



City of Naperville

400 S. Eagle Street
Naperville, IL 60540

Meeting Minutes

City Council

Monday, June 22, 2020

7:00 PM Zoom - Open agenda to see cable, phone & streaming options

Workshop: Adult Use Marijuana Zoning Discussion

Due to the ongoing Coronavirus (COVID-19) pandemic, the June 22 City Council workshop will be conducted using Zoom Webinar technology.

TO WATCH OR LISTEN TO THE CITY COUNCIL WORKSHOP LIVE:

- Watch on WCNC GOVERNMENT ACCESS TELEVISION (Ch. 6-WOW, Ch. 10 - Comcast, Ch. 99 - AT&T)
- Watch online at <https://naperville.legistar.com>
- Listen by telephone (audio only) – registration to receive dial-in phone number required by calling the City Clerk's Office, (630) 305-5300, by 5 p.m. on June 22

TO SUBMIT PUBLIC COMMENT IN THE MEETING:

To address the City Council via Zoom and provide public comment, members of the public must register by 5 p.m. on June 22 at: www.naperville.il.us/speakersignup

The public may choose to provide public comment in any of the following ways:

1. Submit a written comment to the City in advance of the City Council workshop (by 5 p.m. on June 22) to be read into the public record during the City Council workshop by a member of staff.
2. Submit a one-word statement of "SUPPORT" or "OPPOSITON" regarding a specific agenda item to be read into the public record during the City Council workshop by a member of staff.
3. Address the City Council live during the City Council workshop via spoken audio. Individuals who want to address the Council live must sign up to speak in advance of the City Council workshop (by 5 p.m. on June 22).

Once signed up, the individual will receive an email from the City Clerk's Office after the sign-up time ends with information about how to join the meeting.

- Online sign-up closes at 5 p.m. on June 22, at which time no other speakers or comments will be accepted.

PUBLIC ACCOMODATION:

- Any individual who would prefer to listen to the meeting by telephone, to speak during the meeting by telephone, or who may require an accommodation to listen to or participate in the meeting, should contact the City Clerk at (630) 305-5300, by 5 p.m. on June 22.
- Questions regarding online sign-up may be directed to the City Clerk's Office by calling (630) 305-5300.

PARTICIPATION GUIDELINES:

The citizen participation guidelines are outlined in 1-5-6-6: - CITIZEN PARTICIPATION of the Naperville Municipal Code.

- **ALL VIEWPOINTS AND OPINIONS WELCOME:** All viewpoints are welcome, positive comments and constructive criticism are encouraged. Speakers must refrain from harassing or directing threats or personal attacks at Council members, staff, other speakers or members of the public. Comments made to intentionally disrupt the meeting may be managed as necessary to maintain appropriate decorum and allow for city business to be accomplished.
- **SPEAKER TIME LIMITS:** Speakers must limit their remarks to no more than three minutes. Petitioners may speak on an agenda item first and have up to 10 minutes and are also granted a five-minute rebuttal once all other speakers have commented.
- **IF YOU SIGNED UP TO SPEAK,** staff will call your name at the appropriate time during the City Council workshop. Once your name is called you may identify yourself for the public record and then address remarks to the City Council as a whole. Speak clearly and try to limit remarks directly to the matter under discussion. Speakers are called in the order they sign up.

A. CALL TO ORDER:

Chirico called the workshop to order via Zoom at 7:00 p.m.

Present: 9 - Mayor Steve Chirico
Councilwoman Judith Brodhead
Councilman Kevin Coyne
Councilwoman Patty Gustin
Councilman Paul Hinterlong
Councilman Patrick Kelly
Councilman John Krummen
Councilwoman Theresa Sullivan
Councilman Benjamin White

Also Present

City Manager, Doug Krieger; Deputy City Manager, Marcie Schatz; City Attorney, Mike DiSanto; City Clerk, Pam Gallahue; Police Chief, Robert Marshall; Director of IT, Jacqueline Nguyen; Communications Manager, Linda LaCloche; and Deputy Director of TED, Allison Laff

Daily Herald, Naperville Sun, NCTV-17

B. INTRODUCTION:**C. PUBLIC FORUM:*****SPEAKER***

Rick Szalach discussed drag racing and crowds in the downtown that are

challenging the values of Naperville.

Chirico said the Police Department has a plan that will address these concerns.

Marshall responded that the drag racing is from members of a Chicago car club and stated that more than 30 citations were issued this past weekend.

COMMENTS TO BE READ BY STAFF

Adam Wood

As there is no real difference between patrons of recreational cannabis dispensaries and those of liquor stores, and as marijuana use has significantly less harm to society than alcohol, in general, it is illogical and punitive to the industry to have any more restrictions on zoning than apply to a typical liquor store. The restrictions limit supply of potential storefronts, which increases rents charged to the dispensary tenants. It artificially constrains the demand for storefronts, removing the ability of landlords in other locations to compete for these tenants and benefit from the rent they'd pay. It requires citizens to travel farther than they'd like to for no good reason. It causes issues for the other owners and tenants in the industrial parks, where parking is typically limited, which happens at both the Romeoville and North Aurora locations. A dispensary is a retail operation and ought to be treated like any other similar operation, which is to say, the zoning should map closely with how a liquor store is restricted

Mary R Duncan (Represent Household with three registered Voters)

My husband and I, as Naperville residents and avid voters, respectfully ask the Naperville City Council to continue to vote NO on selling here. As a result of having close relatives in Colorado, and as a former resident of that state, I am well aware of the tragedy it has caused there: significant increases in addiction rehab centers (talk to anyone in addiction counseling and they will tell you it IS a gateway drug), increased school drop-out rates of teenagers, problems with contaminated products (the levels of this cannot be controlled), increased car accidents and deaths and more! This year we lost a close relative to lung cancer who openly admitted that he got it from Marijuana because he smoked it often and never smoked cigarettes. It was heartbreaking to hear his words when he knew he was dying, " I know I did it to myself". It is indeed a carcinogen as all cancer drs know. I have known heroin and cocaine addicts in high places who all began the horrors of their lives with marijuana. In Colorado, they have proven that they are spending \$3 dollars to meet the govt costs from all the problems for every tax \$ they take in from sales. The taxation line of reasoning is very short sighted and dangerous. Our police will have a very difficult time dealing with influenced drivers because there are no easy on-sight tests for them to determine impairment as they can with alcohol. I have heard from police personally on this. We have a huge drug problem already in Naperville and the prevalence of convenience will certainly add to it! Please keep Naperville a mentally and physically healthy place by voting NO. If we want to keep this the "Number 1 City", as it has been rated, this will most certainly ruin that as we take on more immense problems, negatively affecting our property values. Please take into account the unusual nature of this election with many of our seniors and others afraid to vote due to the Corona Virus. As close as the outcome was, it most certainly would have been a "NO" if the voting were not

health restricted. Also, much of Naperville is in Will County and will county DID VOTE NO even with the many concerned voters who didn't vote due to health fears. Thank you for continuing to vote NO! Concerned avid voters are watching this closely. I know your courage will be rewarded at the polls for your re-elections when people feel it's safe for their health to be able to vote! Respectfully, Mary and Michael Duncan, 3208 Plantation CT., Naperville

Renee Urbanski

Dear City Council Members- Thank you for your service to our community. In the interest of our children, the strength of our community, and the value of our properties, I implore you to limit the number of these stores to zero in our community. I work in an area that has allowed recreational storefronts, and the lines of people that flock to these stores (lines that visibly wrap around buildings) send such poor messages to our children about what we value and hold dear. Furthermore, to place these stores in locations where families live in poverty is not only morally unforgivable, but the optics of that would continue to paint an elitist picture of Naperville (example- our wealthy sections of town have none of these storefronts to contend with but our poor sections have several sends a wrong and damaging message to the public). For those of you that voted yes for this proposition and feel these storefronts in some odd way will benefit our community, now is the time to have the courage to open them in your own backyard. Thank you for considering my comments, and I again I thank you for your service to Naperville.

Annette Wehrl

Naperville Trolley is a tenant of Carroll Construction, located at 1700 Quincy Avenue, and has been renting parking there in the gated lot for MANY years before Three C moved to Carroll Construction. Currently, they have taken the entire front parking area of the location, and it is usually two lines of many, many cars lined up to pick up their drugs, often over flowing onto Quincy Avenue as well. Naperville Trolley is being asked to find a new place to park our three Trolleys, so the pot store can have more room for their customers and their employees. Already, this location is too small for the many customers they have. Should the sales open up to anyone (vs medical only), a LOT more room will be needed. The location at 1700 Quincy Ave is already over utilized and I'm sure has more cars and customers than any business in town on any day. Naperville Trolley has been closed since March 7, 2020 and being asked to leave our gated parking lot in order to give the pot store more room is very disturbing. Kick us when we're down, at a time of zero business, so drug sales can thrive in Naperville, is just not right. Drugs in Naperville WIN!!! Happy 25th Anniversary Naperville Trolley, now go away...

Jennifer Taylor

Chirico and City Council, Please do not take my suggestions as support for having recreational marijuana stores. However, if you plan on moving forward with the stores and in order to prevent the community issues raised by Boulder, Colorado Marijuana Enforcement Officer Rebecca Bostrack, here are what I suggest you include in the new ordinance. (1) Naperville only allow dispensaries, not cultivation centers or growing facilities of any kind. (2) In the ordinance, the number of recreational marijuana dispensaries should be restricted to two. Before the referendum vote, those on City Council who

supported the dispensaries often referenced two stores when speaking to the public about why we should have the recreational marijuana stores. Since residents were oftentimes told two stores when voting for the stores, that is the number that should be allowed. (3) The medical marijuana restrictions regarding zoning be followed, and actually increased so that no store can be within 1000 feet of a currently zoned residential property. In addition, even within shopping centers, these dispensaries should not be within 1000 feet of a store that caters solely to children such as The Ball Factory, Buy Buy Baby and Once Upon a Child. Parents should not feel forced to expose their children to the dispensaries when shopping at child oriented stores. (4) The ordinance should specifically not allow a dispensary in downtown Naperville nor in the small strip malls that appear in front of residential subdivisions. An example of such a prohibited strip mall is the one on Plainfield Naperville Road and Leverenz Road. (5) The ordinance should include supermajority language that requires a supermajority City Council member vote before the number of stores can be increased or any variance in zoning. Including the supermajority language recognizes that the referendum vote was close and that 47% of the population voted no. Even Mayor Chirico in an April 2020 City Council meeting acknowledged that this was not a "landslide by any means." (6) A public hearing should be held for the location of each recreational marijuana store. Many residents who voted yes for the dispensaries may not be as supportive if one is to be located nearby where they live or work. Plus, as already pointed out, 47% of residents voted to ban all dispensaries. To pretend that these dispensaries are just like any other type of retail is unrealistic and a potential source of clashes. Planning and Zoning, City Council, and residents should be involved with each location choice. Thank you for your consideration. Jennifer Taylor

James Laures

My family and I are long-time residents of Naperville. The stated goal of Naperville's Adult-Use Cannabis Facilities Online Survey was to gauge public opinion, for sharing with City Council as they consider zoning requirements for adult-use cannabis facilities, and to determine if there was support for new cannabis business types. Unfortunately, the Survey process was seriously flawed, resulting in Survey data that is also seriously flawed and unreliable. In its June 17th memo summarizing the Survey input received, City Management highlights the key Survey flaws. First, the City states that the Survey was not restricted to Naperville residents/property owners. Rather, the Survey was open to anyone, anywhere. Residency in Naperville was not a requirement. Hence, survey results include opinions of non-Naperville residents with no vested interest in our City, and opinions of those, such as the commercial cannabis industry which now wants access to Naperville to profit from Naperville residents. The odd Survey results of "Support" for having Cultivation Centers [55%], Craft Growers [58%], Processing Organizations [56%], Transporting Organizations [56%], and Infuser Organizations [56%] in Naperville would, if allowed, turn Naperville into the recreational cannabis hub of Illinois. However, these type of responses appear to be from sophisticated, non-resident commercial entities who understand Illinois' complex regulatory requirements for these new cannabis businesses. Second, the City states that while the Survey format cannot guarantee that only one response was submitted per person, the Survey was designed to permit one Survey response per IP address. Unfortunately, it is possible for one person to have multiple IP

addresses. For example, a person responding to the Survey by their cellphone and personal computer generates two IP addresses; that same person accessing the Survey via different public computers, such as at a library, results in additional IP addresses for that same person. A person responding to the Survey using a Virtual private network (VPN), with numerous large servers around the world, can create multiple IP addresses. Finally, the City states that the Survey requested respondent to include, but did not require, their name and email. However, one in four Survey respondents did not provide their names. Why? In summary, the Survey process was seriously flawed, resulting in data that is seriously flawed and unreliable. If the City wants input from its residents to understand what they think about recreational cannabis zoning, the Survey should be redone and limited to responses from Naperville residents/property owners who will be impacted by and will have to live with the City's recreational cannabis zoning decisions. Thank you.

Bill Smith

Where used "pot" means cannabis agricultural products, derivatives, and accompanying usage devices such as bongs and pipes. It further includes baked or other food products, candies, dough, frozen ingredients, pizza topping, etc. associated with the recreational use of this drug. Proper zoning is critical to the effective implementation and control of pot sales in Naperville; if ever allowed. These pot sales includes growing, distribution, retail, and wholesale facilities for both medicinal and recreational pot use. Now is the time to set up the zoning protection rules to meet potential future issues. The pdf pot map placed on the city website is very confusing. It is difficult to see the spots that these operations, if so approved, may be located. Why not have a multiple page PDF to indicate the current, excluded sites, potential sites, etc., and why so indicated by annotations on the maps in sufficient detail to make them usable? On Naper Boulevard, Ann Reid School is not indicated, nor is the daycare center at the Hobson and Naper Boulevard junction. These are pertinent as it may seem there is a plan to put a pot shop(s) in Market Meadows or Fox Run Centers. I oppose placement of any pot operations in these two centers. Zoning adopted for any new pot locations in the City should be zoned to require 360 degree 24 hour 7 days a week surveillance by an independent off-premise contractor and require a 6 month backup of coverage footage. This might require the use of special taxation districts supported by the potential 3% special tax on these locations to have the district pay for its monitoring. This requirement for zoning does not appear contrary to state law. This is to be able to monitor the receipt and delivery of product in this mainly cash business and to assure more safety to owners and surrounding businesses or neighborhoods from violent crimes which may be accordingly perpetrated against these sites. These cameras would also be useful to review adherence to potential mandatory open transparency of this highly regulated business through the use of required Quarterly Certified Financial Reports to the City detailing business activity and financial verification necessary to support the collection of due taxes. This Quarterly Reporting issue will obviously need to be included in a final ordinance of implementation of pot sales. Little else may be effective to more accurately hold these cash business owners/operators accountable for taxes due. Restaurant and other cash businesses are not like pot facilities, but pot facilities are more akin the production of alcohol distillation processes, which require the use of bonded warehouses to collect taxes due. The pot product is

somewhat generic in nature. Zoning must not impede accurate tax collection, if such zoning is not contrary to State Law. Zoning is a good tool to apply in the application of tax revenues. Pot facilities signage needs to be zoned differently than other businesses due to the medicinal use implication potentially involved under HIPPA, versus just for fun use. Pot business building code changes may be required to have additional fire suppression systems to curtail the increased threat of fire due to increased flammable contents and dust mitigation that may be associated with some of these pot facilities, especially when located adjacent to lower insurance rated businesses. Current pot medical distribution centers should not be zoned or allowed to be contiguous with any recreational pot facilities. Medicinal users may not wish to be affiliated with casual non-medicinal use purchasers, nor should be required to affiliate with these individuals. Equate your proposal for co-locations to having an Alcoholics Anonymous location beside a liquor store. Users may not want to use the same door or location. Co-locations might also allow for possible illegal shifting of pot products for medical use being taxed at a different rate than recreational pot. Co-locations allow for future potential tax collection problems if the rates and/or pot prices vary for the same pot product. Cash businesses do always not lend themselves to having to meet taxation guidelines. If citizens want pot facilities, then the City is bound to assure the proper collection of tax revenue and safety

Keith Sheffer

Good evening members of City Council, Understanding the scope of this workshop is a zoning discussion, I will spare you from my strong opinion on this matter other than saying I am opposed to the City of Naperville embracing the creation and promotion of marijuana stores. I simply do not see the cost / benefit. The decision of City Council to put this matter on the referendum was a good move. And although I am not happy with the outcome of the referendum, I do respect the outcome in which 53% of the voters supported legalized recreational sales of marijuana in Naperville. Some would say "the people have spoken". Others still question if the circumstances of the primary timing and the COVID-19 limited the ability to get a true representation of the residents of Naperville. Regardless, If we are to respect the vote of the people and proceed then we should also do so from a zoning perspective. If you look at the voting results for DuPage county and Will County the majority of the Naperville residents of Will county said NO to the legalized sales of marijuana. Again, I am opposed to opting in for either county but as I also said, I respect the referendum vote. I am asking this council to also respect the referendum vote. This referendum provides a clear image of a geographical region of the city that does not want Marijuana stores. To proceed in creating zoning locations for dispensaries in Will County would go against the vote of our citizens. Therefore, it is my request that the zoning should be limited to DuPage County. One additional comment I would like to make. I do quite a bit of world travel and I have seen several marijuana stores in a number of major European cities. In all cases, these stores have a disproportionate amount of "walk in" products that target the under21 age group. The business recipe is easy to follow. These stores do not need to market themselves to current users. These stores are looking for future customers. So from a zoning perspective it is important to know what the difference is between a "dispensary" and a "marijuana store". Thanks you for allowing my words to be heard tonight. I am always amazed of the tremendous commitment and dedication of our City Council thank you for all

that your do for our great city Keith Sheffer

SPEAKER

Dr. Nick Salame spoke in favor of granting local businesses priority over out-of-state/area businesses.

D. PRESENTATION:

1. Provide direction on potential adult-use cannabis zoning ordinance components.

Laff presented an overview of cannabis discussions to date including the 2019 opt in/opt out deliberations, the recent referendum question and results, sales tax, different cannabis business types, and direction to staff to create zoning regulations for cannabis retailers.

Council discussed the results of the referendum in DuPage and Will counties, day care and school-restricted areas, industrial zone locations, liquor code, and medical and recreational code requirements.

Based on the map presented, Council discussed specific parcels around the city that would be eligible for businesses to locate, parking and how parking availability impacts potential locations, and anticipated parking variances.

Laff explained that staff is collecting research regarding appropriate parking requirements for adult-use dispensaries and that the regulation will be included in the proposed zoning regulations to be presented to the Planning and Zoning Commission (PZC).

Council discussed the potential for crime and the impact from the recent protests, sign code allowances, distance requirements, and defined state restrictions.

Laff stated that if the existing medical cannabis dispensing restrictions are applied to adult-use dispensing facilities, there are a limited number of locations citywide in which such a facility could be located.

DiSanto said there the state act does not require any separation distances between cannabis dispensaries and schools or residential; the existing separation restrictions in the code are local rules. Council noted that the existing separation requirement from day care establishments, which are now locating in traditional retail areas, to dispensaries should not be included in the new code.

Council discussed imposing a cap, reserving a license for social equity applicants according to the state's definition, and the appropriateness of processing requests similarly to late night permits.

Also discussed was the importance of locating businesses away from residential areas, how to hold businesses accountable, the appropriateness of hosting an open house on the topic, the impact of Phase 4, what other

municipalities are doing, cannabis transportation services, and permitting dispensaries by right in the appropriate zoning classifications.

DiSanto said municipalities can issue citations and report to the state.

Laff stated that it is staff's preference to have one ordinance governing both medical and recreational cannabis businesses, that a recommendation in excess of current parking standards will be presented to PZC, and the upcoming PZC meeting schedule.

Council discussed determining a formula which allows for maximum distance from residential while still allowing for a dispensary to open, upcoming development projects, the potential to add another PZC meeting in August, and when Council Chambers will be unavailable due to the planned audio/visual upgrade.

By consensus Council directed staff to, 1) cap dispensaries at three, 2) not allow on-premises use or drive-thru's, 3) not allow for any other types of adult-use cannabis businesses, other than dispensaries, 4) determine a formula which allows for maximum distance from residential (0, 250, 1,000 feet increments) while still allowing for a dispensary to open, 5) provide revised maps directly to PZC and give to Council as an FYI only, and 6) present the draft text amendment to the PZC at their July 15, 2020 meeting (or in early August if July 15 is not feasible).

E. ADJOURNMENT:

The City Council Adult Use Marijuana Discussion workshop adjourned at 9:55 p.m.

This was to adjourn the Regular City Council Meeting of.

/S/ Pam Gallahue
Pam Gallahue, PhD
City Clerk