



**MINUTES
COMMITTEE OF THE WHOLE MEETING
Monday, July 8, 2019**

Present:

Mayor Brandt	Trustee Harms Muth
Trustee Grujanac	Trustee Hancock
Trustee Leider	Trustee Pantelis
Trustee Raizin	Village Clerk Mastandrea
Village Attorney Simon	Village Manager Burke
Finance Director/Treasurer Peterson	Public Works Director Woodbury
Chief of Police Leonas	Assistant Village Manager/Community & Economic Development Director Gilbertson

ROLL CALL

Mayor Brandt called the meeting to order at 7:13 p.m., and Village Clerk Mastandrea called the Roll.

2.0 APPROVAL OF MINUTES

2.1 Acceptance of the June 24, 2019 Committee of the Whole Meeting Minutes

The minutes of the June 24, 2019 Committee of the Whole Meeting were approved as submitted.

3.0 ITEMS OF GENERAL BUSINESS

3.1 Planning, Zoning and Land Use

3.2 Finance and Administration

3.21 Report and Discussion Regarding Regulation and Taxation of Recreational Cannabis Businesses (Village of Lincolnshire)

Village Manager Burke introduced Village Attorney Simon to address questions and concerns regarding regulation and taxation of recreational cannabis as it relates to recent changes in State law.

Village Attorney Simon stated at the end of June, the Governor formally signed into law the legalization of recreational cannabis; the authority for adults over 21 to possess limited amounts of cannabis and to use it in the privacy of their home. This law will go into effect on January 1, 2020. Due to this state law, local authorities will not be able to make any other decisions regarding possessing of cannabis within the community. Village Attorney Simon highlighted the legal quantities and stated the Village code will need to change to match what the state allows individuals to possess. Village Attorney Simon stated the new

law does provide the Village the authority to decide whether to allow the sale of recreational cannabis at licensed dispensaries. The state will allow up to 47 recreational cannabis dispensaries within the Chicago metropolitan. Village Attorney Simon explained municipalities also have the authority to regulate whether places that sell recreational cannabis also provide for on-site consumption. Village Attorney Simon noted there is little limitation on the Village's authority to determine private use at places that otherwise would be considered private property. In the event the Village decided to allow the sale of cannabis, the Village may adopt a sales tax that applies specifically to the product. The Village could levy a tax in $\frac{1}{4}\%$ increments, up to a maximum of 3%, of the gross receipts received from the recreational cannabis dispensary businesses.

Mayor Brandt asked if the Village would have to start at 0.25% tax on the sale of cannabis, or could the percent of tax start higher. Village Attorney Simon stated it could start in any $\frac{1}{4}\%$ increment up to the maximum allowable under state law of 3%. Village Attorney Simon noted if the Village decided to levy a tax for this, adopt an Ordinance, and file with the Department of Revenue by June 2020, the tax revenue would start being collected by September 1, 2020. Village Attorney Simon stated even if the Village prohibited the sale of recreational cannabis, the law provided for the redistribution of some of the States' tax revenue to help offset the cost of enforcement. The fund that distributes the local share of the state income tax is the Local Government Distributive Fund (LGDF). The recreational cannabis legislation allocates 8% of State revenue of any kind related to the licensing, distribution, and permitting of cannabis, would be transferred to the LGDF and distributed to local governments on a per capita basis. According to the State, this amount is to be earmarked for law enforcement measures designed to control the illegal use and help promote the enforcement of impaired driving. Village Attorney Simon noted there is not a test currently available to the Police for roadside testing. The Illinois state law enforcement training board will issue grants for this same purpose.

Village Attorney Simon stated if the Board would like to get feedback from the residents regarding the bill via a referendum, the advice from legal council would be to ban it temporarily, pending the results of a referendum, but the referendum would not be certified until April 2020. Village Attorney Simon noted this timeframe is well after the sale of recreational cannabis will be permitted, and many dispensaries would have already received licenses.

Village Attorney Simon provided information regarding what zoning the Village could exercise with regard to the new law. The Village could make each recreational cannabis dispensary permitted only as a special use permit. Regulating cannabis dispensaries via a special use would allow the Village to impose distance restrictions to separate this

type of use from other uses. The Village could ensure no advertisement of cannabis products occurs within 1,000' of schools, libraries, public parks, and other sensitive places that may be identified. Village Attorney Simon noted the Village would be allowed to limit the number of dispensaries permitted as a special use, and noted this number could be limited to one dispensary. The Village can also regulate hours of operation. Village Attorney Simon noted when the state allowed for medical marijuana, it was mandatory that the Village zone for a dispensary, and the OI/d zoning district was created as a location for a dispensary under a special use permit, and noted this could be a starting point in terms of drafting an amendment to the Village Code if the Village wanted to allow for this type of use. The state is going to start providing application forms to interested businesses in October. Village Attorney Simon noted recreational cannabis businesses will want to know when investigating locations if a community is open to contemplating this type of use in their community. Mayor Brandt asked if police could still go into the organization to check for underage sale. Village Attorney Simon confirmed Police could go into these businesses to check and ticket for sale to minors.

Trustee Leider asked Village Attorney Simon to comment on federal banking laws related to cannabis. Village Attorney Simon stated the law that legalized recreational cannabis in Illinois comprehensively amended the Illinois banking laws and has instructed banks, under the regulation of the jurisdiction of Illinois' banking commissioners, to cooperate and facilitate whatever transactions they can. Village Attorney Simon noted federal law considers marijuana an illegal drug, and the Village cannot usurp federal bank law. Trustee Leider asked if it is fair to assume this would be a cash industry and that would be difficult to track tax receipts. Village Attorney Simon stated a dispensary may perform business with a state-chartered bank. Cannabis businesses would not be able to do business with a federal bank.

Mayor Brandt noted each Board member received a letter from District 103 Superintendent, Scott Warren, which states concern regarding increased use of the substance to underage youth and recommends the Village Board not permit cannabis-related businesses in the Village. Trustee Grujanac stated she heard from School District 125, and they have no position regarding allowance of dispensaries.

Mayor Brandt invited members of the public to speak on this agenda item. Ms. Jamie Epstein, resident of 236 Southfield Drive in Vernon Hills and Executive Director of Stand Strong Coalition, stated when access to a drug increases, it proves not to be good for teen use. Ms. Epstein asked the Board not to allow a recreational dispensary in Lincolnshire.

Mayor Brandt stated no decision will be made at the current meeting regarding this item.

Dr. Christina Cortesi, Substance Abuse Prevention Coordinator at Stevenson High School and co-sponsor of Catalyst, stated she is not in attendance to represent Stevenson High School but as a representative in her field. Dr. Cortesi stated she is of the same opinion as Ms. Epstein and noted concern with the decision the State made with the law. Dr. Cortesi encouraged the Board to opt-out of recreational marijuana.

Ms. Rebecca Jin, resident of Long Grove, student at Stevenson High School, and Catalyst member, provided a statement of concern regarding recreational marijuana and allowing dispensaries in Lincolnshire.

Ms. Molly Duffey, resident of Buffalo Grove, student at Stevenson High School, and Catalyst member, provided a statement of concern regarding recreational marijuana, allowing dispensaries in Lincolnshire, and student addiction.

Trustee Hancock encouraged Catalyst to provide the Village Board with information and research from other states that have legalized marijuana.

Trustee Raizin asked if the report outlined by the Catalyst members has information on addictions. Ms. Epstein stated one in six youth who try marijuana become addicted.

Mayor Brandt noted she was contacted by two residents who run dispensaries for medical marijuana and are interested in applying for a permit locally.

Trustee Pantelis asked if we will be limited to the number of dispensaries we have in Lincolnshire. Village Attorney Simon stated the Village can say they want no dispensaries but if the Village wants them, they can permit as many as they desire, but only 47 licenses would be allowed within the Chicago metropolitan area on a first come, first serve basis. Village Attorney Simon clarified that if an applicant wanted a dispensary and there was only one available, the first application that met special use and State regulations would be permitted. Trustee Harms Muth asked what the state process is. Village Attorney Simon noted state law is designed to fast track permitting for those medical dispensaries who also want to sell recreational marijuana. There are no medical dispensaries currently in Lincolnshire, but one is located in Buffalo Grove.

Trustee Raizin asked Stand Strong how the effects of marijuana compare to alcohol when driving a vehicle. Dr. Cortesi noted they are

different drugs, so there will be different results, but both impair driving. Dr. Cortesi noted there are not comparable limits between alcohol and marijuana when driving a vehicle.

Trustee Grujanac asked Chief of Police Leonas how this will be controlled in Lincolnshire. Chief of Police Leonas stated he was against the legalization and has concerns with any municipality that will allow it. Chief of Police Leonas stated the Lincolnshire Police Department can be trusted with regulating this, but does not know the implications if a cannabis-related business opens on a border of another municipality. If the Board moves forward, he feels confident that the Police will handle this change in law appropriately.

Trustee Grujanac asked if any other municipalities in the area have made a firm “yes” vote in allowing recreational marijuana. Village Attorney Simon stated he is not aware of any other municipality that has brought this forward. Trustee Leider asked if there was any other talks, meeting, or reporting by other municipalities regarding this issue. Ms. Epstein noted Deerfield has brought it forward to the Zoning Board and Highland Park is meeting currently. Village Attorney Simon noted both of these communities have medical dispensaries. Village Manager Burke noted Lake Bluff referred it to their Zoning Board, and their Board conveyed they were not interested in seeing a dispensary.

Trustee Hancock asked Stand Strong to provide any materials they had of the effects of marijuana on a younger brain. Ms. Jin stated there was a study done in Montreal that showed proof of marijuana affecting the young brain and noted she could provide the document.

Village Attorney Simon stated the law regarding the limitations on smoking cigarettes under the Smoke Free Illinois Act would apply to smoking marijuana. If you are in your own home, there would be limits to smoking in front of minors.

Mayor Brandt asked the Board what their thoughts are currently on allowing dispensaries in Lincolnshire. Trustee Hancock stated he realizes the concerns, but can see how it would be more regulated being sold through a dispensary and eliminate the risks that come with people accessing the material on the black market. Trustee Raizin noted she has not reached a decision and would like to get more educated. Trustee Harms Muth stated she is conflicted and stated this issue is not going away. Trustee Leider stated this is a clear choice for him and he is strongly against it. Trustee Pantelis stated she is still conflicted, but is leaning toward not allowing a dispensary.

Mayor Brandt asked Chief of Police Leonas how it would be handled if Lincolnshire had a dispensary compared to not and a bordering municipality having one. Chief of Police Leonas stated if Lincolnshire decided to have the dispensary, at least Lincolnshire could control the

location compared to a surrounding community possibly putting a dispensary closer to a school, and other communities may not have the same regulations Lincolnshire may have. Mayor Brandt stated she would like some data from other municipalities in states that have dispensaries allowing recreational marijuana regarding traffic and police incidents. Mayor Brandt stated she would also like to discuss this with the surrounding municipalities to see what their thoughts are.

Trustee Grujanac stated her opinion is that she is not happy it was legalized but would want to be involved with how it will be controlled. Trustee Hancock noted the reality is if the children want to get access they will find a way, and would rather be involved with how it is controlled.

Village Attorney Simon stated one of the requirements is a strong security program for the dispensaries.

Mayor Brandt suggested the Board get educated, think about the issue, staff will get as much information regarding this as possible, and schedule a meeting with surrounding municipalities before a decision is made. Trustee Leider suggested comparing the pros and cons.

Mayor Brandt asked staff to inform the Board if any other nearby community makes a decision on this issue.

Village Manager Burke noted that there will need to be an Ordinance regarding enforcement before the end of the fiscal year regardless.

Trustee Hancock asked if growing cannabis should be a consideration of part of our Ordinance. Village Attorney Simon confirmed this should be a topic of discussion for the Ordinance amendments.

Village Attorney Simon stated other issues that must be addressed are personnel policies. The State amended the “Right to Privacy in the Workplace” law that states employers cannot discriminate against employees for performing legal acts outside of the work place. The Village can adopt zero-tolerance policies for acting impaired in the work place, but testing currently does not provide results of when marijuana was actually consumed. Trustee Leider asked what the current policy is. Village Manager Burke stated there is a drug free workplace policy in place. If an employee is prescribed a drug that would impair them from doing their job or operate machinery, they have an obligation to alert their supervisor, and all illegal drugs are prohibited. Village Manager Burke stated staff is working through the new law with Village Attorney Simon and some of the staff will be attending workshop sessions to learn more about how this will affect employment policies. When the medical marijuana laws changed, Village policy changed to accommodate that and no employee is allowed to report to work under the influence of a substance. Village Manager Burke noted staff will

have additional training for reasonable suspicion to identify a person that may be under the influence of marijuana. Chief of Police Leonas stated the Police have a bargaining contract with the union not to engage in illegal drugs, and since marijuana is still illegal federally, the existing collecting bargaining agreement provisions would stand. Village Manager Burke stated most of the Public Works employees are CDL drivers which is governed by the Federal Department of Transportation regulations as well.

It was the consensus of the Board to open up discussion at the Committee of the Whole meeting in four weeks.

- 3.3 Public Works
- 3.4 Public Safety
- 3.5 Parks and Recreation
- 3.6 Judiciary and Personnel

4.0 UNFINISHED BUSINESS

5.0 NEW BUSINESS

6.0 EXECUTIVE SESSION

7.0 ADJOURNMENT

Trustee Grujanac moved and Trustee Leider seconded the motion to adjourn. Upon a voice vote, the motion was approved unanimously and Mayor Brandt declared the meeting adjourned at 8:10 p.m.

Respectfully submitted,
VILLAGE OF LINCOLNSHIRE

Barbara Mastandrea
Village Clerk