

**MINUTES  
COMMITTEE-OF-THE-WHOLE  
PRESIDENT AND BOARD OF TRUSTEES  
VILLAGE OF ARLINGTON HEIGHTS  
BOARD ROOM  
TUESDAY, AUGUST 13, 2019 7:30 P.M.**

BOARD MEMBERS PRESENT: President Hayes; Trustees: Baldino, Canty, LaBedz, Padovani, Rosenberg, Schwingbeck, Scaletta and Tinaglia

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Randy Recklaus, Village Manager; Robin Ward, In-House Council and Kim Peterson, Recording Secretary

**SUBJECTS:**

**B. Discussion of Adult-Use Cannabis**

---

**A. Discussion of Adult Use Cannabis**

President Hayes explained how the State of Illinois recently passed legislation legalizing adult-use cannabis. This law becomes effective January 1, 2020. President Hayes stated that despite what people's opinions are regarding adult-use cannabis, the law was passed and now all municipalities in Illinois are forced to deal with this issue. President Hayes advised that the Village must now do their due diligence in determining what is best for the residents and businesses in town; therefore, he would like the Board to spend some time discussing this issue, as well as get input from residents, businesses and interest groups. President Hayes explained how Ms. Ward would begin this discussion with a short presentation as well as provide an overview of what the Village's options are moving forward. Following Ms. Ward's presentation, the Board will have the opportunity to ask questions for clarification and then the public will have their chance to provide input. Once the public is finished making their comments, the Board will then have the opportunity to discuss this topic.

Mr. Recklaus explained how the State has already passed this law, so regardless of what people's opinions are, and regardless of what the Board decides to do, there will be people in Arlington Heights using marijuana. The objective of this discussion is to determine if the Village should allow businesses to sell cannabis, and if so, should these businesses allow consumption on their premises, should there be zoning regulations and to what extent should they be taxed. Village Staff has no recommendation on this issue as it is a policy decision for the Village Board.

Ms. Ward explained the Village's role with regard to adult-use cannabis related to businesses, and whether or not they are permitted to sell cannabis. The State handles everything else, including licensing. The Village can require a business license and impose zoning regulations, which would limit the number of businesses and where the businesses could be located. Municipalities can also impose a local excise tax up to 3%. Home cannabis growers have to be medical cannabis program users and they can only grow up to five plants.

Ms. Ward stated the Village has the option to adopt an ordinance completely prohibiting all adult-use cannabis businesses. The Village also has the option to adopt an ordinance permitting one cannabis business in the Village and limit it to being located with a medical cannabis dispensary. In addition, the Village also has the option to adopt an ordinance permitting any number of cannabis businesses. This would require the Board to determine what sorts of restrictions – number of businesses, locations of such businesses, whether to require special uses, minimum distances between cannabis businesses, whether to permit on-premises consumption, or any other regulations the Board wants to put in place.

President Hayes asked Ms. Ward to clarify if the Village could limit the number of adult-use cannabis businesses to an exact number, which Ms. Ward said they could. President Hayes asked for clarification about the existing medical marijuana dispensary and if this law pertains to them. Ms. Ward stated that this law does not include medical marijuana dispensaries; however, the law does allow existing medical dispensaries to have the first opportunity to add adult-use dispensary licenses, as they have already been vetted and have medical marijuana licenses.

Trustee Canty asked Ms. Ward if the law legalizing adult-use cannabis included zoning regulations, such as the distance between businesses, which Ms. Ward stated that it does not include these regulations. Ms. Ward stated that the law does contain advertising restrictions; so for example, a cannabis dispensary cannot advertise within 1000 feet of a school, therefore the business cannot be located within 1000 feet of a school.

Trustee Canty asked Ms. Ward if there are any cultivation centers in the Village, which Ms. Ward stated we do not. There is only one medical dispensary in town.

Trustee LaBedz asked Ms. Ward to clarify her statement about adult-use cannabis businesses not being able to advertise within 1000 feet of a school and if the law is written this way because if a business were to put a sign identifying their business, this would be a form of advertisement, which is not allowed. Ms. Ward reiterated that a cannabis dispensary cannot advertise within 1,000 feet of a school and explained how the law actually states what you can and cannot put in the advertisement.

Trustee Tinaglia asked Ms. Ward to explain what would happen if the Village did nothing and someone decided to smoke marijuana out in the open. Ms. Ward explained that you will not be able to use cannabis publicly.

Dr. David Brottman, pediatrician in Arlington Heights for over 30 years, discussed

the potential damage that can occur to a child's brain from marijuana use and the addictive nature of the substance. Dr. Brottman does not think the Village of Arlington Heights should allow the sale of recreational marijuana just because the State of Illinois passed a law legalizing it. Dr. Brottman is in favor of the Board choosing Option 1, which is to adopt an ordinance that prohibits all adult-use cannabis businesses.

Carson Ezell, resident of Buffalo Grove and a student at Stevenson High School, who also is a member of the Catalyst, a youth drug prevention group at Stevenson High School, has spent the past two years advocating against legalizing recreational marijuana in the State of Illinois. With the recent law that was past legalizing recreational marijuana, Mr. Ezell believes the best course of action for all of the Villages to take is Option 1, and opt out of all marijuana dispensaries. Mr. Ezell believes that even though the marijuana sales would be limited to those 21 and over, he is certain the schools will be impacted in one way or another. Mr. Ezell provided some statistics to support his theory from State's that allow adult-use cannabis and believes with the rising THC levels, marijuana is only becoming a more dangerous product, particularly for the youth. Mr. Ezell believes marijuana dispensaries can work as hard as they want to normalize marijuana use, but he does not think they should be allowed to operate in our communities.

Victor Shi, student at Stevenson High School and member of Catalyst, a youth drug prevention group at Stevenson High School, discussed the impact marijuana use has on youth, adults and his peers. Mr. Shi also discussed the addictive nature of marijuana and how it is the objective of businesses to get as many individuals addicted to increase sales. Mr. Shi urges the Board to choose Option 1, and opt out of recreational marijuana sales, as the negative implications on the youth, minorities and Illinois residents is too high.

Trustee Rosenberg asked Mr. Shi if he believes many of the cities and villages in Illinois will ban the sale of recreational marijuana, similar to how over half of the counties in the State of Colorado did. Mr. Shi does believe this will happen, however he thinks the Board should choose Option 1 so marijuana does not fall into the hands of the youth. Trustee Rosenberg suggested that even if Arlington Heights were to ban the sale of marijuana, residents might travel to a nearby town to make their purchases. Mr. Shi said this might happen, however, if Arlington Heights chooses to ban the sale of recreational marijuana, this sends a strong message to the youth in the community.

Dr. Aaron Weiner, Licensed Clinical Psychologist and Director of Addiction Services at Linden Oaks Behavioral Health, first stated that he believes there is benefit one can get through exercising one's ability through local control. Dr. Weiner went on to say that more access means more use and less access means less use. This is where local control can come in and the Village can send a message to their residents and determine how easily they can obtain marijuana, despite the legalization by the State. Dr. Weiner provided some statistics regarding marijuana use, from states that have already legalized the sale of recreational marijuana. Dr. Weiner pointed out how the Village of Arlington Heights voted to prohibit the sale of tobacco products to those under the age of 21, which limits the access, and in turn

use. The same concept applies for recreational marijuana sales. If businesses are allowed to sell recreational marijuana, access to this addictive product is much easier; therefore, the marijuana use will rise. Dr. Weiner discussed the rise in THC levels in these products and the harm this can do to one's body and mind. Dr. Weiner believes the Board has an opportunity to determine how easily the residents of Arlington Heights can obtain marijuana to use recreationally. In addition, the Board has the opportunity to send a message about whether they promote or endorse getting high as recreation. The more people that are high, the worse off the community is. Dr. Weiner is recommending the Village opt out.

Trustee Canty asked if Dr. Weiner is also suggesting that the Village ban alcohol sales. Dr. Weiner believes this all comes down to a change in policy, and if the Village decides to allow cannabis sales, and essentially invite this element in, you are sending a message about what is valued here in Arlington Heights.

Jeremy Unruh, Director of Regulatory Affairs for PharmaCann, which is the medical cannabis dispensary in Arlington Heights, stated that there are many statistics being presented at tonight's meeting, however the only fact that is indisputable is how in the more than 3,000 years that cannabis has been used, there has not been one single reported fatality from the overdose of cannabis. Mr. Unruh stated that he would like to invite the Board to allow adult-use cannabis sales in Arlington Heights. In addition, he would like to invite all of the Board members to visit PharmaCann, if they had not already done so, to see what their process is, what their security and consumer protections are like, before they make their decision tonight. Mr. Unruh informed the Board that there has not been one single first responder call since the dispensary opened and it is not their intention to allow onsite consumption. Mr. Unruh explained how based upon their dispensary in Wareham, Massachusetts, who just began selling adult-use cannabis in December of 2018, and generated over \$300,000 in tax revenue for the city with a 3% sales tax, he anticipates being able to give Arlington Heights approximately \$600,000 in tax revenue.

President Hayes asked Mr. Unruh what the maximum amount of THC per dose, which Mr. Unruh stated it is 10 milligrams per dose. President Hayes then asked what the maximum percentage of THC per dose is. Mr. Unruh explained that the limit per dose is 10 milligrams of active ingredient. President Hayes asked how this limit compares to what would be sold in a recreational facility, which Mr. Unruh stated the products would be the same as what they are selling now. The difference will be is that now, a patient will walk in with their medical card, and an adult-use consumer will show their Driver's License or State ID to prove they are 21.

President Hayes asked Ms. Ward if there is anything in the State legislation that limits the amount of THC in recreational marijuana. Ms. Ward could not immediately find any verbiage in the law that limits the amount of THC; however, she did state that any restrictions that are in place for the sale of medical marijuana would be in place for adult-use sales as well. President Hayes would like to ensure the level of potency would be limited if the Board was to go ahead and allow adult-use cannabis sales in town.

Trustee Rosenberg asked if there would be a limit to how much recreational

marijuana someone could buy. Mr. Unruh explained that there is a possession limit. Trustee Rosenberg asked how often someone could purchase recreational marijuana. Mr. Unruh explained how PharmaCann would not be over-dispensing to consumers, as their license costs too much and the potential to be shutdown exists. Trustee Rosenberg asked Mr. Unruh if they would be tracking their customer sales, which Mr. Unruh stated they would not. Mr. Unruh explained how they would have procedures in place to ask someone not to return to their dispensary if they believe someone is abusing the possession restriction.

Trustee LaBedz asked Mr. Unruh if they would be carding everyone entering their facility. Mr. Unruh advised they would actually be carding consumers twice, to confirm they are 21.

Trustee Padovani asked Mr. Unruh what amount of foot traffic does PharmaCann anticipate. Trustee Scaletta is concerned with the amount of questions and time spent discussing what PharmaCann would do if allowed to sell adult-use cannabis, as they are not going to be automatically chosen as a distributor if the Board chooses to allow adult-use sales. President Hayes explained how PharmaCann is currently the only medical marijuana dispensary in town, thereby, giving them the first opportunity to sell recreational marijuana under the new law.

Frank Adams, District 214 student and member of the Linked Together Coalition, discussed the various social media applications that companies use to promote the use of cannabis and normalize its' use. Mr. Adams presented some unique forms of marketing cannabis companies use to capture the attention of youth without outwardly advertising the fact that they sell marijuana. Mr. Adams does not believe Arlington Heights wants to support an industry that markets to local teens.

Jorie Ouimet, representative of the Linked Together Coalition and resident of Buffalo Grove, encouraged everyone to visit PharmaCann's website to see how much THC is in some of the products they sell. Ms. Ouimet referenced the Physician Statement from Linked Together regarding Recreational Use of Marijuana in Teens that she distributed to the Board and highlighted some of the key points. Ms. Ouimet encourages the Board to research some of the other communities that have legalized recreational marijuana and reach out to some of those community members, police officers or school officials to see what kind of impact they have seen from having a recreational marijuana dispensary in their town.

Kevin Corcoran, Arlington Heights resident and medical marijuana user, spoke about the benefits of medical marijuana and how it has improved the quality of his life. Mr. Corcoran obtains his medical marijuana from PharmaCann and thinks very highly of the establishment and their staff. Mr. Corcoran believes the benefits are far greater than any negative issues and PharmaCann should be allowed to continue to operate. President Hayes clarified that PharmaCann's viability as a medical marijuana dispensary is not an issue. The question the Board is discussing is whether the Village should allow businesses to sell adult-use cannabis.

Dan Militello, Director of Retail Operations, PharmaCann, explained how PharmaCann is not interested in on-site use, they would just like to expand their

business and offer adult-use cannabis. Mr. Militello advised that PharmaCann currently operates with approximately 10 – 12 employees and if they are allowed to sell adult-use cannabis, they will need to employ 40 – 50 individuals, preferably from the community.

Mike Alexander, employee of PharmaCann and former police officer, reiterated the fact that there has not been one call for service at PharmaCann and how their average patient is a middle class female, 45 – 62 years of age. Mr. Alexander explained how cannabis is an exit drug, as it helps those who have addictions get themselves off sometimes fatal drugs.

Christine Bernard, medical cannabis patient and PharmaCann customer, does believe individuals will travel to other towns to purchase marijuana, if Arlington Heights decides to not allow businesses to sell recreational marijuana. Ms. Bernard also believes it is important that jobs will be created if businesses are allowed to sell recreational marijuana.

Mike Richards, Outreach and Development Manager, PharmaCann, explained how the most rewarding work he has done in his life has been at PharmaCann and the most important aspect is community involvement. Mr. Richards advised that education is paramount to PharmaCann; therefore, they make it a point to go out into the community to educate physicians and hold workshops, and most importantly teach the youth that cannabis is for those 21 and over.

Lisa Slankard, pharmacist and resident of Arlington Heights, supported the cannabis bill when it was first written and still supports it, as she believes a lot of work went into trying to avoid the issues that occurred in the states that have already legalized recreational marijuana. Ms. Slankard is in favor of Option 3, as the purpose of the law is to make marijuana safer for people who do use it. Ms. Slankard likes the idea of having multiple businesses selling cannabis, as it promotes competition.

Joel Stein, medical marijuana patient and PharmaCann customer, spoke about the pain relief he experiences when using marijuana and how he is in favor of businesses in Arlington Heights selling recreational marijuana. Mr. Stein addressed the problems some individuals experience when trying to obtain their medical marijuana card from the State of Illinois and believes these issues can be alleviated if consumers can just purchase their marijuana at local retailers.

Dina Rollman, Senior Vice President for Government and Regulatory Affairs, Green Thumb Industries, which is a Chicago-based operator of medical cannabis and adult-use dispensaries throughout the country. Ms. Rollman advised that Green Thumb Industries is very interested in operating an adult-use dispensary in Arlington Heights. Ms. Rollman explained how Green Thumb Industries already operates dispensaries in Massachusetts and Nevada. Ms. Rollman discussed the probability of neighboring towns opting to allow recreational marijuana dispensaries, which may or may not be regulated. Ms. Rollman believes it would make sense for Arlington Heights to allow dispensaries, as they can regulate them, and in addition, generate revenue for the community. Ms. Rollman welcomed the

Board to address any of their concerns with her and encouraged them to choose Option 3. Trustee Rosenberg asked Ms. Rollman if her company is allowed to sell adult-use cannabis here in Arlington Heights, would they also sell to those who hold medical marijuana cards, which Ms. Rollman said they would, but it would be at the regular rate, as opposed to the reduced rate medical marijuana card holders receive. In addition, Trustee Rosenberg asked if Ms. Rollman if her dispensaries have a medically trained employee to assist patients who use marijuana for medical purposes. Ms. Rollman stated most of her dispensaries have a licensed pharmacist on-site and many of the employees undergo weeks of in-house training.

Nancy Duel, resident of Arlington Heights, read excerpts from several news articles and brochures that discussed the negative effects of marijuana, mainly when it comes to children, and informed the Board there is currently no roadside sobriety test for marijuana. Ms. Duel explained how she was confused by the options available to the Board, as she associates medical marijuana users with adult-use cannabis. Mr. Recklaus explained how "adult-use cannabis" is the terminology that is used to refer to those that are non-medical or recreational users of cannabis. In response to Mr. Recklaus' explanation, Ms. Duel is in favor of Option 1.

President Hayes once again reiterated the fact that the issue being discussed tonight has nothing to do with medical marijuana and the dispensary located in Arlington Heights. President Hayes believes PharmaCann has done a great job helping people in the community and understands the difficulties some face when trying to obtain their medical marijuana card from the State, however he does not feel it is the Village's responsibility to correct the situation. President Hayes believes his primary job is to provide for the health, safety and welfare of the residents and all of those who live and work in the Village. President Hayes also strives to preserve and protect the image and reputation of this community. President Hayes is very proud of the reputation Arlington Heights has as being a family oriented community, therefore he strongly favors Option 1, which would prohibit the sale of recreational marijuana.

Trustee Scaletta thanked everyone who came out and spoke on this issue, as he feels it is important to hear from the residents and those that will be impacted by their decision. Trustee Scaletta is fairly confident one or more of the surrounding communities will decide to sell adult-use cannabis, therefore he believes the Board needs to find a way to permit it, with some restrictions. Trustee Scaletta does not believe adult-use cannabis sales should be in the same environment as the medical dispensary. In addition, Trustee Scaletta is not in favor of one business having the monopoly on adult-use cannabis sales. Trustee Scaletta is unsure if he would have voted for legalizing cannabis in the State of Illinois, but the law was passed and he cannot do anything about that, but what he can do is regulate what goes on in the Village of Arlington Heights. Trustee Scaletta discussed the difficulty most residents experience in defining the borders of Arlington Heights and knowing what businesses are located in what towns. Trustee Scaletta is in favor of allowing adult-use cannabis businesses in Arlington Heights and accepting the 3% local tax to better the tax base, as long as they are required to have a special use permit and business license, and the Village imposes limits on the number of businesses, with no business being located in the central business district or near schools.

Trustee Tinaglia asked Ms. Ward which towns or counties could opt out, which Ms. Ward stated anyone could opt out. Trustee Tinaglia agrees with Trustee Scaletta that the Village's borders are hard to define and would hate to think that a neighboring community would benefit from sales from our residents.

Trustee Tinaglia referenced some of the public comments that talked about potential tax revenue for the Village and asked why there is such a huge disparity in these numbers. Mr. Jeremy Unruh, Director of Regulatory Affairs for PharmaCann, advised that the proposed tax revenue of \$30,000 was given by an individual who is not a proponent of businesses in Arlington Heights selling adult-use cannabis, whereby, the higher amount of \$600,000 was provided by Mr. Unruh himself, and based on the amount of tax revenue generated by one of PharmaCann's adult-use cannabis dispensary in Massachusetts. Trustee Tinaglia asked Mr. Recklaus what other business establishments in the Village generate \$600,000 in tax revenue, which Mr. Recklaus stated "big box" retailers, car dealerships and larger appliance stores. Mr. Recklaus went on to explain how Staff has not done any kind of analysis to validate the \$600,000 in revenue, which he expects the Board to request moving forward.

Trustee Tinaglia has spoken with numerous doctors and has been told by all of them that smoking marijuana is so much safer than taking opioids. Trustee Tinaglia feels that if the Village zones these establishments properly and regulates them, he believes it makes sense to keep the local sales tax here in town. Trustee Tinaglia is in favor of using some of these tax dollars to equip the Police with the necessary tools they need to ensure everyone's safety.

Trustee Canty is in favor of the sale of recreational use marijuana in the Village, as she does not believe the Village should try to undo what the State has done by banning the sale of marijuana, to try to present a moral stand, as the Village currently allows the sale of alcohol and cigarettes, and gambling at the racetrack. Trustee Canty does agree that the Board would need to determine how these establishments should be zoned, how many there should be and how much revenue can actually be generated. Trustee Canty believes it is the duty of the Board to look for additional tax revenue.

Trustee Padovani spent the last three weeks talking to people in the community about this issue and received varying responses, but for the most part, Trustee Padovani could lump the responses into three different groups. The first group is adamantly opposed to the idea, as this is a family oriented community. The next group is interested in the sale of adult-use cannabis, mainly because of the tax revenue these sales can generate. The last group would like to see businesses sell adult-use cannabis here, but would also be okay if they were banned. This final group is also interested in the tax revenue if indeed it is substantial. Trustee Padovani believes the \$600,000 in potential revenue PharmaCann suggested is a number that cannot be ignored. Trustee Padovani would like Staff to verify that this number is real and check with other communities to see what their actual revenue numbers look like. Trustee Padovani is not prepared to make a decision yet, as to which option he is in favor of supporting.



Trustee LaBedz has always been opposed to the legalization of marijuana; therefore, she is really struggling with the idea of Arlington Heights allowing the sale of adult-use cannabis. Trustee LaBedz has also spoken with residents in the community about this topic and heard stories about individuals who lost their lives to drug addiction and marijuana was the entry drug, not the exit drug as discussed earlier. Most of the residents Trustee LaBedz had the opportunity to speak with oppose the sale of recreational marijuana.

In addition, Trustee LaBedz learned that many of the communities that decided to allow for the sale of adult-use cannabis did not end up making anywhere close to the amount of money they thought they would in tax revenue. Trustee LaBedz also read various articles that suggested the cost of purchasing marijuana at an adult-use cannabis dispensary far exceeded the cost of purchasing marijuana from a street dealer. Trustee LaBedz is leaning towards Option 1, but would like some additional information from Staff, before she makes her final decision. Trustee LaBedz plans to visit PharmaCann to see how their dispensary operates.

Trustee Rosenberg is in favor of Option 3, as some of the surrounding communities will most likely vote to allow for the sale of adult-use cannabis, and therefore benefit from any revenue generated by Arlington Heights residents. Trustee Rosenberg believes these businesses should be heavily regulated, and there should be no more than a half dozen spread around the Village. Special use permits and business licenses should be required and the dispensaries should be located a certain distance from schools. Trustee Rosenberg stated that he is concerned about the youth aspect, but feels they will always find a way around it.

Trustee Schwingbeck shares the same philosophy as President Hayes, although he did spend a good deal of time educating himself on the topics of recreational marijuana and medical marijuana use, even so far as visiting PharmaCann to observe their operation, to make an informed decision. Trustee Schwingbeck is in favor of opposing the sale of adult-use cannabis.

Trustee Baldino is sensitive to the issue of marijuana use by youth, however the proposed tax revenue is substantial and this money can go a long way to benefiting the entire Village; therefore, he is in favor of Option 3. Trustee Baldino is not in favor of on-site consumption and feels Trustee Rosenberg's suggestion of a half dozen dispensaries is too high.

President Hayes understands how the revenue aspect can be an enticing factor, but the Board took a stand on several occasions to forgo the potential revenue because what was being proposed was not in the best interest of the community. The Board does not have to accept this. President Hayes believes the consensus of the Board is to gather some additional information and discuss the issue again before a final vote is taken.

Mr. Recklaus advised that the direction he has received from the Board is to revisit this issue sometime in mid to late Fall, with the appropriate prepared ordinances. Mr. Recklaus stated that from the information he has gathered from this meeting,

there is sufficient interest for the exploration of permitting adult-use cannabis businesses. There is not a lot of interest for on-site consumption, although there is interest in establishing some sort of special use process, as well as zoning, and limits on the number of dispensaries. Mr. Recklaus believes the critical piece of information that everyone seems to be interested in is the amount of revenue that could potentially be generated by the 3% local tax. Mr. Recklaus advised Staff will do the best they can to get a revenue estimate. President Hayes believes the Board needs to meet again before the Fall to discuss this issue further, and any ordinances that may be drawn up, should be done following that meeting.

Trustee Tinaglia is interested in knowing what kinds of rules and restrictions will the Board be required to follow when drafting an ordinance.

### **Other Business**

None

### **Adjournment**

Trustee Scaletta moved, seconded by Trustee Tinaglia, to adjourn the meeting at 10:28 p.m. Upon a voice vote, the motion passed unanimously.