

**Minutes of the Regular Meeting  
of the Planning and Zoning Commission  
February 19, 2020**

**A. CALL TO ORDER**

The Regular Meeting of the Planning and Zoning Commission was held on Wednesday, February 19, 2020 at the Village Hall Board Room, 10 North Water Street, South Elgin, IL. The meeting was called to order at 7:00 p.m. by Chairman Brian Carlson.

Chairman Carlson stated the role of the Planning and Zoning Commission and the procedures for the meeting.

**B. ROLL CALL**

Commissioners present were: Chairman Brian Carlson; Tom Kusswurm; Leo Metz; Jason Micklevitz; Cynthia Tarka; and Rich Watson.

Members absent were: Vice-Chairman Jennifer McClure.

Staff present at the meeting were: Director of Community Development Nancy Hill; Planner Lauren Blayne; and Recording Secretary Dione Stirmell.

**C. APPROVAL OF MINUTES**

**1. Minutes of the November 20, 2019 Regular Planning and Zoning Commission Meeting.**

A motion was made by Member Watson to approve the minutes of the November 20, 2019 Regular Meeting of the Planning and Zoning Commission, which was seconded by Member Micklevitz. Tom Kusswurm and Cynthia Tarka abstained. There was no further discussion of the motion. The vote was as follows:

Ayes:	Carlson, Metz, Micklevitz, Watson
Nays:	None
Abstain:	Kusswurm, Tarka
Absent:	McClure

The motion CARRIED (4-0-2-1).

**D. PUBLIC HEARING AND DISCUSSION**

**1. CD 20-01: Request for a Special Use for a Cannabis Craft Grower located at 740 Schneider Drive in the I-Industrial District - South Elgin CGF, LLC Petitioner.**

Chairman Carlson opened the public hearing at 7:02 p.m.

Nancy Hill explained the Petitioner is seeking a recommendation of approval for a proposed craft grower at 740 Schneider Drive. There is an existing vacant 40,000 square foot building on the Subject Property that the Petitioner would use for its business. The building was formerly home to Fuji Foods and is already set up to meet many FDA and Department of Agriculture standards, and could easily be converted to a cannabis craft grower business. As a result, there has been much interest in this building for the proposed use.

Nancy Hill highlighted that no variations or relief from the Unified Development Ordinance (UDO) is otherwise being requested. The Petitioner meets the parking requirements. Initially 10 employees are expected, with about 35-40 employees at full capacity. The Petitioner has stated there would be no outdoor storage or materials. Signage is at a minimum and the Petitioner has indicated that they will meet the signage requirements outlined in the UDO, as this is not a location for the public and no retail sales will occur on this site.

Nancy Hill recapped that in 2019, Cannabis Regulation and Tax Act (the "Act") was signed into law by the state of Illinois to legalize the cultivation, sale, possession, and consumption of cannabis in Illinois, beginning January 1, 2020. The Act allows the Village to regulate cannabis businesses, such as dispensaries, cultivation centers, transporters, processors, and craft growers, collectively known as "cannabis business establishments". In addition, the Act authorizes the Village to enact reasonable zoning ordinances or resolutions regulating cannabis business establishments as long as such regulations are not in conflict with the Act.

Subsequently, the South Elgin Planning and Zoning Commission reviewed and the Village Board approved a text amendment to the UDO to allow cannabis businesses in certain zoning districts, depending on the proposed use. The Village Board also approved a resolution limiting the number of the various types of cannabis business establishments.

Nancy Hill specified that a 'craft grower' under Illinois law means a facility operated by an organization or business that is licensed by the 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. A craft grower may utilize up to 5,000 square feet of canopy space on its premises for plants in the flowering state. The Department of Agriculture may authorize an increase or decrease of flowering stage cultivation space in increments of 3,000 square feet based on market need, craft grower capacity, and/or the licensee's history of compliance or non-compliance, with a maximum space of 14,000 square feet for cultivating plants in the flowering stage, which must be cultivated in all stages of growth in an enclosed and secure area.

Nancy Hill stated the UDO currently states that Cannabis Craft Growers are a special use in the Industrial District only. In addition, a Craft Grower must comply with the specific conditions, which were outlined in the staff report.

Nancy Hill stated Village Staff and the South Elgin Police Department reviewed security plans with the Petitioner. The Police Department had a few suggestions that were agreed upon by

the Petitioner, but otherwise the Police Department found the proposed security plan acceptable. Nancy Hill added that the Petitioner was meeting the minimal requirements of be at least 250 feet from existing preschools, elementary schools, secondary schools, day care centers, state-licenses day care homes, parks, and libraries; and at least 100 feet from a principal residential structure.

The Petitioner project team presented his case. Representatives of the Petitioner at the public hearing were Ross Morreale, 1033 W. Van Buren Street, Suite 500, Chicago, IL 60607; Jay Stew, 2226 Catherine Street, Northbrook, IL 60062; Gabriel Martinez, 6849 N. Sauganash, Chicago, IL 60646; and Thomas Wheeler Jr., 9800 S. Indiana Avenue, Chicago, IL 60628.

Mr. Morreale explained he was a founding partner of a cannabis cultivating facility in southern Illinois. He summarized his extensive background and said he was familiar with the daily operation, security, and managing a cannabis craft grower facility. Mr. Morreale stated if their application is approved, the proposed facility could be operational later this summer. Mr. Morreale explained that part of the real-estate purchase agreement is contingent upon the approval of the state license. He added if the state license was not granted then they will not further pursue the Special Use Permit and subsequent building permits.

Mr. Morreale outlined the efficiency of the current building layout stating the building is already set up to meet many FDA and Department of Agriculture standards, and could easily be converted to a cannabis craft grower business. Mr. Morreale explained while they are limited to 5,000 square feet of growing space, in the future they would like to request additional cultivating capacity with the Department of Agriculture.

Mr. Morreale explained the cultivation process of cannabis. He highlighted the various commercial grow rooms and the designated areas in which plants are cared for and packaged for distribution. He emphasized that all parts of the plant are traced by the state. He explained the cultivation employees are given clearance to only those areas to which they need access. He added that the entire craft grower operation is intensely regulated by the state.

Mr. Morreale stated the plan is to initially hire seven to ten employees and eventually expand to 35 to 40 employees once the facility has expanded its size and is operating at full capacity.

Chairman Carlson opened the hearing for the Commissioners and the public to ask questions and make comments.

Member Watson asked if the product is shipped to other states or distributed in Illinois only. Mr. Morreale replied that the Petitioner's products could only be distributed in Illinois until such time that state law is amended.

Chairman Carlson wanted to verify that the Special Use Permit applies to the Petitioner only and is non-transferrable. Nancy Hill explained that Special Use Permit runs with the Petitioner and not the property. If the Petitioner vacated the premises then the owner of the new craft

grower business would have to start the Special Use Permit process all over again.

Chairman Carlson asked staff if they would expand the business if they would be required to go through the Special Use Permit process. Nancy Hill explained that staff would review the site plan and if the site plan were in substantial compliance with the Special Use Permit, the Petitioner would just need to complete the building permit process, and would require the Police Department's review.

Member Tarka asked the Petitioner to elaborate on the security measures on the premises.

Mr. Morreale explained that they are mandated by the state to have a secure establishment. He added they have a significant number of security cameras with 24-hour surveillance. In addition, the IL Department of Agriculture and state law enforcement agencies have the ability to access the cultivation center's security system in real-time. He highlighted on the building floor plan that they have enclosed locked rooms equipped with other security devices that permit access only to specific cannabis business establishment agents.

Mr. Wheeler summarized his background and experience as the Petitioner's CDF Chief Security Officer and a former police officer and security consultant. He explained the security system and security protocols to be used on this property and within the business. Nancy Hill stated that Police Department is comfortable with the proposed security plan. She added the Petitioner has been very cooperative with suggestions that the Police Department has outlined. Mr. Morreale added that they have done extensive research on other establishments in Denver, Seattle, and Los Angeles and have learned about security concerns and daily operation in similar facilities already operating in other states.

Member Tarka asked what the protocol was on deliveries and what security measures are taken. Mr. Morreale explained they work with a licensed transporter to ensure procedures for safe and secure deliveries. Drivers are highly trained, and monitored. He highlighted on the site plan that the delivery vehicle will pull into a secure area where the door will be shut for loading. He added security guards are present with panic alarms buttons for the employees that they can attach to their belt buckles. Mr. Morreale explained that typically the manager of a dispensary is alerted that a shipment will be arriving within 15 minutes. Following protocols, the manager completes a visual sweep of the store's exterior and provides alerts to the driver. Nancy Hill asked what kind of delivery vehicles they would be using. To which Mr. Morreale said they load into unmarked transit cargo vans. Member Watson asked if they just accept cash for the delivery. Mr. Morreale said it is up to the State; however, laws were changing because of dealing with large amounts of cash creates many other problems. Member Watson asked if the South Elgin Police Department will have the ability to access the cultivation center's security system in real-time. Mr. Morreale said when he met with the South Elgin Police Department, staff they did not indicate they wanted that access. He would however, have no issue giving them that access.

Member Kusswurm asked what the hours of operation would be. Mr. Moreale replied the planned hours of operation will be 6 am to 6 pm. Nancy Hill added by I-Industrial District they would be allowed to operate under the hours of other industrial businesses.

Member Metz asked if they would need to hire additional police personnel to monitor this use. Nancy Hill replied no, the Petitioner will have its own security protocol. She explained that the Police Department has done a thorough review of the security plans and have met with the Petitioner.

Member Watson asked how the Petitioner disposes of the product. Mr. Morreale explained the remaining parts of the plant not used are tracked by the state and are stored in an indoor, limited access area until its destruction. He explained that cannabis waste must be stored, secured, locked and managed in accordance with state regulations, and is submitted and approved by the state. There was discussion about how plant waste is recycled to create compost. Mr. Morreale said they have a specialized waste disposal company that takes the compost away to a designated area.

With no further discussion, Chairman Carlson entertained a motion to accept the Findings of Fact:

1. The proposed special use will not endanger the health, safety, comfort, convenience and general welfare of the public.
2. The proposed special use is compatible with the character of adjacent properties and other property within the immediate vicinity of the proposed special use.
3. The proposed special use will not impede the normal and orderly development and improvement of adjacent properties and other property within the immediate vicinity of the proposed special use.
4. The proposed special use will be provided with adequate utilities, access roads, drainage, and/or other necessary facilities.
5. The proposed special use is consistent with the intent of the elements of the Comprehensive Plan, this Unified Development Ordinance, and the other land use policies of the Village.

A motion was made by Member Kusswurm that the Planning and Zoning Commission accept the Findings of Fact as presented by the Petitioner, and was seconded by Member Micklevitz. There was no further discussion of the motion. The vote was as follows:

Ayes:	Carlson, Kusswurm, Micklevitz, Tarka, Watson
Nays:	Metz
Abstain:	None

Absent: McClure

The motion CARRIED (5-1-0-1).

With no further testimony, Chairman Carlson entertained a motion to close the public hearing. A motion was made by Member Watson to close the public hearing, which was seconded by Member Kusswurm. There was no further discussion of the motion. The vote was as follows:

Ayes:	Carlson, Kusswurm, Metz, Micklevitz, Tarka, Watson
Nays:	None
Abstain:	None
Absent:	McClure

The motion CARRIED (6-0-0-1).

Chairman Carlson closed the public hearing at 7:51 p.m.

Member Watson made a motion that the Planning and Zoning Commission recommend approval to the Village Board of petition CD 20-01 for a Special Use Permit for the proposed Cannabis Craft Grower use located at 740 Schneider Drive in the I Industrial District with the following conditions of approval which were also outlined in the staff report:

- The special use shall apply to the Petitioner only and is non-transferrable;
- The Petitioner use shall comply with all state regulations and rules;
- The use shall be in substantial compliance with all plans submitted;
- On-premise consumption of cannabis shall be prohibited;
- Prior to certificate of occupancy all final applications, plans, and required state licenses to operate as a cannabis business establishment shall be provided to the Zoning Administrator and shall be maintained in effect at all times that the business is operational at the subject property;
- The use shall be subject to random and unannounced inspections by law enforcement and safety or health inspectors;
- If reasonable cause of violation exists, the cannabis business establishments shall be subject to inspections by the Zoning Administrator, police or other village agents and employees, with the assistance of the Village Attorney;
- All exterior doors, including overhead doors, shall be numbered sequentially and signed with 3" letters;
- In addition to the other security cameras being installed per the Petitioner's Security Plan, additional security cameras shall be installed on the roof such that the entire roof is visible through the camera system;

- The Petitioner shall pay the Village for the expense to install a security camera in the Village’s right-of-way in the immediate vicinity of the Subject Property. Such security camera shall connect to the Village’s system;
- A representative of the Craft Grower Business shall meet with Village of South Elgin Police Department upon receipt of its state license to operate as a Craft Grower and annually thereafter as long as the business continues to operate on the subject property, to review the security plan; and
- The Craft Grower Business shall notify the Village of South Elgin Police Department in writing of any changes to the Security Plan within five (5) business days of said change.

The motion was seconded by Member Micklevitz. Member Metz stated that he has reviewed this petition and he did not think the proposed use has a place in South Elgin and that he would not support it.

There was no further discussion of the motion. The vote was as follows:

Ayes:	Carlson, Kusswurm, Micklevitz, Tarka, Watson
Nays:	Metz
Abstain:	None
Absent:	McClure

The motion CARRIED (5-1-0-1).

**E. NEW BUSINESS**

**1. Annual Review of the 2030 Comprehensive Plan and Village Center Plan**

Nancy Hill stated staff provided a report summarizing the various actions the Village has taken to implement the 2030 Comprehensive Plan, including the Village Center Master Plan. The document identifies the goals and objectives of each plan and the status of each, as well as a brief description of the actions taken through the end of 2019.

She explained that with the improvements to Panton Mill Park and McLean Boulevard next year some significant goals will have been completed and they will be noted in an updated report. She summarized the proposed improvements to Panton Mill Park, which are scheduled to begin construction in March.

**2. Annual Administrative Adjustments Report**

Nancy Hill explained that it was requested by the Planning and Zoning Commissioners that staff would provide an annual report outlining the Administrative Adjustment requests that were received and reviewed by the Zoning Administrator. She stated that no applications for Administrative Adjustments were filed or reviewed by the Zoning Administrator in 2019.

**F. PUBLIC COMMENT**

There was no one present for public comment.

**G. ADJOURNMENT**

A motion was made by Member Micklevitz to adjourn the regular meeting of the Planning and Zoning Commission, which was seconded by Member Watson. With a voice vote of all ayes and no nays, the motion CARRIED. Chairman Carlson adjourned the meeting at 8:02 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Dione Stirmell".

Dione Stirmell

Recording Secretary