

Exhibit B: Amendments to Chapter 151 of the Lake County, Illinois Code of Ordinances

Underline and ~~Strikethrough~~–Staff recommendations

Underline and ~~Strikethrough~~– ZBA recommendations

Underline and ~~Strikethrough~~ –PWPT recommendations

I. Adult-Use Cannabis Facilities

Amendment #01

Summary: Modify use table to allow for adult use cannabis businesses as a principal use, either by-right or by delegated Conditional Use Permit (CUP).

Amend Section 151.111/Use Table to read as follows:

	Use Types	Residential												Nonresidential									
Use Category		AG	RE	E	R1	R2	R3	R4	R4a	R5	R6	RR	GO	LC	RC	GC	LI	II	OS	Use Standard	CUP Decision		
Adult-Use Cannabis Facilities	Adult-Use Cannabis Dispensary															<u>C</u>	<u>C</u>	<u>C</u>		151.112(A)	ZBA		
	Adult-Use Cannabis Craft Grower															<u>C</u>	PG	PG		151.112(A)	ZBA		
	Adult-Use Cannabis Processing Center															<u>C</u>	PG	PG		151.112(A)	ZBA		
	Adult-Use Cannabis Infuser															<u>C</u>	PG	PG		151.112(A)	ZBA		
	Adult-Use Cannabis Cultivation Center																<u>C</u>	<u>C</u>		151.112(A)	ZBA		
	Adult-Use Cannabis Transporter																<u>C</u>	<u>P</u>	<u>P</u>		151.112(A)	ZBA	

Summary: Modify use standards to regulate adult use cannabis businesses as a principal use.

Amend Section 151.112/ Use Standards to read as follows and renumber subsequent sections accordingly:

(A) Adult-Use Cannabis Facilities.

Preface: It is the purpose and intent of this Section to provide zoning regulations of facilities that dispense, grow, process, infuse, cultivate and transport cultivate, process, infuse, transport, and dispense adult-use cannabis within unincorporated Lake County as allowed by the Cannabis Regulation and Tax Act, 410 ILCS 705 (Act). Certain provisions of the Act are referenced in the Ordinance as "Commentary". This Section is not intended to occupy any regulatory field over which the State of Illinois was granted jurisdiction under the Act and all facilities shall comply with the regulations provided in the Act. The Act may be amended from time-to-time, and regulations promulgated thereunder, and it is the intent of this ordinance to be read in conjunction with any amendments to the Act and regulations promulgated. Pursuant to Section 55-256 of the Act, any conflict between the Act and this Ordinance shall be resolved in favor of the Act. Approved business establishments shall not commence operations until an Adult Use License has been procured from the appropriate state authority per the Act.

(1) Adult-use cannabis dispensary.

- (a) The use shall be subject to Site Capacity/Site Plan Review procedures of Section 151.070.
- (b) Adult-Use cannabis dispensaries proposed within certain zoning districts shall comply with the general development standards as specified within this code. These standards shall include separation from protected uses, setbacks, buffering, parking, signage, outdoor lighting, site layout, access, hours of operation, exterior displays, advertising, and security. Approval of site capacity/site plan review may be obtained concurrently at the time of any required Conditional Use Permit.
- (c) Applicant shall install building enhancements, such as security cameras, lighting, or other improvements, as set forth in the conditional use permit, to ensure the safety of employees and customers of the dispensary. These improvements shall be determined based on the specific characteristics of the dispensary floor plan and the building site.

COMMENTARY: All dispensaries shall comply with the Cannabis Regulation and Tax Act (410 ILCS 705) and all rules and regulations adopted in accordance thereto.
--

(d) Dimensional standards.

- 1. Minimum distance from protected uses: No adult-use cannabis dispensary shall be established, maintained, or operated on any lot that has a property line within 250 feet of the property line of a pre-existing forest preserve property or an area zoned for residential use; within 500 feet of the property line of a pre-existing daycare center, day care home, or residential care home, college, hospital, park, or library; or within 1000 feet of a public or private nursery school, preschool, primary, or secondary school. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section. In all cases, the buffer shall be measured from the closest portion of the buffered property outside of areas considered unbuildable, practically inaccessible or otherwise unusable by occupants for the "sensitive use" due to the presence of protected natural resources such as wetlands, non-navigable water bodies, or other impassable/unbuildable natural features. For forest preserve property, the determination of applicable properties shall be made after consultation with forest preserve staff to account for current or future plans for improvements of structures within sensitive areas that would allow areas to be accessible or usable. Measurement: For the purposes of the minimum distances 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 dispensary is located to the nearest point on any property line of any protected use.
- 2. Setbacks: Each adult-use cannabis dispensary shall be a minimum of 30 feet from its surrounding property lines.
- 3. Each dispensary shall be a minimum of 1,500 feet from all other dispensaries, as measured from the applicable property lines.

(e) Parking.

- 1. For purposes of determining required parking, dispensary applicants shall submit a parking plan for review and approval that includes estimates of parking demand based on the following:

- Phase 1 Parking Plan: Denote adequate parking supply based on peak demand during initial opening (minimum three-month period).
- Phase 2 Parking Plan: Denote adequate parking supply based on peak demand during normal operations commencing after the conclusion of Phase 1.

Peak demand shall be determined by analysis of reliable data collected from similar uses. The parking plan shall specifically address the unique operational needs of the business and include a parking narrative and traffic management plan that provides site-specific details addressing traffic circulation, stacking, queuing, etc.).

2. Visibility and security. Parking shall be located in an area which is visible from a public road or a private road that is accessible to the public. It cannot be screened from the roadway with vegetation, fencing, or other obstructions. Parking areas shall be well lit and monitored by video surveillance equipment whose live images can be viewed by dispensary staff and are continually recorded in a tamper proof format.

- (f) Exterior display. No dispensary shall be maintained or operated in a manner that causes, creates, or allows the public viewing of adult-use cannabis, adult-use cannabis infused products, or cannabis paraphernalia or similar products from any sidewalk, public or private right-of-way or any property other than the lot on which the dispensary is located. No portion of the exterior of the dispensary shall utilize or contain any flashing lights, search lights, or spotlights or any similar lighting system.

- (g) Signage.

1. All commercial signage for a dispensary shall be limited to one flat wall sign not to exceed ten square feet in area, and one identifying sign, not to exceed two square feet in area, which may only include the dispensary address; such signs shall not be directly illuminated. Exterior signs on the dispensary building shall not obstruct the entrance or windows on the dispensary.
2. Electronic message boards and temporary signs are not permitted in connection with a dispensary.

COMMENTARY: Signage and advertising shall comply with the rules and regulations set forth in the Cannabis Regulation and Tax Act (410 /LCS 705), including the following: Signage shall not contain cannabis imagery such as cannabis leaves, plants, smoke, paraphernalia, or cartoonish imagery oriented towards youth or language referencing cannabis.

Advertising: No cannabis dispensary nor any other person or entity shall place or maintain, or cause to be placed or maintained, an advertisement of cannabis or a cannabis-infused product in any form or through any medium: Within 1,000 feet of the perimeter of school grounds, a playground, a recreation center or facility, a childcare center, a public park or public library, or a game arcade to which admission is not restricted to persons 21 years of age or older; On or in a public transit vehicle or public transit shelter; On or in publicly owned or publicly operated property.

COMMENTARY: AGE AND ACCESS LIMITATIONS: Each dispensary shall prohibit any person who is not at least twenty-one (21) years of age from entering the dispensary facility, except for cardholders granted medical access under the Compassionate Use of Medical Cannabis Act over 18 years of age. Dispensaries shall not employ anyone under the age of twenty-one (21). Access to the dispensary facility shall be limited exclusively to dispensary staff and those specifically authorized under the Cannabis Regulation and Tax Act (410 ILCS 705).

(h) Operational standards.

1. A dispensary may operate between the hours of 6 AM to 10 PM local time.
2. At least 75% of the floor area of any tenant space occupied by a dispensing organization shall be devoted to the activities of the dispensing organization as authorized by the Act, and no dispensing organization shall sell food for consumption on the premises. Facility may not conduct any sales or distribution of cannabis other than as authorized by the Act.
3. Dispensaries may not have a drive-through service.

(i) Security and video surveillance.

1. Each dispensary shall be an enclosed locked facility. Each dispensary shall provide and maintain adequate security on the entire property on which the dispensary exists, including lighting, video surveillance, security personnel, and alarms reasonably designed to ensure the safety of persons and to protect the site from theft.
2. The dispensary parking area, client entrance, sales area, back room, storage areas, delivery bay, and entrance shall be monitored by video surveillance equipment whose live images can be viewed by dispensary staff and continually recorded in a tamper proof format.
3. A sign shall be posted in a prominent location which includes the following language "This area is under live/recorded video surveillance to aid in the prosecution of any crimes committed against this facility or its patrons".
4. The Planning Building and Development Director shall review the adequacy of lighting, security, and video surveillance installations with assistance from local law enforcement officials. The Director has the discretion to conduct periodic review of security features as appropriate.
5. Each dispensary shall report all criminal activities occurring on the property to the applicable law enforcement agency immediately upon discovery.
6. Deliveries shall occur between 7 am local time and 9 pm local time within a secure enclosed delivery bay and shall not be visible from the exterior of the facility.

COMMENTARY: Adult-Use cannabis dispensary facilities shall comply with all applicable security-related standards set in the Cannabis Regulation and Tax Act (410 ILCS 705).

(j) On-site consumption. On-site consumption of cannabis products shall be prohibited at retail tobacco stores, adult-use cannabis dispensaries, and on sites occupied by a dispensary or retail tobacco store.

COMMENTARY: A retail tobacco store is a retail establishment engaged in the sale of tobacco and other plants and products as defined in the Smoke Free Illinois Act (410 ILCS 82).

(2) Adult-use cannabis craft grower, processing center, infuser, cultivation center, cultivation center, processing center, infuser, craft grower

- (a) The use shall be subject to Site Capacity/Site Plan Review procedures of Section 151.070.
- (b) Adult-Use cannabis craft growers, processing centers, infusers, or cultivation centers cultivation centers, processing centers, infusers, or craft growers (support organization) proposed within certain zoning districts shall comply with the general development standards as specified within this code. These standards shall include dimensional standards, parking, signage, access, security, and noxious odors. Approval of site capacity/site plan review may be obtained concurrently at the time of any required Conditional Use Permit.
- (c) For adult-use craft growers, processing centers, and infusers permitted by right within certain zoning districts:
 - 1. The use shall require a public information meeting noticed in accordance with Section 151.045 (G)(2)(a).
 - 2. Staff shall be authorized to impose additional reasonable conditions related to the construction, layout, or operation of the proposed use designed to provide additional mitigation of impacts to the surrounding land uses or area. Such zoning conditions shall not be in conflict with state regulations or have the effect of practically preventing the establishment of the use at the proposed location.

COMMENTARY: Applicants are encouraged but not required to incorporate environmentally sustainable construction and site features including, but not limited to: carbon neutrality and alternative energy use, low impact development site and parking design, bird-safe building design, water savings, sustainable construction materials selection, and other environmentally sustainable features.

COMMENTARY: Each support organization shall comply with the Cannabis Regulation and Tax Act (410 ILCS 705) and all rules and regulations adopted in accordance thereto.

- (d) Dimensional standards.
 - 1. Minimum distance from protected uses: No support organizations shall be established, maintained, or operated on any lot that has a property line within 250 feet of the property line of a pre-existing public or private nursery school, preschool, primary or secondary school, day care center, day care home or residential care home, park (including forest preserve property), hospital, library, or an area zoned for residential use. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section. In all cases, the buffer shall be measured from the closest portion of the buffered property outside of areas considered unbuildable, practically inaccessible, or otherwise unusable by occupants for the "sensitive use" due to the presence of protected natural resources such as wetlands, non-navigable water bodies, or other impassable/unbuildable natural features. For forest preserve property, the determination of applicable properties shall be made after consultation with forest preserve staff to account for current or future plans for improvements of structures within sensitive areas that would allow areas to be accessible or usable.
 - 2. Measurement: For the purposes of the minimum distance sections, 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 support organization is located to the nearest point on a property line of any protected use.

3. Setbacks: Each support organization shall be a minimum of 30 feet from its surrounding property lines.

(e) Parking.

1. Required spaces: For purposes of determining required parking, support organizations shall be classified as “Manufacturing and production” which requires 2.5 off-street parking spaces per 1,000 square feet of floor area.
2. Visibility and security: Parking areas shall be well lit and monitored by video surveillance equipment whose live images can be viewed by support organization staff and are continually recorded in a tamper proof format.
3. The electronic security system shall be available 24 hours per day, and 7 days per week to the Department and law enforcement agencies via a secure web-based portal.

(f) Signage.

1. All commercial signage for support organizations shall be limited to one flat wall sign not to exceed ten square feet in area, and one identifying sign, not to exceed two square feet in area, which may only include the support organization address. Such signs shall not be directly illuminated.
2. Electronic message boards and temporary signs are not permitted in connection with a support organization.

COMMENTARY: All applicable advertising regulations set forth in the Cannabis Regulation and Tax Act (410 ILCS 705) shall apply, including the following: signage shall not contain cannabis imagery such as cannabis leaves, plants, smoke, paraphernalia, or cartoonish imagery oriented towards youth or language referencing cannabis.

COMMENTARY: AGE AND ACCESS LIMITATIONS: Each support organization shall prohibit any person who is not at least twenty-one (21) years of age from entering the support organization property. Support organizations shall not employ anyone under the age twenty-one (21). Access to the support organization site shall be limited exclusively to support organization staff, local, and state officials and those specifically authorized under the Cannabis Regulation and Tax Act (410 ILCS 705).

(g) Operational standards.

1. INFUSER: At least 75% of the floor area of any tenant space occupied by an infusing organization shall be devoted to the activities of the infusing organization as authorized by the Act. Facility may not conduct any sales or distribution of cannabis other than as authorized by the Act.
2. PROCESSOR: At least 75% of the floor area of any tenant space occupied by a processing organization shall be devoted to the activities of the processing organization as authorized by the Act. Facility may not conduct any sales or distribution of cannabis other than as authorized by the Act.

(h) Security and video surveillance.

1. All manufacturing, production, and related operations at a support organization shall occur in an enclosed locked facility. Each support organization shall provide and maintain adequate security on the entire site on which the support organization sits.

including lighting, video surveillance, security personnel and alarms reasonably designed to ensure the safety of persons and to protect the site from theft. The facility shall be enclosed by high security fence or wall. The fence or wall must be adequately secure to prevent unauthorized entry and include gates tied into an access control system.

2. The support organization parking, cultivation and warehousing areas, shipping bays, and entrance shall be monitored by video surveillance equipment whose live images can be viewed by support organization staff and continually recorded in a tamper proof format.
3. The electronic security system shall be available 24 hours per day, and 7 days per week to the Department and law enforcement agencies via a secure web-based portal.
4. A sign shall be posted in a prominent location which includes the following language: "THESE PREMISES ARE UNDER CONSTANT VIDEO SURVEILLANCE".
5. The Planning, Building and Development Director shall review the adequacy of lighting, security, and video surveillance installations with assistance from local law enforcement officials. The Director has the discretion to conduct periodic review of security features as appropriate.
6. Loading of product shall occur within secure enclosed shipping bays and shall not be visible from the exterior of the facility.

COMMENTARY: Adult-Use cannabis support facilities shall comply with all applicable security-related standards set in the Cannabis Regulation and Tax Act (410 ILCS 705).
--

- (i) Noxious odors. All support organizations shall operate in a manner that prevents odor impacts on neighboring premises or properties and, if necessary, the facility shall be ventilated with a system for odor control.
- (j) Conduct on site.
 1. A support organization may not sell or distribute any cannabis to any individual or entity other than a dispensary organization registered under the Cannabis Regulation and Tax Act (410 ILCS 705).
 2. It shall be prohibited to consume cannabis products in a support organization or anywhere on the site occupied by the support organization. A sign, at least 8.5 by 11 inches, shall be posted inside a support organization building in a conspicuous place visible to staff and shall include the following language: "Smoking, eating, drinking, or other forms of consumption of cannabis products is prohibited on support organization property".

(2) Adult-use cannabis transporter.

- (a) The use shall be subject to Site Capacity/Site Plan Review procedures of Section 151.070.
- (b) Adult-Use cannabis transporters proposed within certain zoning districts shall comply with the general development standards as specified within this code. These standards shall include dimensional standards, parking, signage, access, security, and noxious odors. Approval of site capacity/site plan review may be obtained concurrently at the time of any required Conditional Use Permit.

COMMENTARY: Each transporter organization shall comply with the Cannabis Regulation and Tax Act (410 ILCS 705) and all rules and regulations adopted in accordance thereto.

(c) Dimensional standards. Setbacks: Each transporter organization shall be a minimum of 30 feet from its surrounding property lines.

(d) Parking.

1. For purposes of determining required parking, transporter organizations shall be classified as "Warehousing and freight movement" which requires 1 off-street parking spaces per employee.
2. Visibility and security. Parking areas shall be well lit and monitored by video surveillance equipment whose live images can be viewed by support organization staff and are continually recorded in a tamper proof format.
3. The electronic security system shall be available 24 hours per day and 7 days per week to the Department and law enforcement agencies via a secure web-based portal.

(e) Signage.

1. All commercial signage for transporter organizations shall be limited to one flat wall sign not to exceed ten square feet in area, and one identifying sign, not to exceed two square feet in area, which may only include the support organization address. Such signs shall not be directly illuminated.
2. Electronic message boards and temporary signs are not permitted in connection with a transporter organization.

COMMENTARY: All applicable advertising regulations set forth in the Cannabis Regulation and Tax Act (410 ILCS 705) shall apply, including the following: signage shall not contain cannabis imagery such as cannabis leaves, plants, smoke, paraphernalia, or cartoonish imagery oriented towards youth or language referencing cannabis.

COMMENTARY: AGE AND ACCESS LIMITATIONS: Each transporter organization shall prohibit any person who is not at least twenty-one (21) years of age from entering the support organization property. Transporter organizations shall not employ anyone under the age twenty-one (21). Access to the transporter organization site shall be limited exclusively to support organization staff, local, and state officials and those specifically authorized under the Cannabis Regulation and Tax Act (410 ILCS 705).

(f) Security and video surveillance.

1. All operations at a transporter organization shall occur in an enclosed locked facility. Each transporter organization shall provide and maintain adequate security on the entire site on which the support organization sits, including lighting, video surveillance, security personnel and alarms reasonably designed to ensure the safety of persons and to protect the site from theft. The facility shall be enclosed by high security fence or wall. The fence or wall must be adequately secure to prevent unauthorized entry and include gates tied into an access control system.
2. The transporter organization parking and warehousing areas and shipping bays and entrance shall be monitored by video surveillance equipment whose live images can be viewed by support organization staff and continually recorded in a tamper proof format.
3. The electronic security system shall be available 24 hours per day, and 7 days per week to the Department and law enforcement agencies via a secure web-based portal.

4. A sign shall be posted in a prominent location which includes the following language: "THESE PREMISES ARE UNDER CONSTANT VIDEO SURVEILLANCE".
5. The Planning, Building and Development Director shall review the adequacy of lighting, security, and video surveillance installations with assistance from local law enforcement officials. The Director has the discretion to conduct periodic review of security features as appropriate.
6. Loading of product shall occur within secure enclosed shipping bays and shall not be visible from the exterior of the facility.

COMMENTARY: Adult-Use cannabis transporter facilities shall comply with all applicable security-related standards set in the Cannabis Regulation and Tax Act (410 ILCS 705).
--

- (g) Noxious odors. All transporter organizations shall operate in a manner that prevents odor impacts on neighboring premises or properties and, if necessary, the facility shall be ventilated with a system for odor control.
- (h) Conduct on site.
 1. A transporter organization may not sell or distribute any cannabis to any individual or entity other than a dispensary organization registered under the Cannabis Regulation and Tax Act (410 ILCS 705).
 2. It shall be prohibited to consume cannabis products in a transporter organization or anywhere on the site occupied by the support organization. A sign, at least 8.5 by 11 inches, shall be posted inside a support organization building in a conspicuous place visible to staff and shall include the following language: "Smoking, eating, drinking, or other forms of consumption of cannabis products is prohibited on support organization property".

Amendment #02

Summary: Amending terms defined to include terminology used in adult-use cannabis ordinance

Amend Section 151.271/Terms Defined to read as follows:

ADULT-USE CANNABIS CULTIVATION CENTER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, process, transport and perform necessary activities to provide cannabis and cannabis-infused products to licensed cannabis business establishments, per the Illinois Cannabis Regulation and Tax Act, (410 ILCS 705).

ADULT-USE CANNABIS CRAFT GROWER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure, and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization, per the Illinois Cannabis Regulation and Tax Act, (410 ILCS 705). Licensees may share premises with a processing organization or dispensing organization, or both. May contain up to 5,000 sq. feet on its premises for plants in the flowering stage (increases available by Department of Agriculture in increments of 3,000-max 14,000 sq. ft.

ADULT-USE CANNABIS INFUSER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product, per the Illinois Cannabis Regulation and Tax Act, (410 ILCS 705). Licensees may share premises with a craft grower, or dispensing organization or both.

ADULT-USE CANNABIS PROCESSOR: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to either extract constituent chemicals or compounds to produce cannabis concentrate or incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis product, per the Illinois Cannabis Regulation and Tax Act, (410 ILCS 705).

ADULT-USE CANNABIS DISPENSARY: A facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from licensed cannabis business establishments for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies to purchasers or to qualified registered medical cannabis patients and caregivers, per the Cannabis Regulation and Tax Act, (410 ILCS 705).

ADULT-USE CANNABIS TRANSPORTER: An organization or business that is licensed by the Illinois Department of Agriculture to transport cannabis on behalf of a cannabis business establishment or a community college licensed under the Community College Cannabis Vocational Training Pilot Program, per the Cannabis Regulation and Tax Act, (410 ILCS 705).