



#2021-190

City of Crystal Lake

Planning and Zoning Commission Public Hearing

Meeting Date: November 17, 2021

Suggested Motion: Make a motion to recommend allowing all cannabis uses (Cannabis Dispensary, Cannabis Business Establishments [Craft Growers, Cultivation Centers, Infusers/Processors, and Transporters], Medical Cannabis Cultivation Center and Medical Cannabis Dispensaries) as Limited Uses, the removal of the limitation to only allow 2 dispensaries at any one time and a reduction in the buffers from 500 feet to 250 feet.

Staff Contact: Elizabeth Maxwell, 815-356-3605

Background:

- June 2019, the Cannabis Regulation and Tax Act was signed into law.
- Among its many provisions, the Act provides flexibility to a community in allowing various cannabis businesses, including retail dispensaries, in its jurisdiction.
- The City Council adopted an Ordinance on October 1, 2019, which allowed a Cannabis Dispensary as a Special Use in the B-2 zoning district.
- The City Council adopted an Ordinance on January 19, 2021, which allowed recreational cannabis infuser/processors, transporters, cultivation centers, and craft growers as Special Uses in the Manufacturing zoning district. Cultivation centers and craft growers were also allowed as Special Uses in the Watershed zoning district. The Ordinance also amended the zoning districts and performance standards for medical cannabis uses to mirror the recreational cannabis uses.

Proposed Amendment:

- The proposed text amendment would allow recreational Cannabis Dispensaries, other recreational Cannabis Business Establishments (cultivation centers, craft growers, infuser/processors, and transporters), Medical Cannabis Dispensaries and Medical Cannabis Cultivation Centers as Limited Uses within certain zoning districts in the City, as listed in the table below. All of these cannabis uses are currently allowed as Special Uses within the same zoning districts.
- The proposed text amendment would reduce the distance of required buffers between cannabis uses and certain sensitive uses. In most cases, the UDO currently requires buffers

of 500 feet between cannabis businesses and sensitive uses.¹ All buffer distances would be reduced to 250 feet.

- A review criterion limiting the number of permits available for Cannabis Dispensaries could also be eliminated.
- Below are the proposed changes to the Land Use Table and Limited Use criteria; see strikethrough language below.

ARTICLE 2-300

P = Permitted Use L = Limited Use Permit S = Special Use Permit

		F	E	RE	R-1	R-2	R-3A	R-3B	R-O	O	B-1	B-2	B-4	M-L	M	W	Use Criteria
Industrial	Cannabis Infuser/Processor														S L		2-400-77
	Cannabis Transporter														S L		2-400-77
Agricultural	Cultivation Center														S L	S L	2-400-77
	Craft Grower														S L	S L	2-400-77
Medical Facility	Medical Cannabis Cultivation Center														S L	S L	2-400-66
	Medical Cannabis Dispensary											S L					2-400-67
Miscellaneous Store Retail	Cannabis Dispensary											S L					2-400-76

ARTICLE 2-400 C

66. Medical cannabis cultivation centers. All medical cannabis cultivation centers must comply with the following standards:

[Added 6-17-2014 by Ord. No. 7038]

- Minimum distance from protected uses: No medical cannabis cultivation center shall be established, maintained or operated on any lot that has a property line with ~~2,500~~ 250 feet of

¹The UDO currently requires a 2,500 foot buffer between medical cannabis cultivation centers and certain sensitive uses.

the property line of a preexisting public or private preschool or elementary or secondary school or day-care center, day-care home, group day-care home, part-day child-care facility, or an area zoned for residential use.

- b. Measurement: ~~For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property line of the lot on which an applicable cultivation center is located to the nearest point on a property line of any protected use (as defined in Section 2-400C-66a above).~~ For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property of the lot on which an applicable medical cannabis cultivation center is located to the nearest point on a property line of any protected use. For occupancy purposes, if a portion of the buffer touches the property, it does not exclude the entire property. If a portion of the building is in the buffer, the entire building would be considered in the buffer and not eligible (as defined in Section 2-400C-66a above).

(No changes to criteria c-k)

67. Medical cannabis dispensary. All cannabis dispensaries must comply with the following standards:

[Added 6-17-2014 by Ord. No. 7038; amended 1-19-2021 by Ord. No. 7691]

- a. Minimum required buffer from protected uses:
- i. A medical cannabis dispensary may not be located within ~~500~~ 250 feet of the property line of a preexisting public or private nursery school, preschool, primary or secondary school, day-care center, 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.
 - ii. A medical cannabis dispensary may not be located within ~~500~~ 250 feet of the property line of an existing religious establishment, parks and open space, library, or recovery home.
 - iii. A medical cannabis dispensary may not be located within 250 feet of residentially zoned property.
 - iv. For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property of the lot on which an applicable medical cannabis dispensary is located to the nearest point on a property line of any protected use. For occupancy purposes, if a portion of the buffer touches the property, it does not exclude the entire property. If a portion of the building is in the buffer, the entire building would be considered in the buffer and not eligible.
 - v. Summary of buffer requirements:

Use	Required Buffer (feet)
Schools	500 250
Childcare	500 250
Religious establishment	500 250
Residentially zoned property	250

Use	Required Buffer (feet)
Parks and open space	500 250
Library	500 250
Recovery home	500 250

(No changes to criteria b-j)

76. Cannabis Dispensary. All cannabis dispensaries must comply with the following standards:

[Added 10-1-2019 by Ord No. 7576]

a. Minimum required buffer from protected uses:

- (i) A Cannabis Dispensary may not be located within ~~500~~ 250 feet of the property line of a pre-existing public or private nursery school, preschool, primary or secondary school, day care center, 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.
- (ii) A Cannabis Dispensary may not be located within ~~500~~ 250 feet of the property line of an existing religious establishment, parks and open space, library, or recovery home.
- (iii) A Cannabis Dispensary may not be located within 250 feet of residentially zoned property.
- (iv) For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property of the lot on which an applicable Cannabis Dispensary is located to the nearest point on a property line of any protected use. For occupancy purposes, if a portion of the buffer touches the property, it does not exclude the entire property. If a portion of the building is in the buffer, the entire building would be considered in the buffer and not eligible.

(v) Summary of Buffer Requirements:

Use	Required Buffer (feet)
Schools	500-250
Childcare	500 250
Religious establishment	500 250
Residentially zoned property	250
Parks and open space	500 250
Library	500 250
Recovery home	500 250

(No changes to criteria b-j)

~~k—Maximum number of cannabis dispensaries: Not more than two cannabis dispensaries shall be authorized to operate within the City at any one time.~~

~~[Added 5-19-2020 by Ord. No. 7621]~~

77. Other cannabis business establishments. All cannabis business establishments other than a cannabis dispensary must comply with the following standards:

[Added 1-19-2021 by Ord. No. 7691]

- a. All activity must take place within an enclosed building including, but not limited to, growing, harvesting, processing, storage, loading and unloading, and product packaging
- b. Emission of dust, fumes, vapors, or odors in a manner that impacts neighboring premises or properties or any public property or right-of-way shall be prohibited. To the extent necessary, mechanical equipment shall be installed to eliminate odor leaving the building.
- c. Minimum required buffer from protected uses:

- i. The cannabis business establishment may not be located within ~~500~~ 250 feet of the property line of a preexisting public or private nursery school, preschool, primary or secondary school, day-care center, 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.
- ii. The cannabis business establishment may not be located within ~~500~~ 250 feet of the property line of an existing religious establishment, parks and open space, library, or recovery home.
- iii. The cannabis business establishment may not be located within ~~500~~ 250 feet of residentially zoned property.
- iv. For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property of the lot on which an applicable other cannabis business establishment is located to the nearest point on a property line of any protected use. For occupancy purposes, if a portion of the buffer touches the property, it does not exclude the entire property. If a portion of the building is in the buffer, the entire building would be considered in the buffer and not eligible.
- v. Summary of buffer requirements:

Use	Required Buffer (feet)
Schools	500 250
Childcare	500 250
Religious establishment	500 250
Residentially zoned property	500 250
Parks and open space	500 250
Library	500 250

Use	Required Buffer (feet)
Recovery home	500 250

(No changes to criteria d-g)

Discussion:

- The City has recently received several inquiries from cannabis dispensaries now that additional State licenses have been released.
- Due to the demand, staff has analyzed the available spaces outside of the buffers and found they are limited. A reduction in the buffers will free up more opportunities for dispensaries.
- In addition, since the State reviews and issues licenses for all cannabis businesses and operators, the Special Use Permit seems burdensome and provided an establishment can meet the criteria it could be processed as a Limited Use. Limited use Permits are reviewed and approved by City staff, as long as the review criteria can be met. If a criterion cannot be met, the petitioner would have the opportunity to request a Special Use Permit be reviewed by the Planning and Zoning Commission and City Council.
- Removal of the limitation on a maximum of two dispensaries at any one time will allow the market to dictate the demand for these uses.
- As a comparison, liquor stores and drinking establishments are only required to be 100 feet from residentially zoned property, church, school other than an institution of higher learning, hospital, homes for aged, indigent persons, veterans, their wives or children, or any military or naval station.

Recommendation:

Make a motion to recommend:

- (i) Allowing all cannabis uses (Cannabis Dispensary, Cannabis Business Establishments [Craft Growers, Cultivation Centers, Infusers/Processors, and Transporters], Medical Cannabis Cultivation Center and Medical Cannabis Dispensaries) as Limited Uses in their respective zoning districts.
- (ii) Removal of the limitation to only allow two dispensaries at any one time.
- (iii) Reduction of the buffer distances required between all cannabis uses and enumerated sensitive uses to 250 feet.

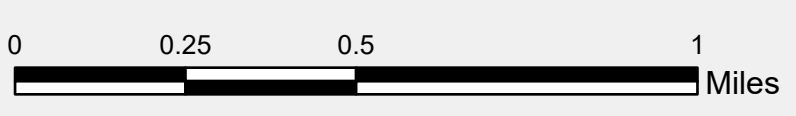
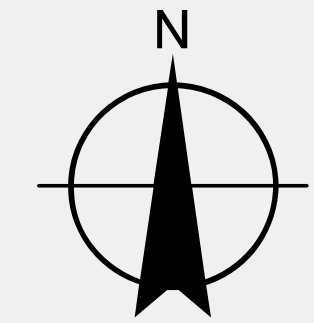
Cannabis Buffer Map

2021 - 2022

City of Crystal Lake, Illinois

- Zoning
- M-L PUD
- O
- B-1
- B-1 PUD
- B-2
- B-2 PUD
- B-4
- B-4 PUD
- COUNTY
- E
- E PUD
- F
- M
- M PUD
- M-L
- O PUD
- R-1
- R-1 PUD
- R-2
- R-2 PUD
- R-3A
- R-3A PUD
- R-3B
- R-3B PUD
- R-O
- RE
- RE PUD
- W

500 Foot Buffer
Buffer Distances:
Residential: 250 ft
Schools: 500 ft
Parks: 500 ft
Churches: 500 ft
Daycares: 500 ft
Library: 500 ft
Recovery Homes: 500 ft



- Railroad
- Road Centerline
- Water / Hydrology
- Municipal Boundary
- Tax Parcel

Source(s): City of Crystal Lake, IL, McHenry County GIS (2019)



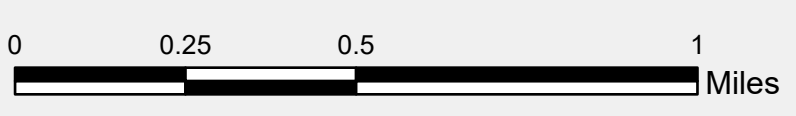
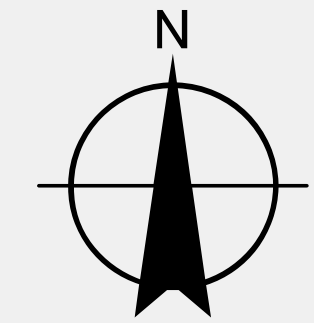
Cannabis Buffer Map

2021 - 2022

City of Crystal Lake, Illinois

- Zoning
- M-L PUD
- O
- B-1
- B-1 PUD
- B-2
- B-2 PUD
- B-4
- B-4 PUD
- COUNTY
- E
- E PUD
- F
- M
- M PUD
- M-L
- O PUD
- R-1
- R-1 PUD
- R-2
- R-2 PUD
- R-3A
- R-3A PUD
- R-3B
- R-3B PUD
- R-O
- RE
- RE PUD
- W

250 Foot Buffer
Buffer Distances:
Residential: 250 ft
Schools: 250 ft
Parks: 250 ft
Churches: 250 ft
Daycares: 250 ft
Library: 250 ft
Recovery Homes: 250 ft



- Railroad
- Road Centerline
- Water / Hydrology
- Municipal Boundary
- Tax Parcel

Source(s): City of Crystal Lake, IL, McHenry County GIS (2019)



The City of Crystal Lake
PROCEEDINGS OF THE CITY COUNCIL
Regular Meeting
October 1, 2019

Call to Order

Mayor Aaron Shepley called the meeting to order at 7:30 p.m.

Roll Call

Mayor Aaron Shepley, Councilmembers Ellen Brady, Ralph Dawson, Haig Haleblian and Brett Hopkins and Cameron Hubbard were present. City Clerk Nick Kachiroubas was present.

Councilwoman Brady moved to approve Councilwoman Ferguson's attendance at the meeting via telephone. Councilman Haleblian seconded the motion. On roll call, all voted yes. Motion passed

Also present were City Manager Gary Mayerhofer, City Attorney John Cowlin, Director of Finance George Koczvara, Director of Community Development Michelle Rentzsch, Director of Public Works Mike Magnuson, City Engineer Abby Wilgreen, Fire Rescue Chief Paul DeRaedt, Chief of Police Jim Black, and special counsel Vic Filippini.

Pledge of Allegiance

Mayor Shepley led the Council and the audience in the Pledge of Allegiance.

Approval of Minutes

Councilman Hopkins moved to approve the minutes of the September 17, 2019 Regular City Council meeting. Councilman Haleblian seconded the motion. On roll call, all voted yes. Motion passed.

Accounts Payable

Councilman Hopkins moved to approve the Accounts Payable in the amount of \$2,520,504.12. Councilman Hubbard seconded the motion. On roll call, all voted yes. Motion passed.

Public Presentation

Mayor Shepley asked if anyone in the audience wished to speak on matters of general public interest or concern not included in the regular agenda, advising they would be given an opportunity to speak when the agenda item was considered.

Diana Kenney, from Downtown Crystal Lake Main Street, stated Johnny Appleseed Festival in Downtown Crystal Lake on Saturday, September 28, 2019 was a success despite the rainy weather and thanked the businesses, sponsors and volunteers that helped to make the event run

smoothly. She also thanked Public Works staff, specifically those working for Larry Zurek for their help with the event every year.

Mayor Shepley stated he is excited about the new Christmas Tree Lane event Downtown Crystal Lake will be starting this year.

Mayor's Report

Mayor Shepley congratulated Finance Director George Koczwara, noting that he will be leaving the City of Crystal Lake to become Village Manager for the Village of Orland Park.

City Council Reports

None.

Consent Agenda

Councilwoman Brady moved to approve a Consent Agenda consisting of Items 9a, 9b, 9c, 9d, 9e, and 9f with the addition Items 10, 11, 12, 13, 14, 17 and 20. Councilman Dawson seconded the motion. Mayor Shepley asked if anyone in the audience wished to comment on any of the listed items, noting that without any objection, they would most likely be approved. On roll call, all voted yes. Motion passed.

9.
 - a. *Approved a Special Event Request, Parking Restrictions and Waiver of Special Event and Police Department Fees for the Festival of Lights Parade, Downtown Crystal Lake/Main Street — Friday, November 29, 2019.*
 - b. *Adopted a Resolution approving the appointment of Eric T. Helm as City Treasurer effective October 5, 2019.*
 - c. *Adopted a Resolution approving the appointment of Assistant Finance Director Laura Herrig to the Board of Trustees of the Police Pension Fund.*
 - d. *Adopted a Resolution approving the appointment of Assistant Finance Director Laura Herrig to the Board of Trustees of the Firefighters' Pension Fund.*
 - e. *Adopted a Resolution authorizing the annual list of approved financial institutions.*
 - f. *Continued the Annexation Public Hearings for the Chicago Title Land Trusts 1004004149 & 1004004152 and Reinhardt/Kirk requests to the January 7, 2020 City Council meeting.*
10. *Approved the Special Event Request for the Christmas Tree Lane Event, Downtown Crystal Lake/Main Street – November 20, 2019 through December 31, 2019.*
11. *Approved two Class 16 Temporary Liquor License Requests (2) – Fire Wagon Hockey, Inc., Hocktoberfest – October 19-20, 2019 and October 26-27, 2019.*
12. *Adopted an Ordinance increasing the number of Class 4 liquor licenses from the currently permitted three licenses to four licenses, in order to allow for the issuance of a*

new Class 4 liquor license to Soto Services Inc., DBA Chilo's Restaurant, located at 282 W. Virginia Street.

13. *Adopted a Resolution making it unlawful to turn left out from 161 North Route 31 onto Route 31 during the times of 7:00 - 9:00 a.m. and 4:00 a.m. – 6:00 p.m.*
14. *Approve the Planning and Zoning Commission recommendation and adopt an Ordinance to allow the extension of the Three Oaks PUD overlay to the Crystal Court Shopping Center property.*
17. *Awarded the contract for tree pruning services to the lowest responsive and responsible bidder, Winkler's Tree and Landscaping, and to adopt a Resolution authorizing the City Manager to execute a contract with Winkler's Tree and Landscaping in the amount bid.*
20. *Motion to adopt a Resolution authorizing the City Manager to execute the Master Pole Attachment Agreement with Chicago SMSA Limited Partnership d/b/a Verizon Wireless.*

Mayor Shepley explained the City of Crystal Lake Liquor License Enforcement program to the representatives of Soto Services, Inc., DBA Chilo's Restaurant. He also explained the Police Department's IMPACT program.

Diana Kenney of Downtown Crystal Lake/Main Street mentioned the Festival of Lights Parade on the Friday after Thanksgiving. She talked about the new Christmas Tree Lane in Depot Park this year, which will allow organizations to work with Downtown Crystal Lake to decorate Christmas trees donated by Countryside.

15. **UDO Text Amendment – Recreational Cannabis and Establishment of 3% Retail Tax on Cannabis**

Director of Community Development Michelle Rentzsch provided a summary of the Planning and Zoning Commission (PZC) recommendations from the September 4, 2019 public hearing, which explored permitting Cannabis Dispensaries as a Special Use Permit with certain criteria in the B-2 and M zoning districts with buffers from sensitive uses. Ms. Rentzsch explained the PZC voted 6-0 to recommend the prohibition of cultivation centers, craft growers, infusers, processors and transporters to be revisited in one year and to allow Cannabis Dispensaries as a Special Use with criteria in the B-2 Commercial and M Manufacturing zoning districts with buffers.

Mayor Shepley asked Ms. Rentzsch what the PZC's rationale was for the prohibition of certain items and revisiting. Ms. Rentzsch indicated the PZC wanted to wait and see what other communities would decide regarding those uses in a year, and take action on dispensaries, which are a more pressing issue. She also indicated the PZC had a split vote, 3-3 to prohibit cannabis establishments altogether, which did not pass.

Ms. Rentzsch explained four discussion points:

- 1) Opt out entirely of allowing any dispensaries or cannabis businesses by adopting the attached ordinance. OR

- 2) Opt out for a year to allow more time to review the impact of cannabis businesses on other communities that have allowed them and revisit the matter at the end of one year. OR
- 3) Approve the PZC recommendation and adopt the enclosed ordinances for the UDO amendments and municipal cannabis retailers' occupation tax. OR
- 4) Consider variations to the PZC recommendation by deciding the appropriate cannabis business uses, zoning districts, criteria, and buffers that are acceptable.

Ms Rentzsch explained the PZC recommended buffers as follows:

Use	Required Buffer
Schools	1,000 feet
Childcare	1,000 feet
Religious Establishment	1,000 feet
Residentially zoned property	250 feet
Parks and Open Space	1,000 feet
Library	1,000 feet
Recovery Home	1,000 feet

She also explained an additional criterion of only being allowed in freestanding buildings, as found in the Illinois Municipal League example ordinance. Mayor Shepley and Councilwoman Brady discussed this limitation.

Ms. Rentzsch provided an overview of B-2 and M zoned properties that would be eligible if the ordinance were adopted. The buffer for businesses with liquor is 100-feet. She provided different buffer scenarios, including a 500-foot buffer and 100-foot buffer.

Mayor Shepley asked if there were members of the public who would like to comment on this issue.

Former State Representative Mike Tryon, resident of 569 Greenbrier, spoke on the issue. He now represents a cannabis cultivator, not distributor. He was representing the City of Crystal Lake at the State level when the Compassionate Care Act was enacted. Mr. Tryon explained how operations in a dispensary are closely regulated and monitored, and provided an overview on Colorado's system compared to Illinois.

Councilwoman Brady asked Mr. Tryon how the banking system works regarding cannabis. He said he thinks there will be changes to regulations on the federal level in upcoming years.

Mayor Shepley asked his opinion on the proposed ordinance. Mr. Tryon stated it is fairly restrictive. He said these are retail businesses and work well in a strip mall, which has more traffic flow. He indicated the stand-alone building requirement would make it difficult to locate in Crystal Lake. Companies would also want to locate in a retail area.

Mr. John Pletz, a Crystal Lake resident indicated he is concerned. He indicated crime follows drugs and asked the Council to limit locations to minimize impact.

Mr. Tom Zanck, 40 Brink Street, represents a client who owns a dispensary who is interested in locating in the area. He stated that businesses would be looking at retail areas. He was opposed to the proposed 1,000-foot buffer. The State law does not prohibit this. He is in favor of the middle ground, 500-foot buffer. He also had a concern regarding the 250-foot residential buffer, and asked this be reduced to 100 feet, similar to alcohol. Mr. Zanck also asked that the single-use site restriction be eliminated.

Bruce Billins, discussed the differences between businesses selling alcohol vs. dispensaries.

Councilwoman Ferguson stated her first inclination is to opt out. She stated she has concerns regarding the M zoning near Erick Street and Prairie Street. Ms. Ferguson said she would also like to look at all uses at one time and not revisit items. Her preference is to opt-out now, and revisit in a year and not piecemeal.

Councilwoman Brady said she is not in favor of M zoning; it belongs in retail. She said the 1,000-foot buffer is also too restrictive.

Councilman Dawson stated at he has tried to sample the public about this issue. He said he agrees it belongs in retail zoning and is not in favor of reducing the residential buffer, but the 1,000-foot buffer is too restrictive.

Councilman Hopkins would like to hold off for a year, as this is a very complex issue and would like to see what other area communities are doing. He said staff and the PZ had done a good job in researching and breaking things down.

Councilman Hubbard stated that the Council is either for it or against it and was being asked to make a decision. He stated the PZC recommendations are too restrictive. The Council needs to decide if they want to opt-out or not.

Councilman Haleblian agreed with Councilman Hubbard, and said in his experience with dispensaries; they are clean and very well run. He feels the PZC recommended buffer is too restrictive and would like to see a buffer of 500 feet or less.

Mayor Shepley said he disagrees with the State passing the law in the first place, approving gambling and marijuana laws to make money. He said the law exists and now the Council has to decide what is best for the community. By not opting out, the City has the opportunity to gain a revenue source. He said if the City were to opt out, and a neighboring community were to opt in, Crystal Lake would miss this revenue source while potentially dealing with negative impacts.

Mayor Shepley agreed that the PZC recommendations are too restrictive, stating that he would support B-2 zoning and a 500-foot buffer. He said he would eliminate the freestanding building requirement.

Councilman Dawson asked how many uses the Council would approve tonight.

Councilwoman Brady confirmed that the dispensaries would be allowed in B-2 zoning with a special use permit with the reduced buffer discussed tonight.

Councilwoman Ferguson confirmed the Council would only be considering dispensaries and tax. She asked if McHenry County College were to apply, would our ordinance prohibit this. City special counsel Vic Filippini stated the State would regulate the College, City Ordinance could not.

Councilwoman Brady discussed the language about the freestanding/single use requirement, if removed; the sale of food would still be prohibited on premises.

Councilwoman Brady moved to approve the Planning and Zoning Commission recommendation and adopt an Ordinance amending Articles 2, 4, 10 of the Unified Development Ordinance (UDO) to allow dispensaries in the B-2 zoning district as a Special Use Permit with a buffer of 500 feet for everything except residential, which would remain 250 feet, striking condition 2B except for the "Sale of food for on-premise consumption shall not be allowed as an accessory use or activity to a Cannabis Dispensary." Councilman Dawson seconded the motion. On roll call, Mayor Shepley, Councilmembers Brady, Hubbard, Dawson, Hopkins and Haleblian voted yes. Councilwoman Ferguson voted no. Motion passed.

Councilwoman Brady moved to adopt an Ordinance imposing a Municipal Cannabis Retailers Occupation Tax. Mayor Shepley clarified it was a 3 percent tax. Councilman Hubbard seconded the motion. On roll call, all voted yes. Motion passed.

16. **Appropriation of Motor Fuel Tax (MFT) funds for Crystal Lake Avenue and Main Street Improvement**

Councilwoman Brady moved to adopt a Resolution appropriating \$508,317 in Motor Fuel Tax (MFT) funds for the Crystal Lake Avenue at Main Street Improvement. Councilman Hubbard seconded the motion.

Councilman Dawson asked about underestimated costs for the project. City Engineer Abigail Wilgreen stated a consultant used IDOT pricing from bids opened over the past ten years.

On roll call, Mayor Shepley, Councilmembers Brady, Hubbard, Ferguson, Hopkins and Haleblian voted yes. Councilman Dawson voted no. Motion passed.

18. **Stormwater Solutions: Bid Award for Various Projects (Gardina Vista, Green Oaks, Cove Pond, Woodland Channel)**

Councilwoman Brady moved to award the bid for Various Stormwater Projects to the lowest responsive and responsible bidder, Mauro Sewer Construction, Inc., in the bid amount of \$639,910, and adopt a Resolution authorizing the City Manager to execute a

contract with Mauro Sewer Construction, Inc., allowing for a 10 percent contingency. Councilman Hubbard seconded the motion. On roll call, all voted yes. Motion passed.

19. **Purchase of Commercial Chassis Rescue Pumpers**

Fire Rescue Chief Paul DeRaedt provided an overview of information regarding the differing analysis used in replacement of vehicles and equipment, including life cycle cost analysis. Chief DeRaedt explained how a pumper is constructed, using a commercial or custom chassis and the main differences between the two types. He indicated that all pumpers, regardless of chassis type, are built to City specifications.

Crystal Lake is looking to purchase two commercial chassis rescue pumpers. Many cities use commercial chassis, including Sioux Falls, South Dakota, Bloomington and Minneapolis, Minnesota, and Toledo, Ohio. They are also used in rural areas locally. Several local departments use commercial chassis in their ambulances as well, including the same Freightliner chassis being presented to the Council this evening.

In order to be sold to the City, a chassis (commercial or custom) must meet National Fire Protection Association (NFPA) Standards, specifically NFPA-1901 Standard for Automotive Fire Apparatus including: roll over stability (SAE-J2180), cab roof strength (SAE-J2422), and front strength evaluation (SEA-J2420). A chassis also must meet Federal Motor Vehicle Safety Standards, an example being air brake systems (Standard 121).

Chief DeRaedt provided a comparison of commercial chassis vs. custom chassis for turning radius, braking (disk/drum brakes), use of air bags/seatbelts, cab step heights, repair costs and downtime. Chief DeRaedt also provided an operations overview for working with commercial chassis that included risk management practices the Fire Rescue Department currently follows.

Mayor Shepley opened the floor for public comment.

Mr. Joseph Forsberg, resident of 304 Grove Street in Crystal Lake and a 14-year firefighter paramedic with the City, asked the City Council to table this item. He asked the Mayor and City Council to meet with the Fire Rescue Department Apparatus Coordinator to discuss differences between a commercial chassis and a custom chassis. He stated that the 57-front line personnel who take engines out on a daily basis are not asking for the top-of-the-line engine, but something that is safe, effective and will get the job done. He indicated that every member of the Department, from the command staff down disagrees with the purchase.

Mr. Forsberg said the proposed purchase is not as safe as a custom chassis, being more prone to rollovers - crushing occupants of the cab, and do not have airbags, which staff is accustomed to. He stated that the drum braking system is also not as safe in a commercial engine. He indicated purchase of the commercial chassis will also impact resident safety, as the pump that they will be equipped with is not guaranteed to pump 1,500 gallons of water per minute. Current engines are rated to pump a minimum of 1,500 gallons.

Mr. Adam Bucheger, resident of 879 Dartmoor Drive in Crystal Lake and an 11-year firefighter paramedic with the City, stated he has concerns regarding the purchase of commercial chassis, and that not all information presented is correct and some has been left out. He is concerned in three areas, the first being the drum braking system in the commercial chassis and read from an email from district manager of the company who makes the brake systems in the proposed chassis recommending disk brakes should be installed due to how the equipment is used and hard life on the brakes. Mr. Bucheger indicated if disk brakes are installed on the commercial chassis, it would be more expensive and increase delivery time. He provided the Mayor and City Council with reasons from the district manager as to why disk brakes are the preferred option.

Mr. Bucheger also had concerns regarding the rollover protection offered by the commercial chassis. He indicated that they meet minimum NFPA-1901 requirements, but said that NFPA-1901 4:14.1 also states that custom chassis are stronger in roll over than commercial cabs. He is also concerned with the lack of air bags in the commercial chassis, which the Department currently has in its newest engine along with disk brakes. He felt the commercial chassis would be a step backward in safety, and that an “apples to apples” comparison for items in the current proposal was not done, indicating differences in horsepower for the Department’s current custom engine and the commercial chassis and other differences.

Mr. Bucheger also pointed out the price differences in the bids received. Mayor Shepley clarified the process for how bids must be awarded by law. Mayor Shepley asked Mr. Bucheger what he would like the Council to consider. Mr. Bucheger stated he would like the Council to review bids for custom chassis that the Apparatus Coordinator has, which include pricing lower than the cost of the commercial chassis. He asked the Council to vote no or table the item to meet with the Apparatus Coordinator, and make a more accurate comparison between commercial and custom chassis.

In addition, Mr. Bucheger indicated changes had been made to the agenda supplement from the previous meeting, indicating the chassis is less safe. He feels they are a substandard equipment.

Mr. John Ryan, resident of 1209 Boxwood Drive in Crystal Lake and a firefighter paramedic for the City, asked the City Council to not approve the commercial chassis purchases. He stated he is concerned with the same issues previously discussed. He questioned why the City was only looking at purchasing two commercial chassis with different options than custom chassis and then comparing them with custom engine pricing. He asked if this is appropriate.

Mr. Ryan stated that he is concerned for safety, stating changes have been made in the past to address safety in different situations, and indicated approving the purchase would not be in the interest of safety for staff. He asked the Council to not approve or table the item to get more information.

Elizabeth Forsberg, resident of 304 Grove Street, read a statement in opposition of the purchase of the commercial chassis, as they meet the lowest safety requirements. She

stated as a resident, tax payer, a firefighter family, it is expected that the Council to make informed decisions and provide the safe and effective emergency services.

Kelly Bucheger, resident of 879 Dartmoor Drive in Crystal Lake, stated that her husband is a firefighter paramedic for the City. She said the commercial chassis being considered for purchase are sub-par vehicles, meeting minimum safety standards, putting staff at risk to get to and from fires safely. Ms. Bucheger indicated this is a safety concern. She implored the City Council to reject the bids.

Bruce Billins, a 14-year resident of Crystal Lake, asked the Council to table the item to look into things further and getting additional information before voting.

Jason Curtain, a resident of – Oriole Trail and member of a different fire department. Mr. Curtain spoke in opposition of the purchase, indicating the chassis will impact the safety of the firefighters and residents and some information is inaccurate. He said the pumper is very bare bones, asked the Council to table the item, and encouraged them to view the units.

Amy McCarthy, a 10-year resident of Crystal Lake, spoke in opposition to the purchase and stated that the Council needs to consider safety as a priority in the decision making process.

Chrissy Betz, spoke in opposition to the purchase, citing fire truck accident statistics.

Mayor Shepley closed the public comment.

Mayor Shepley asked if the Council was open to tabling this item to gather more information. He asked that going forward, evaluation be based on fact not on emotion or opinion. He said this is not meant to foreshadow the decision on the item.

Councilwoman Brady moved to table the Purchase of the Commercial Chassis Rescue Pumpers. Councilman Dawson seconded the motion. On roll call, all voted yes. Motion passed.

Council Inquiries and Requests

None.

Adjourn to Executive Session for the purpose of discussing matters of pending and probable litigation, the sale, purchase or lease of real property, collective bargaining and personnel

Councilwoman Brady moved to adjourn to Executive Session at 10:18 p.m. Councilman Hopkins seconded the motion. On voice vote, all voted yes. Motion passed.

Reconvene to Regular Session

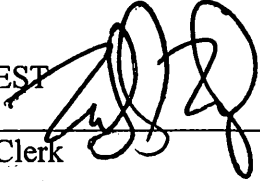
Councilwoman Brady moved to reconvene from Executive Session at 10:51 p.m. Councilman Hopkins seconded the motion. On voice vote, all present voted yes. Motion passed.

Adjourn

There being no further business, Councilwoman Brady moved to adjourn the meeting at 10:52 p.m. Councilman Haleblan seconded the motion. On voice vote, all present voted yes. Motion passed.

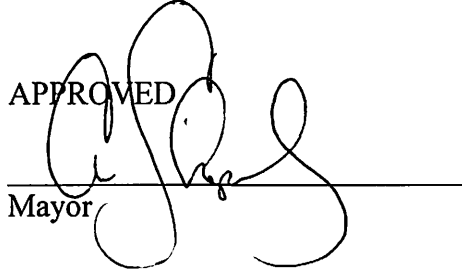
ATTEST

City Clerk



APPROVED

Mayor



All ordinances are adopted in pamphlet form by the authority of the Mayor and City Council.



The City of Crystal Lake
PROCEEDINGS OF THE CITY COUNCIL
Regular Meeting
January 19, 2021

Call to Order

Acting Mayor Haleblan called the meeting to order at 7:00 p.m.

Roll Call

Acting Mayor Haig Haleblan, Councilmembers Brett Hopkins, Cameron Hubbard, Mandy Montford and Ian Philpot were present. Councilmembers Ellen Brady and Cathy Ferguson were present via teleconference. City Clerk Nick Kachiroubas was absent. Deputy City Clerk Eric Helm was also present.

Also present were City Manager Gary Mayerhofer, Assistant to the City Manager Nick Hammonds, Director of Public Works and Engineering Mike Magnuson, Director of Community Development Michelle Rentzsch, Finance Director Jodie Hartman, Fire Rescue Chief Paul DeRaedt, and Chief of Police James Black. City Attorney John Cowlin was also present. Special Legal Counsel Victor Filippini was present via teleconference.

Approval of Councilmembers Brady and Ferguson Telephonic Attendance

Councilman Philpot moved to approve Councilmember Brady's and Councilmember Ferguson's telephonic attendance of the City Council Meeting. Councilman Hubbard seconded the motion. On roll call, all present voted yes. Motion passed.

Pledge of Allegiance

Acting Mayor Haleblan led the Council and the audience in the Pledge of Allegiance.

Approval of Minutes

Councilwoman Ferguson moved to approve the minutes of the January 5, 2021 Regular City Council Meeting. Councilman Hubbard seconded the motion. On roll call, all present voted yes. Motion passed.

Accounts Payable

Councilwoman Ferguson moved to approve the Accounts Payable in the amount of \$2,251,076.30. Councilman Hubbard seconded the motion. On roll call, all present voted yes. Motion passed.

Public Presentation

Acting Mayor Haleblian asked if anyone in the audience wished to speak on matters of general public interest or concern not included in the regular agenda, advising they would be given an opportunity to speak when the agenda item was considered.

No one wished to speak. Acting Mayor Haleblian closed the Public Presentation portion of the meeting.

Acting Mayor's Report

Acting Mayor Haleblian offered condolences to the family and friends of former volunteer Fire Rescue Lieutenant Charles Gumprecht who passed away earlier today at the age of 94 years old.

Acting Mayor Haleblian asked Police Chief James Black to provide an overview of House Bill 3653, which was recently passed.

Chief Black provided an overview of HB 3653 for the Acting Mayor and City Council. He said the bill was first introduced on January 5, 2021 as Bill 0163, but had changed several times once it was filed, ultimately becoming an 765-page omnibus bill that was presented to the Senate at 3:51 in the morning on the day the lame duck session was to end.

Chief Black said the Senate was given about an hour to review and vote on the bill before it moved to the House. He said he was in Springfield on January 9-10, 2021 for the session and provided testimony representing the Illinois Association of Chiefs of Police and the organization's opposition to the bill. The bill originally removed tort and qualified immunity protections for law enforcement officers.

Chief Black said there is a misconception that law enforcement officers can act without consequences, which is not true. Officers are open to civil lawsuits. He said the final bill did not remove immunity protections temporarily, and created a task force to review this issue and report to the governor in the spring. The bill also allows the Attorney General to take civil action against police officers who allegedly commit civil rights violations. The first offence results in a \$25,000 fine, with a fine for subsequent offenses of \$50,000.

Chief Black said at this time it is not clear if the officer will be held punitively responsible for the fines or if the municipality would be responsible. He said it is also unclear if a civil action is taken by the Attorney General if a civil suit could still be filed at the federal level.

In addition, Chief Black said the bill also includes co-responder programs regarding mental health and substance abuse. He said, as the City Council is aware, the City already participates in programs such as the Way Out program to assist individuals. The bill identifies persons such as social workers working with these individuals as first responders, but is lacking detail regarding what the program is and what it is supposed to do. The bill provides for behavioral health and social workers to co-respond with law enforcement, but does not identify a model and Crystal Lake would more than likely not qualify for funding for implementation, as it does not meet the parameters outlined in the bill.

Chief Black said the Illinois Chiefs were not opposed to this element of the bill but were hoping for more clarification regarding the role of law enforcement as a co-responder. He said a pilot program was discussed for Cook County that could then be built upon, but this did not make it into the bill.

The bill also adds crisis intervention training to the police academy, which Chief Black said was not opposed. He said Crystal Lake officers already attend an academy offering this curriculum.

Chief Black also highlighted other large items in the bill including the mandating of body-worn cameras, which the City is in the process of testing systems. He said this is outlined in the bill by City population. The bill prohibits officers from reviewing footage prior to writing police reports, and if an officer forgets to turn on the camera or if there is any violation of the body camera statute, the officer can be charged with a Class 3 felony for law enforcement misconduct. This is also an unfunded mandate, with no State money available to help offset the costs.

Chief Black said collective bargaining items were also removed from the bill, including the removal of a signed sworn affidavit requirement for complaints against officers. He said the Crystal Lake Police Department is a CALEA nationally accredited organization, so complaints are always taken anonymously and upon investigation if it is determined there is a basis for possible officer discipline, the department will sign the affidavit. This is not an issue.

Chief Black said there is an issue with how the language is included in the bill as part of the licensing and decertification section, coupled with the establishment of a police misconduct database. Any complaint an officer receives will be stored in this database, whether or not it is factual or if it is sustained or not sustained. He said this can be onerous and may lack integrity in certain situations.

Chief Black said the Chiefs and Sheriffs associations are not against a standardized national use of force policy, and this was made clear to the General Assembly. He said none of the language offered regarding a standardized use of force policy was used, but instead vague language was added that may inhibit an officer's ability to use force in certain situations. The language and lack of definitions are concerning.

In addition, Chief Black said the bill prohibits the use of kinetic impact projectiles or less non-lethal projectiles that target certain areas of the body, but without a definition of what weapons would fall in this category. Ambiguous language is also included regarding the duty to intervene and duty to render aid. He said clarification is needed here because violations are considered a Class 3 felony and have serious ramifications.

Chief Black said he said there are also serious concerns regarding pretrial release conditions included in the bill, which severely limit the ability of officers to arrest offenders.

He said there are portions of the bill that he is comfortable with and in fact, he worked closely with the Attorney General regarding the licensing and decertification portions. This will help keep bad officers from jumping from department to department.

Acting Mayor Haleblan asked Chief Black how the City's officers are responding to the bill. Chief Black said they are scared especially of the tort and immunity provisions, which would open officers up to frivolous lawsuits. He explained how qualified immunity helps protect officers if an honest mistake is made during a situation barring other law or regulation covering this area. There are definite concerns in this area.

Acting Mayor Haleblan said he is concerned with the financial liability to both the officers and municipalities and formally asked Governor Pritzker to hold off on signing the bill and investigate other options.

Councilwoman Ferguson commended Chief Black on his efforts to understand and work through the many issues related to this bill. She said she has been involved with the behavioral components through the McHenry County Mental Health Board for some time. The McHenry County Council of Governments and the Illinois Municipal League are opposed to the bill.

Councilman Philpot stated he thought the City has looked into body cameras in the past, but when the COVID-19 pandemic hit, monies needed to be reallocated. Chief Black said he has been Chief for eight years and there has been capital funds budgeted in the past, which were removed. He said the department is testing cameras now and they will be included in the upcoming budget for the City Council for discussion.

Chief Black said he is a proponent of body worn cameras and feels they will help officers. He said he hopes the bill language is cleaned up to clarify regulations.

City Manager Gary Mayerhofer said the department is looking at three manufacturers and at the conclusion of the evaluations cost estimates will be put together to include in the budget.

Councilman Philpot stated he is disappointed the State has mandated the cameras but provided no funding to help purchase and for implementation in addition to other concerns. He agreed with Councilwoman Ferguson and commended Chief Black for his efforts.

Councilwoman Brady asked about the pretrial release conditions of the bill related to domestic battery. Chief Black stated this is concerning and said judges will still have a checklist to determine the risk of release for offenders. He said the offender would be arrested and removed, but there is no way to determine if he or she would be released after booking based on the new bill.

Acting Mayor Haleblan thanked Chief Black for his time.

Acting Mayor Haleblan asked Fire Rescue Chief DeRaedt for an update regarding COVID-19 vaccination distribution. Chief DeRaedt said vaccinations in Phases 1A-1C will be completed in a closed setting, not open to the public. Once vaccinations move into Phase 2, this will be open to the general public and McHenry County will be engaging with different locations in the area including high schools, McHenry County College (MCC), the County fairgrounds, and the Algonquin Public Works Department. He said there is discussion of using facilities for possible distribution for earlier phases but this has not been established.

Chief DeRaedt said the Health Department would like to complete vaccinations outside if possible at locations such as MCC as there are students in the building (drive-through or tent). MCC is definitely in the plans for Phase 2, but a timeframe has not been determined for this yet, and could be a few months out. He said he has told the County that the City would be willing to help identify other potential vaccination sites in Crystal Lake.

Acting Mayor Haleblian asked about the status of Fire Rescue employee vaccinations. Chief DeRaedt said we do not know how many were vaccinated, but 2/3 of Fire Rescue employees were interested in it. These employees could be vaccinated in a later phase if they wanted to. He said it is voluntary, but the City has provided the County with a number of the remaining interested employees (Phase 1B and 1C) to help them plan for future clinics accordingly. The County has started vaccinations for law enforcement.

Chief DeRaedt said the first clinic for first responders was held on December 28, 2020, and those receiving the first dose of the vaccine will be able to receive their second dose shortly.

Councilwoman Brady said her daughter was vaccinated on Saturday. She said the process is slow, but moving forward.

City Council Reports

Councilman Philpot reminded people to please wear masks if social distance cannot be maintained.

Consent Agenda

Councilwoman Brady moved to approve a Consent Agenda including items 10 and 12. Councilman Hubbard seconded the motion.

Acting Mayor Haleblian asked if anyone wished to speak on the Consent Agenda. No one wished to speak. On roll call, all present voted yes. Motion passed.

10. *Approved the Planning and Zoning Commission recommendation and adopted an Ordinance amending Article 9-200 E 13 of the Unified Development Ordinance (UDO) - Amendment to a Final (PUD) plan, to change the consent threshold as recommended by staff.*
12. *Awarded the bid for generator maintenance services to the lowest responsive and responsible bidder, Midwest Power Industry Inc., and adopted a Resolution authorizing the City Manager to execute a one-year contract with Midwest Power Industry Inc. in the amount of \$71,617, with four optional one-year extensions in the amounts bid and approve an additional not to exceed \$35,000 annual allowance for needed repairs at the bid repair rates and price markup.*
11. **Unified Development Ordinance (UDO) Text Amendment to Articles 2 & 4 for changes to Medical Cannabis Uses and to allow Cannabis Business Establishments**
Community Development Director Michelle Rentzsch provided the Acting Mayor and City Council with history of the State of Illinois 2014 approval of medical cannabis dispensaries and cultivation centers, which did not allow municipalities to opt-out. As such, the City of

Crystal Lake allowed them as a Special Use Permit in the farming and manufacturing districts.

In 2019 after the State approved recreational cannabis dispensaries, the City of Crystal Lake approved them in the B-2 commercial district with 500-foot buffers from sensitive uses (schools, daycares, parks, etc.) and 250-foot buffers from residential uses. Other cannabis business establishments were not considered at that time, instead waiting a year for consideration.

Other cannabis business establishments and revisiting medical cannabis dispensaries were being discussed tonight. Ms. Rentzsch said now that recreational cannabis dispensaries are allowed in the B-2 zoning district, maybe it would make sense to also allow medical cannabis dispensaries in B-2 instead of farming district and allow medical cultivation centers in the W district to make things parallel with recreational cultivation centers. She said this would be a change from what is currently allowed.

Ms. Rentzsch provided an overview of the five uses under consideration: Cannabis Infuser, Cannabis Processor, Cannabis Transporter, Cultivation Center, and Craft Growers. Products from these uses are only sold through dispensaries. She said all of these uses could be allowed as Special Use Permits in the Manufacturing district as they are manufacturing uses, with Cultivation Centers and Craft Growers also being allowed in the Watershed district with Special Use Permits. A 500-foot buffer is recommended near both sensitive uses and residential areas. Special Use criteria include prohibiting the emission of dust, fumes, vapors, or odors in a manner that impacts neighboring premises or properties or any public property or right-of-way shall be prohibited. To the extent necessary, mechanical equipment shall be installed to eliminate odor leaving the building would be required as well.

Ms. Rentzsch said there were three paths of action for the Acting Mayor and City Council.

A) Adopt an Ordinance amending the UDO text for Medical Cannabis Dispensaries, Medical Cannabis Cultivation Centers and Cannabis Business Establishments with their respective criteria. OR

B) Motion to approve the PZC recommendation and adopt an Ordinance amending the UDO text for Medical Cannabis Dispensaries, Medical Cannabis Cultivation Centers and defer consideration of the other Cannabis Business Establishments for six months. OR

C) Motion to recommend the prohibition of the following categories of Cannabis Business Establishments: cultivation center, craft grower, infuser, processor, and transporter.

Acting Mayor Haleblan asked if there were any questions regarding this item.

Councilman Hopkins asked Ms. Rentzsch if infuser and processor uses are usually found together. Ms. Rentzsch said yes.

Councilman Hopkins asked about transport uses. Ms. Rentzsch said transport uses are usually separate businesses.

Councilman Hubbard asked how licensing works for the categories discussed tonight vs. dispensaries. Ms. Rentzsch stated that it has been hard to track what is happening at the state level. She said craft growers have sued the governor because of licensing delays. There is a backlog of these licenses. However, she said licenses are based on the demand and supply that is being monitored by the state, and additional cultivation centers and craft growers may be added.

Acting Mayor Haleblan asked if there was public comment regarding this item.

A pair of Crystal Lake residents expressed their concerns to the City Council. The man asked Ms. Rentzsch if cannabis businesses had already been approved. Ms. Rentzsch said yes, cannabis dispensaries are approved in the B-2 zoning district, up to two in the City. There have been no applications. She explained the businesses would also need to be outside of the buffers outlined by City ordinance.

The woman said, as a parent, she has concerns with the other cannabis business uses being discussed tonight, and wanted to protect the community.

The man asked if people are allowed to smoke cannabis in public places. Councilman Philpot said smoking is allowed in people's private residences, that public consumption is not allowed. Chief Black concurred, saying public consumption is not allowed by current state statute.

The woman asked about café-type businesses. Ms. Rentzsch explained the businesses being considered tonight are manufacturing uses and, if approved, would be allowed in manufacturing zoning and not discernible from other manufacturing uses. She was not sure if cafes would be coming to the state in the future.

Councilman Philpot and Councilwoman Montford stated there are security measures in place for dispensaries, and that not anyone can just walk in. Councilwoman Montford said she agreed with the resident's concerns as a parent, but said the regulation does have benefits.

The residents thanked the City Council and staff for clarifying the issue and asked that restrictions be placed on location of the businesses.

Dave Goss, a 40-year resident of Four Colonies and former Board and Commission member, stated Chief Black appeared before the Planning and Zoning Commission last year and explained that he was not in favor of allowing dispensaries in the B-2 zoning district, that instead they should be more isolated. Mr. Goss stated that residential districts should be protected at all costs, and this was where Chief Black was coming from when he spoke. Mr. Goss said these uses should be on the outskirts of a city so residents are not impacted.

Mr. Goss said the state did not have a referendum to decide if cannabis should be allowed, the state just did it. He said he feels Crystal Lake should have a referendum to decide if these uses should be allowed in the City, and that he is not in favor of allowing the uses as discussed at tonight's meeting. He said residential uses are very hard to protect.

Sue Johnson, 817 Chasefield Lane, also expressed concerns over allowing cannabis uses and cultivation centers. She said they would be a detriment to the community and urged the City Council to vote no on this issue.

Spencer Wilson, 1350 Knollwood, spoke of his experience working as an engineer for a dispensary in New York. He said there are positive impacts from the business, but there are also long term effects. He is concerned with the mental health impacts on teenagers whose brains are not fully developed, especially with the COVID-19 lock down.

Mr. Wilson asked that, at a minimum, the City Council delay approval of these cannabis business establishments until the end of lockdown from the pandemic and businesses are reopened.

Theresa Fronezak, 1550 Birmingham Lane, also expressed her concerns regarding approval of cannabis business establishments. She urged the City Council to vote no and set a positive example for children and send the message that public health is more important than tax revenue. She urged the City Council to research what is happening in Colorado now as a result of cannabis legalization there.

Acting Mayor Haleblan asked if City Councilmembers had any questions.

Councilwoman Brady said there appeared to be a misconception. She said recreational cannabis dispensaries were approved by the City Council last year, and the issues up for consideration tonight were allowing medical cannabis dispensaries to be located in a different zoning district and if other cannabis business establishments (not dispensaries) would be allowed in the City.

In addition, Councilwoman Brady said the City has never utilized tax revenues from cannabis sales to balance the budget. She said she takes offense to this notion, and said the City does not need cannabis funding to be a successful community. Crystal Lake has received budgeting awards year after year. She said that she does not see the same distinction as the Planning and Zoning Commission did on this issue and would be in favor of Option A.

Councilwoman Ferguson said when the recreational cannabis dispensary issue was considered by the City Council she voted no. She said currently no businesses have applied for a Special Use Permit, and there are none located in the City.

Councilwoman Ferguson said the businesses under consideration tonight are not such that people would be able to walk in and make a purchase (not dispensaries), they would not be able to advertise and the general public would not be impacted. She said these businesses

would also have to be licensed and have a Special Use Permit. To date, this has not happened.

Councilwoman Ferguson said the City is trying to control where they can locate and the number allowed, as the state has already decided the other issue. She said she is in favor of making all the buffers 500 feet. She clarified the City is not balancing the budget on cannabis uses, as there are none.

Councilman Hubbard echoed Councilwoman Ferguson's comments, adding he thinks the City has done an excellent job addressing the new laws and issues as they develop and has not rushed into making decisions. He said he is in favor of Option A, that the City is cleaning up what and where businesses are allowed.

Councilman Philpot said he is in support of the buffer requirement and including medical cannabis dispensaries in the B-2 zoning district. He said he views the businesses as additional job opportunities in Crystal Lake, and that maybe small businesses will locate here that are not allowed elsewhere.

Councilman Philpot said this is a highly regulated business with security and the chance of someone underage getting into a location is minimal. He said he would be in favor of Option B, but would also be in favor of Option A if the City Council followed the Planning and Zoning Commission recommendations and revisited the item in one year.

Councilwoman Montford said she agreed with Councilman Philpot that is an opportunity for jobs and business growth. She said this is an opportunity for the City to wrap its arms around something that needs to be regulated.

Councilwoman Montford said families, schools, and churches will help with teenagers illegally getting marijuana, that the zoning and regulation of these businesses is a different issue. She said she is in favor of Option A.

Councilman Hopkins said he would be the outlier. He said this is all new in Illinois and there have been lessons learned with gaming regulation that may help with regulating marijuana. He said recreational dispensaries are already approved, and the issue is if the other uses should be.

Councilman Hopkins said he did not know if dispensaries and other uses would help get illegal drugs off the street. He said his concern is the unknown of the uses and what their impact will be, and there is no urgency to approve these items.

Councilman Hopkins said at a minimum, he would be in favor of Option B. He said he thought this was not the time to push businesses.

Councilwoman Montford clarified that odors and other potential impacts of the uses can be mitigated and impacts would not be different from other manufacturing uses. Ms. Rentzsch said that is correct.

Acting Mayor Haleblan said from his perspective, recreational dispensaries have already been approved, and this would be tweaking things. He said he did not feel that it would make that much of a difference if things were approved now or in six months, as there are no businesses that are interested at this time.

Acting Mayor Haleblan said he does not like to kick the can down the road. He said he is in favor of Option A and the City Council should vote on the issue tonight. He said dispensaries have security measures in place.

Councilwoman Brady asked about the buffer requirement for liquor establishments. Ms. Rentzsch and Deputy City Manager Eric Helm said it is 100 feet from sensitive uses (schools, churches, etc.).

Councilman Philpot moved to adopt an Ordinance amending the UDO text for Medical Cannabis Dispensaries and Medical Cannabis Cultivation Centers to update these provisions and Cannabis Business Establishments (recreational cannabis cultivation centers, craft growers, infuser/processors, and transporters) as a Special Use Permit with a 500-foot buffer from sensitive land uses in the Manufacturing zoning districts and some of these in the Watershed district. Councilwoman Montford seconded the motion.

Councilwoman Ferguson asked for clarification regarding which option this was. Councilwoman Brady said it is Option A.

Councilman Hubbard asked how the permit process would work if a business approached the City. Ms. Rentzsch stated that every cannabis use would be a Special Use Permit. Items would go to the Planning and Zoning Commission for a public hearing, notification would be required for surrounding property owners, and then ultimately to the City Council for consideration. She said all Special Use Permit criteria as outlined in City ordinance would need to be met.

Ms. Rentzsch clarified that the buffer for cannabis uses tonight is 500 feet from sensitive uses and residential.

Councilman Hopkins asked if a use meets all the Special Use requirements for cannabis uses, what is the criteria to deny a request. Ms. Rentzsch said in addition to the requirements for cannabis Special Uses, general requirements for other Special Use Permits must be met (no environmental impact, no impact on traffic, use is necessary and desirable at that location, etc.) must also be satisfied.

Councilman Hopkins said he wanted to clarify if a request meets all requirements, the City cannot deny a request. Special legal counsel Victor Filippini stated that is correct, but stressed businesses would also be required to follow State licensing requirements.

On roll call, Acting Mayor Haleblan and Councilmembers Brady, Ferguson, Hubbard, Montford and Philpot voted yes. Councilman Hopkins voted no. Motion passed.


Council Inquiries and Requests

Councilman Hopkins and Acting Mayor Haleblian said with the movement of Region 9 to Tier 2, there is light at the end of the tunnel.

Adjourn

There being no further business, Councilman Hubbard moved to adjourn the meeting at 8:34 p.m. Councilman Hopkins seconded the motion. On voice vote, all present voted yes. Motion passed.

APPROVED



Acting Mayor

ATTEST



City Clerk

All ordinances are adopted in pamphlet form by the authority of the Mayor and City Council.



The City of Crystal Lake
PROCEEDINGS OF THE CITY COUNCIL
Regular Meeting
October 19, 2021

Call to Order

Mayor Haleblian called the meeting to order at 7:00 p.m.

Roll Call

Mayor Haig Haleblian, Councilmembers Ellen Brady, Cathy Ferguson, Brett Hopkins, Cameron Hubbard, Ian Philpot and Mandy Montford were present. City Clerk Nick Kachiroubas was present.

Also present were Deputy City Manager Eric Helm, Assistant to the City Manager Nick Hammonds, Director of Public Works and Engineering Mike Magnuson, Director of Community Development Kathryn Cowlin, Finance Director Jodie Hartman, Fire Rescue Chief Paul DeRaedt, and Chief of Police James Black. City Attorney John Cowlin was also present. City Manager Gary Mayerhofer was also present via teleconference. Special Legal Counsel Victor Filippini was present.

Pledge of Allegiance

Mayor Haleblian led the City Council and the audience in the Pledge of Allegiance.

Approval of Minutes

Councilwoman Ferguson moved to approve the minutes of the October 5, 2021 Regular City Council Meeting. Councilwoman Montford seconded the motion. On roll call, all present voted yes. Motion passed.

Proclamation – World Polio Day

Mayor Haleblian welcomed Bill Broman of the Rotary Club of Fox Valley Sunset and proclaimed Sunday, October 24, 2021 “World Polio Day”. Mr. Broman explained the Rotary Club’s efforts to help eradicate polio and thanked Mayor Haleblian.

Accounts Payable

Councilwoman Ferguson moved to approve the Accounts Payable in the amount of \$1,583,190.82. Councilman Hubbard seconded the motion. On roll call, all present voted yes. Motion passed.

Public Presentation

Mayor Haleblian asked if anyone in the public would like to speak. No one wished to speak. Mayor Haleblian closed the Public Presentation portion of the meeting.

Mayor's Report

None.

City Council Reports

None.

Consent Agenda

Councilwoman Brady moved to approve a Consent Agenda including Items 10a and 10b, and adding Items 11, 12, 13, 16, 17, 18 and 20. Councilwoman Ferguson seconded the motion.

Mayor Haleblan asked if anyone wished to speak on the Consent Agenda. No one wished to speak.

On roll call, all present voted yes. Motion passed.

- 10a. *Approved the 2021 Festival of Lights Parade to be held on Friday, November 26, 2021, as requested subject to the staff conditions and a waiver of the Police Department chargeback fees (~\$1,843).*
- 10b. *Approved the issuance of a Class 20 Temporary Liquor License to St. Elizabeth Ann Seton Impactful Women's Group in order for the group to offer wine, in the package only, as a raffle prize for a fundraiser on Saturday, November 20, 2021.*
11. *Approved the Planning & Zoning Commission (PZC) recommendation and adopted an Ordinance granting a variation for an addition at 375 Spruce Lane.*
12. *Adopted an Ordinance to allow a 60 square-foot freestanding sign, a variation of 10 square feet, that is 9.5 feet in height, a variation of 1.5 feet for 350 W. Terra Cotta Avenue.*
13. *Approved the Planning and Zoning Commission (PZC) recommendation and adopted an Ordinance granting the Special Use Permit to allow changes to the lighting standards for the tennis courts at Veteran Acres Park at 431 N. Walkup Avenue.*
16. *Awarded a contract for liquid anti-icing and de-icing chemicals to the lowest responsive, responsible bidder, Industrial Systems Ltd., and adopted a Resolution authorizing the City Manager to execute a one-year contract with Industrial Systems Ltd. in the submitted bid amounts.*
17. *Adopted an Ordinance amending Ordinance No. 7722 authorizing acquisition of the property at 24 S. Oriole Trail for a flooding mitigation project.*
18. *Adopted an Ordinance amending the City Code instituting a 25 mph speed limit on local residential streets.*
20. *Adopted a Resolution accepting the Comprehensive Annual Financial Report of the City of Crystal Lake for the Fiscal Year ended April 30, 2021.*

14. 1200 S. McHenry Avenue (Crystal Lake South High School), High School District 155 – Special Use Permit Amendment to Special Use Permit Ordinance No. 7195 to allow an additional accessory structure and a variation from Article 3-200 to allow a 30-foot tall accessory structure (football scoreboard), a variation of 15 feet; and Application Fee Waiver

Kathryn Cowlin, Director of Community Development, provided the Mayor and City Council with an overview of the petitioner's request. Ms. Cowlin stated High School District 155 would like the City Council to consider a 30-foot tall scoreboard instead of the smaller scoreboard recommended by the Planning and Zoning Commission (PZC).

Troy Singer, Director of Operations for High School District 155, explained the District would like a 30-foot tall scoreboard in order to help prevent damage to the scoreboard or injury to students and athletes.

Councilmembers Brady, Philpot, Ferguson, Montford and Hubbard said they support the request for the 30-foot scoreboard.

Mayor Haleblian said he understood the need for the higher scoreboard as well.

Councilwoman Brady moved to adopt an Ordinance granting a Special Use Permit Amendment and Variation for a new 30-foot tall scoreboard at 1200 S. McHenry Avenue with the conditions outlined in the staff supplement and to waive the \$355 application fee. Councilman Philpot seconded the motion. On roll call, all present voted yes.

15. 501 Pingree Road, CL Dispensary – Special Use Permit for a Cannabis Dispensary and a Variation from the 500-foot buffer from a religious establishment requirement to allow a 350-foot buffer

Kathryn Cowlin, Director of Community Development, provided an overview of the petitioner's request. Ms. Cowlin said two items, a Special Use Permit (SUP) to allow a cannabis dispensary and a variation from the 500-foot buffer from religious establishments to allow a 350-foot buffer. She said according to City Ordinance, the buffer is measured from the property line of the sensitive use to the proposed building, which triggers the variation request. The church use is on a property zoned Manufacturing and other surrounding uses are zoned B-2 Commercial.

Andrew Scott, legal representative for CL Dispensary LLC and Americanna Dream, introduced himself, Tara Meyer with the applicant, Adam Rak, Land Planner for WBK Engineering, and Ed Ferrell, Silver Star Protection Group, the security company for the project.

Mr. Scott said representatives of the project would explain dispensary operations and address staff comments.

Mr. Rak explained the buffer requirement and the zoning for surrounding properties. He reviewed the 2030 Comprehensive Plan, which identifies area land uses as primarily commercial with less manufacturing. Access to the property is from Tracy Trail and Pingree Road. Mr. Rak said the project provides over twice the amount of parking required for the use.

Ms. Meyer provided an operational overview of the proposed dispensary. She said Americanna Dream is committed to complying with all State and local laws, rules and licensing regulations.

The company partners with Silver Star Protection, industry leaders in security and protection for cannabis-related industries and businesses.

Ms. Meyer said customer service and comfort is Americanna Dream's top priority, and the dispensary will provide a high-end, luxury experience. The company also offers education and outreach opportunities regarding the health benefits and responsible cannabis use. She said Americanna Dream will be a good steward of the community, and will be active in the Chamber of Commerce and local events.

Ms. Meyer said the company will invest about \$1 million in enhancements to the property, as it has been vacant since 2018. Improvements will be made to the façade and floor plan, as well as for security. She provided an overview of a typical experience for a dispensary customer. No cannabis will be available on the sales floor, it will be secured in a restricted access area. Customers can either have a consultation or go to the point of sale and place an order. Identification will be checked upon entry to the building and at the point of sale. Dispensary agents will process orders and place items in a sealed opaque bag.

Ms. Meyer outlined the floor plan of the dispensary, highlighting public, limited and restricted access areas. The number of persons allowed in the public and limited access areas at one time is also limited. Only agents have access to restricted areas, and then some areas are restricted based on seniority.

Ms. Meyer said about thirty full-time employees will be hired for the location, with about seven or eight working per shift. She also reviewed the company's no consumption on premises and no loitering policies. She said the State of Illinois has one of the most stringent cannabis laws, and quarterly inspections and compliance checks are completed every 30 days by the State Police.

During peak holidays and other peak times a texting que system is set up to help with customer traffic. Ms. Meyer also explained how deliveries will be handled.

Mr. Ferrell of Silver Star Protection Group, provided an overview of security for the site. He said the company looks at this as a partnership with the community and law enforcement and that safety and security are paramount. He said that the security measures in place are very stringent and above State of Illinois requirements. They work with cannabis businesses in four states, and use a multi-layered system, which includes an inventory management system.

In addition, Mr. Ferrell said all agents and security staff will be trained using the State's Responsible Vendor Program, undergo a Federal background check and a robust vetting process as employees.

Mr. Rak explained the petitioner's request for a 150-foot variation from the 500-foot buffer requirement. He said the ordinance requires the buffer be measured from the dispensary building to the closest property line of the sensitive use, which is 377 feet in this case. He also indicated the Illinois General Assembly no longer considers a religious establishment a sensitive use.

Mr. Rak said the request for relief is caused by the location of the religious establishment in a manufacturing district, which is uncommon and allowed only by a Special Use Permit.

Ms. Meyer said the City is anticipated to receive \$500,000 in tax revenues per year from the dispensary and employees will be paid a living wage. She said she was directly involved with the State of Illinois when cannabis rules were developed and have extensive knowledge on how a high-quality dispensary should be run.

Ms. Meyer said they are looking forward to working with the City and thanked the Mayor and City Council for the opportunity.

Mayor Haleblan asked if there was anyone in the public who wished to speak regarding the petitioner's request.

A resident expressed his opposition for this project. He said the dispensary does not meet current ordinance buffer requirements and is located close to Rosecrance, a substance abuse recovery facility.

Melissa Loesch, Director of Rosecrance McHenry County, spoke to the Mayor and City Council in opposition to the proposed dispensary. She said Rosecrance McHenry County provides different services to 2,500 people, and 2,000 people for substance recovery. The Rosecrance facility at 422 Tracy Court in Crystal Lake is located .2 miles from the proposed location.

Ms. Loesch said people use the facility daily, between 8:30 a.m. and 8:00 p.m. She asked the Mayor and City Council to please consider the people struggling with addiction that could be triggered by seeing the dispensary when going for treatment.

Mr. Philpot asked Ms. Loesch how many people use that facility for marijuana addiction. Ms. Loesch said she does not have the number for marijuana addiction patients, but mostly youth patients are those that are treated for marijuana addiction.

Lucy Hernandez, a twenty-one year resident, spoke in opposition to the dispensary at this location. She asked the Mayor and City Council to respect the ordinance in place, do not change it, and not allow a dispensary at this location.

Jim Crystal, told the Mayor and City Council he loves Crystal Lake and he thinks the proposed location is appropriate, and he supports the request. He said he visited the dispensary in Lake in the Hills and it was very well run. He said addiction is a terrible thing and must be considered, but this a very well run business and it is a great opportunity for the City.

Ms. Hernandez added she is not against a dispensary, but said there is a better location for the dispensary.

Mayor Haleblan closed public comment for this request.

Councilman Hopkins asked City staff what the regulations are for liquor licenses regarding buffers. Deputy City Manager Eric Helm stated there is a 100-foot buffer requirement from schools and churches. Ms. Cowlin said the distance is measured from the property line.

Councilman Hopkins asked if it was because the property is zoned Manufacturing. Ms. Cowlin explained the neighboring church parcel is unique in that is very large and the building is set

back 270 feet from the property line, instead of 30 feet as is typically found in this type of zoning.

Councilman Hopkins clarified this parcel is being measured from building to building instead of building to property line. Ms. Cowlin said this is correct.

Councilman Hopkins asked the petitioner what is special about this property and if other properties were considered. Mr. Scott said other parcels were considered. He indicated the proposed site is, in many ways, the perfect site in terms of land use – being in a very commercial area, the building has been vacant for three years and would be an adapted reuse.

Mr. Scott said the church is kind of an anomaly, being located in a manufacturing zoning district. He said most are in residential and commercial areas. The atypical location of a church on property zoned for manufacturing (with a Special Use Permit) and the lot shape (if squared off it would meet ordinance requirements) are reasons for the hardship.

Councilman Hopkins said there are actually several churches located in manufacturing areas in the City. He asked City Attorney John Cowlin if there would be an issue if the variation was granted. Mr. Cowlin said the Council had the ability to grant the variation.

Councilman Hopkins clarified there is nothing in the ordinance that would allow the location of a substance abuse treatment facility to be used as a reason for denial.

Councilwoman Brady agreed, stating this is also not listed in the City's liquor ordinances.

Councilman Hopkins asked if there was intent to place signage on Route 14. Mr. Scott said no signage would be placed on Route 14. He said signage will be tasteful – a business identification sign and possible a monument sign, but no signage will be off site.

Councilman Hopkins said a sign variation is not an option for him. He said signage must meet the ordinance. Mr. Scott said the petitioner will not be back to the City Council asking for a sign variation.

Councilwoman Montford asked what would be on the signage. Mr. Scott said the Americanna Dream name would be on the sign to identify the business.

Councilman Hubbard said he thought the buffer was too restrictive. He said there is a 7-11 in the Coventry Plaza that sells alcohol and that is right next to a school. He said there is no difference in this case. He said the setback from the church is far enough and he is in support of the request.

Councilwoman Brady asked if the church received notice of the variation. Ms. Cowlin said signage was posted on the property, and that notification is sent to properties within 200 feet. She said it was also posted in the newspaper and on the City website. Ms. Cowlin said they met all notification requirements.

Councilwoman Brady said she agreed with Councilman Hubbard that the buffer requirement was too restrictive. She said the proposed dispensary is in a good location and due to the building location on the property that there is a hardship.

Councilman Philpot asked Ms. Cowlin if staff knew the distance from the dispensary to the Rosecrance facility. Ms. Cowlin said Rosecrance is classified as a medical use and there are no buffer requirements from a medical use. She said it is over 250 feet away.

Councilman Philpot asked the petitioner if they would have additional security and/or work with the police on high-traffic days. Mr. Ferrell said yes, and this is standard for all dispensary locations. He said staff would meet with the Police Department and review the security plans.

Councilman Philpot asked Chief Black if this was satisfactory. Chief Black said he has reviewed the security plans and they are consistent with guidelines and regulations. He said the department would be happy to sit down with the petitioner for a review.

Councilman Philpot asked if there has been an increase in citations for marijuana use since the dispensary opened in Lake in the Hills. Chief Black said he is not aware of an increase, but this was one of the department's concerns when the ordinance first passed. He said cannabis is hard to detect because there is not a test (like a breathalyzer) easily available.

Councilman Philpot said he agrees with Councilman Hubbard and Councilwoman Brady that the buffer is restrictive. He said he is in support of the request.

Councilwoman Ferguson said she spoke with a Lake in the Hills police officer regarding drug crime rates. She said there has been an increase in traffic, not crime numbers.

Councilwoman Ferguson said she worked with many substance abuse cases in her work. She appreciated concerns regarding triggers in the location near Rosecrance, there can be many other triggers throughout the City. She said Rosecrance is located over 1,000 feet away. She said she is in favor of the proposal.

Mayor Haleblian said he is in support of the project. He said the use will fill a building that has been vacant for three years, and the company is top notch. In addition, the location is near but not on Route 14, and has plenty of parking.

Victor Filippini said the petitioner is in support of the small changes made to the ordinance that was posted to the website. He suggested the motion incorporate the changes to the ordinance.

Councilwoman Montford thanked the petitioner for investing in the community.

Councilwoman Brady moved to adopt an Ordinance granting the Special Use Permit with Variation to the buffer requirement to allow CL Dispensary, a Cannabis Dispensary at 501 Pingree Road with conditions in the staff report and changes outlined by Mr. Filipinni. Councilman Philpot seconded the motion. On roll call, all present voted yes.

19. Video Gaming Push Tax

Finance Director Jodie Hartman provided the Mayor and City Council with an overview of the proposed tax. She explained the evolution of video gaming in Crystal Lake as well and the number of licensed establishments and the amount of revenue collected by the City over the past several years.

Ms. Hartman explained the shared revenue formula for video gaming. She said the State receives 25%, 1% is for video gaming communication software, the City receives 5%, and 69% is shared between establishments and gaming companies.

Ms. Hartman explained that the video gaming push tax is a fairly new tax, which was first passed by the Village of Oak Lawn and was effective in 2020. Tinley Park and Waukegan adopted similar taxes in 2020, and Decatur did as well in 2021. Schaumburg, Hanover Park, Joliet and others are currently considering a tax similar to Crystal Lake.

She said Illinois Senate Bill 521 seeks to grant the State exclusive rights to tax or impose fees on gaming from June 2021 forward. Currently the bill will allow municipalities with ordinances establishing the tax prior to June 2021 to keep but not modify the tax. New ordinances could not be established after this date. It is still unknown if, and in what form, the bill will pass.

Ms. Hartman explained how the City's proposed tax would work. She said the player is charged \$0.01 for each bet ("push"). The gaming operator and establishments are responsible for collecting and remitting the tax to the City.

Due to pending litigation in other communities, the exact amount of revenues to be collected is unknown. City staff estimates based on the amount of money put into machines, \$70,000 to \$80,000 annually based on one-dollar bets and \$130,000 - \$200,000 annually based on two-dollar bets (based on the amount of money played including winnings). There is a lot of uncertainty in this area as not a lot of information is forthcoming from the State (how many "pushes" were made).

Councilman Hubbard asked Ms. Hartman to clarify how the numbers were figured and asked if more tax would be collected if more \$1 pushes were made. Ms. Hartman said staff wanted to take a conservative approach and explained more money is collected if pushes are made including monies won (played) on games. For example, a person bets \$10 and wins \$50 and continues to play with the \$60. More money has been played in the system. She said the State of Illinois recently raised the maximum amount allowed per play from \$2 to \$4, which would double the potential amount collected.

Mayor Haleblan asked if there was anyone in the public who wished to speak on this item.

Paul Leech, owner of the Cottage and other local restaurants, said he has looked at both sides of this issue. He asked where does the penny tax come from? The gaming operators say that this penny comes out after the State takes their portion.

Special legal counsel Victor Filippini said it is coming from the player. He explained that instead of paying a \$1 bet prior to the ordinance, the player would now pay \$1.01 after the ordinance in terms of each play.

Mr. Leech asked how the City will get the money, stating that it is his understanding that the machines are not programmed to take the extra penny. He said he did not want local small businesses to have to start paying more taxes coming out of the pandemic.

Mr. Leech said, that the money is already divided up amongst the State, City, establishment and gaming companies.

Councilwoman Brady said the City Council is not trying to hurt small businesses. She said the City is in a time crunch, needing to get a placeholder in before the State legislation passes.

Councilwoman Brady said the City has no intention of enforcing the ordinance right away, and has many questions as well. She said staff spoke with the Village of Oak Lawn and the small gaming companies paid the tax, it was the larger gaming companies that had the issue. She said the terminal programming is designed to do whatever you want it to do and there is a limited number of companies that program the machines.

Councilwoman Brady said the City is putting its placeholder in so that if things work out for everyone with the legislation, this is another revenue source for the City. She said the tax is not designed to hurt small businesses. She said the City will need to figure out the mechanics of how the tax is implemented, and will work with other municipalities like Oak Lawn, Schaumburg, Hanover Park and Joliet.

Councilwoman Brady said if it is determined that the small business owners are paying the tax, she will not support enacting it. She said it is not the intention of the City to add another tax on small businesses.

Mr. Leech said he was happy to hear this is the case.

Councilwoman Brady said the City will have to see how things play out, but if the City Council does not act today and establish the placeholder, the City will not be able to do anything in the future to establish the tax as a revenue source.

Mr. Leech said the State is already taking a large share of the monies from gaming. Councilwoman Brady agreed, and added every year there are more unfunded State mandates that the City has to pay for, including wastewater treatment fees and body cameras, so the City needs to protect itself.

Councilwoman Brady said the City would approve the ordinance as a placeholder but not take further action at this time. She said the City will wait to see what happens with the State legislation and pending litigation to determine how to move forward.

Mayor Haleblan closed the public comment on this item.

Councilman Hubbard said he is willing to approve the ordinance as a placeholder but he is not ready to enforce the ordinance at this time. He said the math seems like a shell game where money is skimmed off the top.

Councilwoman Brady said there are still many details that need to be figured out, but unfortunately, legislation was introduced at the State level that would prohibit municipalities from enacting taxes and also takes big steps to restrict what the City can control.

Councilwoman Montford said her concern is the tax would put Crystal Lake small businesses at a competitive disadvantage. She asked if the penny push would cause people to go to Cary or another community that did not have the additional tax.

Councilwoman Brady said people have spent 9 million dollars so far this year on gaming, and she felt a penny is not going to change this. She said she views it similarly to credit card fees paid by the consumer at certain establishments.

Councilwoman Brady said she could be completely wrong, but she views the machines as an added convenience at establishments, the consumer is not going to a casino. She said it is such a small amount, she does not see people going to other communities.

Councilwoman Montford said she understands, but this is a concern.

Councilwoman Brady said Oak Lawn has not seen a decrease in the amount of funds collected since enacting their ordinance. Councilwoman Montford said this is good information.

Councilman Philpot added that the Council has not heard from anyone who gambles about how they feel about the tax. He said he think that if people felt strongly about it, they would talk to a Councilmember or attend the meeting.

Councilmembers Montford and Hubbard said they are not sure many people know this is being discussed.

Councilwoman Ferguson said she struggles because she has consistently voted against video gaming. However, she said she can support the ordinance tonight as a placeholder only.

Councilman Hopkins agreed and said it would be prudent to pass the ordinance as a placeholder and take the time to figure out the rest of the information needed.

Mayor Haleblan said he thinks that the placeholder needs to be approved, but said for the record, he will not enforce the ordinance if it will hurt small businesses.

Mayor Haleblan said the State is constantly adding unfunded mandates making it harder for municipalities to do get things done and if this is a revenue stream that the City can tap into that will not hurt local businesses it needs to be explored. He said no one on the City Council wants to harm small business, especially the hospitality industry.

Councilwoman Brady moved to adopt an Ordinance amending Chapter 268-3 of the City Code, regarding Video Gaming. Councilman Philpot seconded the motion. On roll call, all present voted yes. Motion passed.

Mayor Haleblan thanked Mr. Leech for attending the meeting and sharing his concerns.

Councilwoman Brady asked Mr. Leech to please talk to the City if he hears anything more about this issue.

Council Inquiries and Requests

Councilwoman Brady asked to revisit the cannabis ordinance and cut all buffer distances in half. She also said she had heard the petitioner state that the State no longer recognizes religious establishments as a sensitive use. As such, she asked how this impacts the City's liquor, tobacco and other ordinances. She said she would like to see these ordinances line up as well.

Councilman Philpot said he would like the buffers changes to also include cannabis related businesses.

Councilwoman Ferguson said many temporary liquor licenses are approved for religious establishments.

Adjourn to Executive Session

Councilman Hopkins moved to adjourn to Executive Session for the purpose of discussing matters of pending and probable litigation, the sale, purchase or lease of real property, collective bargaining and personnel. Councilman Hubbard seconded the motion. On roll call, all present voted yes.


Reconvene to Regular Session

Councilman Hopkins moved to reconvene to Regular Session. Councilman Philpot seconded the motion. On roll call, all present voted yes.

Adjourn

There being no further business, Councilwoman Ferguson moved to adjourn the meeting at 8:44 p.m. Councilman Hopkins seconded the motion. On voice vote, all present voted yes. Motion passed.

APPROVED



Mayor

ATTEST



City Clerk

All ordinances are adopted in pamphlet form by the authority of the Mayor and City Council.



Agenda Item No: 14

City Council Agenda Supplement

Meeting Date: November 2, 2021

Item: Referral of a Text Amendment of the Unified Development Ordinance (UDO) to allow Cannabis Dispensary, and all other Cannabis Business Establishments such as craft growers, cultivation centers, infusers/processors and transporters, and Medical Cannabis uses as Limited Uses along with reducing the buffer requirements to the Planning and Zoning Commission.

Recommendation: Motion to refer the UDO Text Amendment to the November 17, 2021 Planning and Zoning Commission meeting for review and recommendation.

Staff Contact: Kathryn Cowlin, Director of Community Development
Elizabeth Maxwell, City Planner

Background:

- The City Council adopted an Ordinance on October 1, 2019, which allowed a Cannabis Dispensary as a Special Use in the B-2 zoning district. During those discussions, it was stated that the City would reevaluate other Cannabis Business Establishments after one year.
- The City Council adopted an Ordinance on May 19, 2020, which added a review criterion for cannabis dispensaries that limited the maximum number of cannabis dispensaries operating within the City at one time to two.
- The City Council adopted an Ordinance on January 19, 2021, which allowed Cannabis Infuser/Processors, transporter, cultivation center and craft grower as a Special Use in the Manufacturing and Watershed zoning districts. The Ordinance also amended the requirements for medical cannabis uses to mirror the recreational cannabis uses.

Proposed Amendment:

- The proposed text amendment would allow Cannabis Dispensaries, Other Cannabis Business Establishments, Medical Cannabis Dispensaries and Medical Cannabis Cultivation Centers as a Limited Use with the City. Limited use Permits are reviewed and approved by City staff, as long as the review criteria can be met. If a criterion cannot be met, the petitioner would have the opportunity to request a Special Use Permit be reviewed by the Planning and Zoning Commission and City Council.

- The proposed text amendment would reduce the buffers for all cannabis uses from 500 feet to 250 feet.
- A review criterion limiting the number of permits for the Cannabis Dispensary could also be eliminated.
- Below are the proposed change to the Land Use Table and Limited Use criteria see strikethrough language below.

ARTICLE 2-300

P = Permitted Use L = Limited Use Permit S = Special Use Permit

	F	E	RE	R-1	R-2	R-3A	R-3B	R-O	O	B-1	B-2	B-4	M-L	M	W	Use Criteria
Industrial	Cannabis Infuser/Processor													S L		2-400-77
	Cannabis Transporter													S L		2-400-77
Agricultural	Cultivation Center													S L	S L	2-400-77
	Craft Grower													S L	S L	2-400-77
Medical Facility	Medical Cannabis Cultivation Center													S L	S L	2-400-66
	Medical Cannabis Dispensary										S L					2-400-67
Miscellaneous Store Retail	Cannabis Dispensary										S L					2-400-76

ARTICLE 2-400 C

66. Medical cannabis cultivation centers. All medical cannabis cultivation centers must comply with the following standards:

[Added 6-17-2014 by Ord. No. 7038]

- Minimum distance from protected uses: No medical cannabis cultivation center shall be established, maintained or operated on any lot that has a property line with ~~2,500~~ 250 feet of the property line of a preexisting public or private preschool or elementary or secondary school or day-care center, day-care home, group day-care home, part-day child-care facility, or an area zoned for residential use.
- Measurement: ~~For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the~~

~~property line of the lot on which an applicable cultivation center is located to the nearest point on a property line of any protected use (as defined in Section 2-400C-66a above). For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property of the lot on which an applicable medical cannabis cultivation center is located to the nearest point on a property line of any protected use. For occupancy purposes, if a portion of the buffer touches the property, it does not exclude the entire property. If a portion of the building is in the buffer, the entire building would be considered in the buffer and not eligible (as defined in Section 2-400C-66a above).~~

(No changes to criteria c-k)

67. Medical cannabis dispensary. All cannabis dispensaries must comply with the following standards:

[Added 6-17-2014 by Ord. No. 7038; amended 1-19-2021 by Ord. No. 7691]

- a. Minimum required buffer from protected uses:
 - i. A medical cannabis dispensary may not be located within ~~500~~ 250 feet of the property line of a preexisting public or private nursery school, preschool, primary or secondary school, day-care center, 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.
 - ii. A medical cannabis dispensary may not be located within ~~500~~ 250 feet of the property line of an existing religious establishment, parks and open space, library, or recovery home.
 - iii. A medical cannabis dispensary may not be located within 250 feet of residentially zoned property.
 - iv. For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property of the lot on which an applicable medical cannabis dispensary is located to the nearest point on a property line of any protected use. For occupancy purposes, if a portion of the buffer touches the property, it does not exclude the entire property. If a portion of the building is in the buffer, the entire building would be considered in the buffer and not eligible.
 - v. Summary of buffer requirements:

Use	Required Buffer (feet)
Schools	500 250
Childcare	500 250
Religious establishment	500 250
Residentially zoned property	250
Parks and open space	500 250
Library	500 250
Recovery home	500 250

(No changes to criteria b-j)

76. Cannabis Dispensary. All cannabis dispensaries must comply with the following standards:

[Added 10-1-2019 by Ord No. 7576]

a. Minimum required buffer from protected uses:

- (i) A Cannabis Dispensary may not be located within ~~500~~ 250 feet of the property line of a pre-existing public or private nursery school, preschool, primary or secondary school, day care center, 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.
- (ii) A Cannabis Dispensary may not be located within ~~500~~ 250 feet of the property line of an existing religious establishment, parks and open space, library, or recovery home.
- (iii) A Cannabis Dispensary may not be located within 250 feet of residentially zoned property.
- (iv) For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property of the lot on which an applicable Cannabis Dispensary is located to the nearest point on a property line of any protected use. For occupancy purposes, if a portion of the buffer touches the property, it does not exclude the entire property. If a portion of the building is in the buffer, the entire building would be considered in the buffer and not eligible.

(v) Summary of Buffer Requirements:

Use	Required Buffer (feet)
Schools	500 250
Childcare	500 250
Religious establishment	500 250
Residentially zoned property	250
Parks and open space	500 250
Library	500 250
Recovery home	500 250

(No changes to criteria b-j)

~~k—Maximum number of cannabis dispensaries: Not more than two cannabis dispensaries shall be authorized to operate within the City at any one time.~~

~~[Added 5-19-2020 by Ord. No. 7621]~~

77. Other cannabis business establishments. All cannabis business establishments other than a cannabis dispensary must comply with the following standards:

[Added 1-19-2021 by Ord. No. 7691]

- a. All activity must take place within an enclosed building including, but not limited to, growing, harvesting, processing, storage, loading and unloading, and product packaging

- b. Emission of dust, fumes, vapors, or odors in a manner that impacts neighboring premises or properties or any public property or right-of-way shall be prohibited. To the extent necessary, mechanical equipment shall be installed to eliminate odor leaving the building.
- c. Minimum required buffer from protected uses:
 - i. The cannabis business establishment may not be located within ~~500~~ 250 feet of the property line of a preexisting public or private nursery school, preschool, primary or secondary school, day-care center, 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.
 - ii. The cannabis business establishment may not be located within ~~500~~ 250 feet of the property line of an existing religious establishment, parks and open space, library, or recovery home.
 - iii. The cannabis business establishment may not be located within ~~500~~ 250 feet of residentially zoned property.
 - iv. For the purposes of this section, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point on the property of the lot on which an applicable other cannabis business establishment is located to the nearest point on a property line of any protected use. For occupancy purposes, if a portion of the buffer touches the property, it does not exclude the entire property. If a portion of the building is in the buffer, the entire building would be considered in the buffer and not eligible.
 - v. Summary of buffer requirements:

Use	Required Buffer (feet)
Schools	500 250
Childcare	500 250
Religious establishment	500 250
Residentially zoned property	500 250
Parks and open space	500 250
Library	500 250
Recovery home	500 250

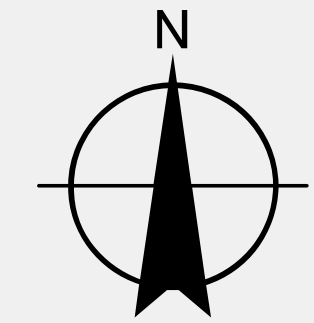
(No changes to criteria d-g)

Votes Required to Pass: A simple majority.

Cannabis Buffer Map

2021 - 2022

City of Crystal Lake, Illinois



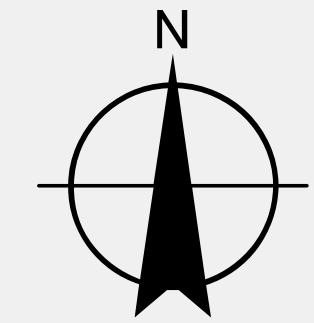
- 250 Foot Buffer
- Buffer Distances:
 - Residential: 250 ft
 - Schools: 250 ft
 - Parks: 250 ft
 - Churches: 250 ft
 - Daycares: 250 ft
 - Library: 250 ft
 - Recovery Homes: 250 ft
- Railroad
- Road Centerline
- Water / Hydrology
- Municipal Boundary
- Tax Parcel

0 0.25 0.5 1 Miles

Cannabis Buffer Map

2021 - 2022

City of Crystal Lake, Illinois



- 500 Foot Buffer
- Buffer Distances:
 - Residential: 250 ft
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