Commission shall hold a public hearing on the proposed text amendment, after which a recommendation will be made to grant or deny the text amendment application to the Village Board. The Commission may make the recommendation at the same meeting, or choose to continue the proceedings at a later date. The Commission may request additional information as needed. Once a recommendation is made, the Commission shall record its conclusion as part of the meeting minutes and forward such documentation onto the Village Board for review. The Commission's failure to act or submit a report within sixty-five (65) days of the public hearing shall constitute a recommendation to approve the request.

Within sixty-five (65) days of receipt of the Commission's recommendation, the Village Board shall act by ordinance to approve or deny the text amendment as originally proposed or approve the text amendment with modifications. The Village Board may also remand the request back to the Commission for further hearings and/or discussion. The Village Board's approval or denial of the requested amendment shall be considered the approval or denial of a unique request, and shall not be construed as precedent for any other proposed amendment.

ATTACHMENTS

1. IML Adult-use Cannabis Fact Sheet



Fact Sheet

Adult-Use Cannabis

ILLINOIS MUNICIPAL LEAGUE

LOCAL REVENUE

Municipalities, by ordinance, may impose a Municipal Cannabis Retailers' Occupation Tax on adult-use cannabis products of up to 3% of the purchase price, in .25% increments. Counties may impose up to 3.75% in unincorporated areas, in .25% increments. The taxes imposed under this Act shall be in addition to all other occupation, privilege or excise taxes imposed by the State of Illinois or by any unit of local government, such as sales tax.



SMOKE FREE ILLINOIS ACT

The Act applies the restrictions of the Smoke Free Illinois Act on smoking cannabis, and provides that property owners may prohibit the use of cannabis by any guest, lessee, customer or visitor. In addition, lessors may prohibit cultivation of cannabis by their lessees.

EMPLOYER PROVISIONS

The Act provides employer protections including that nothing in the enactment prohibits employers from adopting reasonable zero-tolerance or drug-free workplace employment policies concerning drug testing, smoking, consumption, storage or use of cannabis in the workplace or while on-call. These policies must be applied in a nondiscriminatory manner. Employers may prohibit the use of cannabis by employees in the workplace, and engage in discipline, including termination, for violations of those polices and workplace rules.

STATE LICENSING

The Act authorizes the production and distribution of cannabis and cannabis products through state-licensed cultivators, craft growers, infusers, transporters and dispensaries. Cannabis transporters will be separately licensed by the Act, as well. A market study due in March 2021 will inform future licensing. The state will issue licenses according to a graduated scale. By the end of the first year, there will be up to 295 dispensing organizations. The Act will allow up to 500 dispensing organizations by January 1, 2022. Cultivators will be capped at 50, and 100 craft growers will be allowed. By that same date, 100 infusers will also be authorized to be licensed.

GRANTS AND INVESTMENT

The Act establishes the Restore, Reinvest and Renew (R3) Program to invest in communities historically impacted by economic disinvestment and violence. The Illinois Criminal Justice Information Authority (ICJIA) will identify R3 areas that qualify for funding, and grants will be awarded by the R3 Board. A 22-member R3 Board will award grants throughout the state, subject to an application process and the Government Accountability and Transparency Act (GATA); the R3 Board shall be chaired by the Lt. Governor.

SOCIAL EQUITY

The Act provides for a social equity program to establish a legal cannabis industry that is accessible to those most adversely impacted by the enforcement of drug-related laws in this state, including cannabis-related laws. Qualifying social equity applicants may be awarded financial assistance and incentives if they are interested in establishing cannabis related businesses.

STATE REVENUE

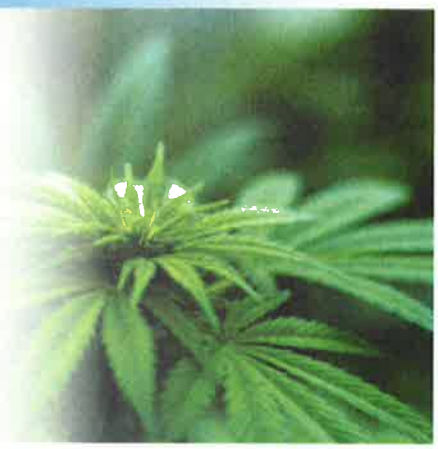
State revenues derived from the Cannabis Regulation and Tax Act will be deposited into the Cannabis Regulation Fund. The funds will be distributed to multiple state agencies for implementation of the Act. The legalization of adult cannabis also includes a new source of Local Government Distributive Fund (LGDF) dollars. A portion of the Cannabis Regulation Fund revenues (8% of deposits) will go to local governments, through LGDF, which will be used to fund crime prevention programs, training and interdiction efforts. The Cannabis Regulation Fund is derived from moneys collected from state taxes, license fees and other amounts required to be transferred into the Fund.

DECRIMINALIZATION AND EXPUNGEMENTS

A significant portion of the Act addresses the decriminalization of cannabis through mandatory and discretionary expungements of criminal convictions relating to non-violent cannabis offenses.

FACT SHEET

Adult-Use Cannabis



Public Act 101-0027 creates the Cannabis Regulation and Tax Act and was signed into law by Governor JB Pritzker on June 25, 2019. Effective January 1, 2020, the Act legalizes the possession and private use of cannabis for Illinois residents over 21 years of age.

7/15/19

LOCAL REGULATION OF CONSUMPTION

Municipalities may not restrict the private consumption of cannabis that is authorized by the Act. However, the Act prohibits the use of cannabis in public places, schools and child care facilities among other locations. Municipalities may adopt and enforce local ordinances to regulate possession and public consumption of cannabis so long as the regulations and penalties are consistent with the Act.

HOME GROW LIMITED TO MEDICAL PROGRAM PARTICIPANTS

Home grow cannabis will be authorized only for medical cannabis program participants, and is limited to five plants in their residence and subject to specified restrictions. Home grow of recreational cannabis by non-medical participants is prohibited. More information about the medical cannabis program is available via this link.



ZONING

The Act preserves local zoning authority and directly authorizes municipalities to prohibit (opt out) or significantly limit the location of cannabis businesses by ordinance. Municipalities will have the authority to enact reasonable zoning regulations that are not in conflict with the act. This would include the authority to opt out of either commercial production or distribution (dispensaries) of adult-use cannabis within their jurisdiction. Municipalities also may enact zoning ordinances and regulations designating the time, place, manner and number of cannabis business operations, including minimum distances between locations through conditional use permits.

BUSINESS REGULATION

In addition to zoning authority, municipalities will have the authority to allow for on-premise use of cannabis at locations to be determined locally. The Act anticipates that local authorities will engage in inspections of cannabis-related businesses. Municipalities may establish and impose civil penalties for violations of the local ordinances and regulations.

ILLINOIS MUNICIPAL LEAGUE

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