

City of Moline
PLAN COMMISSION

Wednesday, August 13, 2014
4:00 p.m.
Council Chambers, 619 16th Street

AGENDA

1. Approval of Minutes – July 23, 2014
2. Presentation on zoning code amendments for medical cannabis (Shawn Christ, Land Development Manager)
3. Review upcoming meetings
4. Other

Any person with disabilities who wishes to attend the meeting who requires a special accommodation or any other person requiring a special accommodation in attending the meeting should notify Holly K. Jackson, Department of Planning & Development, 524-2030.

PLAN COMMISSION MINUTES

Wednesday, July 23, 2014

PRESENT: Dan McConaghy, Bill Fitzsimmons, Dennis Kelly, Pete McDermott, Jeff Nelson, Butch Trevor, Mike Wendt, Cindy Wermuth, and John Wetzel

ABSENT: Mike Crotty and Matthew Puck

STAFF: Shawn Christ, Amy Keys, and Alan Sabat

Chairman McConaghy called the meeting to order at 4:01 P.M. in the Council Chambers.

1. Approval of Minutes – July 9, 2014

Motioned by Trevor, seconded by Wendt, to approve the minutes as presented for the July 9, 2014 meeting. Motion carried unanimously.

2. Presentation/Discussion on Compassionate Use of Medical Cannabis Pilot Program Act

Ms. Keys introduced the Compassionate Use of Medical Cannabis Pilot Program Act. It is a pilot program, its initial rollout will be monitored for approximately four years, followed by official implementation state-wide. She described the stringent regulations specific to Illinois' program: Doctors are limited to a list of specific debilitating medical conditions when granting medical cannabis prescriptions and "general pain" is excluded; Any patient seeking a cannabis prescription must already be undergoing treatment by a medical doctor for their eligible medical condition. Additionally, patients must undergo extensive background screening prior to receiving a cannabis prescription card.

A medical cannabis dispensary is a state-approved location where medical cannabis is dispensed to eligible patients. There will be sixty (60) dispensaries throughout Illinois, the majority of which would be near Chicago, the state's highest population concentration. One (1) dispensary will be located in Illinois State Police (ISP) District 7, in which the City of Moline falls. All dispensaries will have specific operating hours and will be limited to dispensing medical cannabis only. All applicants interested in opening a dispensary will be required to attach all relevant local zoning ordinances to their applications.

Only state-licensed cultivation centers can grow medical cannabis and sell to a dispensary. One (1) cultivation center will be located in each ISP district. Compared to operating a dispensary, cultivation centers are subject to even more rigorous regulations and application processes, as well as higher costs to apply and operate. As with dispensaries, all parties interested in cultivation must attach all relevant local zoning ordinances to their applications.

Ms. Keys expressed that there is very little municipalities can say or do regarding the program's implementation. The Act has separation or buffer requirements for both cultivation centers and dispensaries. Cultivation centers must be 2,500 feet from pre-existing public and private schools, day care centers, group homes, and any area zoned for residential use. Dispensaries must be 1,000 feet from pre-existing public and private schools, day cares centers, and group homes and also cannot locate within a residential structure or zoning district. The Act allows communities to determine areas for cultivation centers and dispensaries using reasonable zoning regulations, but does not allow communities to prohibit such uses and requires that patient access is not made difficult or impossible.

Commissioner Nelson asked if there would be a tax on production or sale. Ms. Keys responded there would be a 7.5% tax on purchases and a 1% retail occupation tax. She also stated she would be meeting with the Department of Revenue in the coming weeks to discuss taxation. Vice Chairman Wermuth asked Mrs. Keys who would decide where facilities would locate. Ms. Keys responded private developers would choose based on location, feasibility, and the like and would be required to consult the zoning and land use maps. Commissioner Kelly asked for clarification on the cultivation centers: whether they'd be greenhouse structures and what size they would be. Ms. Keys and Mr. Christ agreed they'd likely be greenhouse structures of varying sizes. Commissioner Wetzel asked if screening and other zoning requirements would be precluded, to which Ms. Keys responded that the Act allows "reasonable" zoning regulations. Commissioner Wetzel asked if cultivation centers would be limited to selling only to dispensaries within their districts. Ms. Keys responded that yes, they were limited to their districts' dispensaries and that patients were also limited to their districts. Vice Chairman Wermuth asked if locals could be hired to work in the facilities. Ms. Keys expressed that locals can be hired after undergoing an extensive background check.

Commissioner McDermott arrived at 4:20 P.M.

Commissioners discussed competition within the district and how taxation would affect Moline's appeal. Commissioner Wetzel asked if there has been developer interest and Mr. Christ responded yes, there has been interest. Commissioner Kelly asked which areas of the city qualify. Mr. Christ presented a map of allowable areas within Moline for cultivation centers, expressing that the only eligible area is a small swath south of the Quad Cities International Airport.

Commissioner Nelson pointed out that there is too much residential use near the somewhat newly-annexed farmland near the airport to allow for cultivation. Commissioner Fitzsimmons stated agricultural districts seem most appropriate for cultivation, but the agricultural district in Moline doesn't meet the state criteria. Thus, cultivation likely can't happen in Moline. Ms. Keys predicted cultivation centers would remain in rural counties and would start small and expand as the program expands. Commissioner Fitzsimmons reiterated that agricultural land seems most appropriate and asked what would happen should urban development encroach on a facility. Ms. Keys said development must already be in place for separation requirements to take effect; encroachment doesn't matter. Commission members discussed possible future locations and the effects existing and future development would have on them, specifically in the southern portion of the City.

Mr. Christ asserted that agricultural districts are not where cultivation centers would locate as their use is too intensive to be considered agricultural. Commissioners Wendt, Fitzsimmons, and Wetzel discussed whether it would be appropriate to designate cultivation as a special use. Mr. Christ responded that he believes cultivation would be appropriate in industrial districts using the City's existing zoning regulations, stating that the City's code is generalized enough that cultivation could fall under industry without special use. Mr. Christ expressed that his presentation of this material was primarily to determine comfort level within the Commission. Commission members discussed Mr. Christ's opinion as well as the recreational marijuana laws in Colorado and Washington.

Mr. Christ presented a map of allowable areas within Moline for dispensaries, reiterating the 1,000 foot buffer requirements and residential land use restrictions. Dispensary locations would essentially be limited to business districts. Mr. Christ mentioned a developer contacted him with a specific site of interest: the former Holland Jewelers building south of South Park Mall. Commissioners discussed commercial locations throughout the City. Commissioner McDermott asked if the Holland Jewelers building would be an appropriate size for a dispensary to which Mr. Christ and Ms. Keys agreed yes, the Holland building is large enough for business traffic but small enough to maintain security. Chairman McConaghy inquired about the security requirements: whether the building needed to be a standalone structure and whether barbed wire fencing would need to be installed. Ms. Keys said those items could be considered by the Commission.

Chairman McConaghy then asked about the downsides of locating a dispensary in Moline. Ms. Keys described how public perception is the biggest obstacle. She compared dispensaries to pharmacies with additional security, to which Commission members made comparisons to pawn shops and discussed the benefits of standalone structures. Commissioner Fitzsimmons suggested the need for public input. Commissioner Wendt responded with concern about public sentiment, positive and negative, and the potential lawsuits it could bring. Mr. Christ compared this Act's implementation to the somewhat recent and continued construction of cell phone towers, stating that the existing zoning requirements are conducive to new situations.

Mr. Christ shared correspondence he had with Moline's Chief of Police concerning appropriate districts for dispensaries. Mr. Christ relayed the Chief's belief that business districts are better than industrial districts to place dispensaries since they are visible, trafficked, and under regular police patrol. Commissioner Wendt alluded to the importance of the taxes accompanying the Act's implementation, to which Ms. Keys agreed. Commissioner Trevor suggested that the clientele for dispensaries and cultivation centers may mirror the concerns surrounding East Moline's prison. Commission members discussed the cash only requirement under the Act, after which Commissioner Trevor asked whether insurance covered medical cannabis. Ms. Keys said she was unsure at the time.

Commissioner Fitzsimmons expressed his support for locating dispensaries in B-4 zoning districts, which would fall near John Deere Road and South Park Mall, which he believes are safe and accessible locations compared to B-2 and B-3. Commissioner Wetzel asked the Commission to take a wider view on the topic since he believes the nation is at the cusp of a

major change concerning medical and recreational cannabis. Commissioner Fitzsimmons and other members agreed, comparing the implementation of medical cannabis to the legalization of gambling and the locating of liquor stores.

Commissioner Trevor then asked Mr. Christ what he was hoping to gain from the Commission. Mr. Christ suggested two directions: 1) The Commission is not concerned and determines the existing zoning is sound; or 2) The Commission directs staff to amend the zoning code. Commissioner Fitzsimmons asked if more dispensaries would come if the City allowed one to open. Ms. Keys replied the state program could expand after the pilot program ends. Chairman McConaghy asked whether the state's separation/buffer requirements would be in addition to local zoning regulations. Ms. Keys affirmed both dispensaries and cultivation centers would be subject to both the state's requirements and local regulations. Chairman McConaghy proposed that staff investigate the option of allowing dispensaries in B-4 districts while taking state regulations into account.

Vice Chairman Wermuth reiterated that cultivation is still possible, to which Ms. Keys referred to the small allowable space south of the airport and the potential of more allowable space should the City annex in the future. Commissioner Fitzsimmons pondered the possibility of annexation agreements so the City could more directly influence future land use. Commissioner Wetzel brought the City's Comprehensive Plan to the Commission's attention, stating that industrial use is present in the plans for the portion of Moline south of the airport and thus the Commission is obligated to consider industrial uses such as cannabis cultivation for that area of the City.

Ms. Keys said that while applications are not allowed yet, developers are waiting and will come as soon as the state officially opens the pilot program. Multiple Chicago suburbs have already enacted rules before the program rolls out. Commissioner Wetzel agreed that the City must be prepared since a municipality nearby is already receiving publicity surrounding the changes it is making to accommodate the program. Commissioner Wendt asked if Illinois dispensaries could only sell to Illinois residents, to which Ms. Keys said they can only sell to Illinois residents and that the rules of the Illinois program are the strictest in the country.

The Commission directed staff to prepare a proposal for a zoning amendment allowing cultivation centers as a permitted use in the I-1 and I-2 zoning districts, and also allowing dispensaries as a permitted use in B-4 districts. Chairman McConaghy asked how quickly this might proceed, and Mr. Christ responded he could have a draft ready for discussion at the next meeting.

3. Review upcoming meetings

Mr. Christ stated the next meeting is August 13, 2014 and the group will discuss an initial proposal for zoning amendments for medical cannabis. There is no other business scheduled for that meeting so it should be an open agenda.

4. Other

There was no other discussion.

There being no further business, the meeting adjourned at 5:16 P.M.

Respectfully Submitted,

Alan Sabat
Community Development Assistant
Planning & Development Department