PLAN COMMISSION

INTER-DEPARTMENTAL REVIEW COMMITTEE REPORT

MMRE LLC - 510 E. 22nd STREET

October 20, 2014

Title

PC 14-32

Petitioner

MMRE, LLC

Sean Daly

2803 Butterfield Rd, Suite 300

Oak Brook, IL 60523

Property Owner

Samcor of Illinois, LLC

510 E. 22nd Street

Lombard, IL 60148

Property Location

510 E. 22nd Street

(06-20-418-002)

Zoning

O Office District

Existing Land Use

Four multi-tenant buildings

Comprehensive Plan

Office

Approval Sought

Conditional use to allow for a medical cannabis dispensary within the O Office Zoning District.

Prepared By

Jennifer Ganser

Assistant Director



LOCATION MAP

PROJECT DESCRIPTION

On January 1, 2014 the Compassionate Use of Medical Cannabis Pilot Program Act went into effect which allows for the legal use and distribution of medical cannabis. The Act allows for up to sixty (60) dispensaries to be established in Illinois. The Act states that no unit of local government may regulate registered medical cannabis organizations other as provided for in this Act and may not unreasonably prohibit the cultivation, dispensing, and use of medical cannabis authorized by the Act. The Act will be regulated by the State of Illinois Department of Health, Department of Agriculture, and the Department of Finance and Professional Regulation. The Department of Finance and Professional Regulation has the authority to award a dispensary license. A dispensary cannot produce or manufacture cannabis. They can sell cannabis or cannabis infused products to those with a State issued ID card.

PROJECT STATS Lot & Bulk Parcel Size: 4.05 acres Unit Area: 2,500 sq. ft. Building Area: 13,242 sq. ft. Building Area of all four buildings: 52,842 sq. ft. Year Built: 1986

Parking Spaces

Lot Coverage:

Supply: 186 Accessible: 7

Demand: 208

Submittals

1. Petition for Public Hearing;

Approx. 95%

- 2. Response to Standards for a Conditional Use;
- 3. Executive Summary;
- First Floor Plan, by base Ten Architects, Inc., dated September 13, 2014;
- Site Plan, by base Ten Architects, Inc., dated September 12, 2014;
- Condominium Area Plat of Survey from R2004-027508, two pages; and
- 7. Legal description.

The petitioner, MMRE LLC, will be leasing the subject property for a medical cannabis dispensary. MMRE, LLC applied with the State of Illinois for a license to dispense medical cannabis. They will need to obtain the State license, as well as a conditional use permit from the Village, before they could operate.

Per the Act, only patients with a qualifying medical condition can obtain a medical cannabis ID card. Per the enclosed floor plan, patients will enter at the front vestibule and provide their State issued medical card. Next patients will be in a waiting room until there is someone to meet with them individually to dispense the medical cannabis. The inside will function like a medical office use. Deliveries of medical cannabis will take place every one to two days at the secure underground parking structure from licensed Illinois cultivation centers. The facility, both inside and outside, will have a 24 hour surveillance camera with direct monitoring by the Illinois State Police Department.

Dispensaries may open in Spring 2015, depending on State license approval and when supplies are ready.

APPROVAL(S) REQUIRED

The petitioner is requesting approval of a conditional use for a medical cannabis dispensary in the O Office Zoning District.

EXISTING CONDITIONS

The subject property is currently improved with four multi-tenant, one story buildings and a parking lot. The petitioner would be located in building B, on the northwest portion of the site. No structural changes are being proposed to the building. The building is 13,242 square feet. The building setbacks exceed the requirements in the O-Office Zoning District. Access to the site is from two points on Fairfield Avenue. The parking lot is shared among all tenants and visitors of all four buildings. The tenant space was previously utilized by a dental office. It is 2,500 square feet.

INTER-DEPARTMENTAL REVIEW

Building Division:

The Building Division has no comments regarding the project.

Fire Department:

The Fire Department has no issues or concerns.

Private Engineering Services:

Private Engineering Services (PES) has no comments.

Public Works:

The Department of Public Works has no comments.

Planning Services Division:

1. Comprehensive Plan Compatibility

The Comprehensive Plan recommends Office, which matches with the site's existing zoning. The subject property is consistent with the Comprehensive Plan's recommendation of office uses for the site.

2. Surrounding Zoning & Land Use Compatibility

	Zoning Districts	Land Use
North	R4	Multi-family homes
South	B3PD	Target and additional retail
East	R4	One single family home
West	B3PD	Office building

There is landscape screening around the perimeter of the property, specifically towards the north and west which abut a residential district.

The proposed use is compatible with the surrounding office and medical uses. The tenant space was previously utilized by a dental office. Patients are anticipated to be at the dispensary from fifteen to thirty minutes, much like other medical uses.

Staff received correspondence from interested parties expressing concerns that the use is too close to nearby residences and schools. Per the State Act, dispensaries may not be located within 1,000 feet of the property line of a pre-existing public or private preschool, elementary school, secondary school, day care center, day care home, group day care home, or part day child care facility. The Act does not establish buffer requirements for dispensaries relative to residential areas. The State Act prohibits dispensaries in areas zoned residential.

3. Zoning and Sign Ordinance Compatibility

Medical cannabis dispensaries were added to the Zoning Ordinance via Ordinance 6896. This text amendment was taken to the Plan Commission and Village Board of Trustees after Governor Quinn signed HB 1, the Compassionate Use of Medical Cannabis Pilot Program Act (PA 098-0122). The law created a four-year pilot medical marijuana program that went into effect on January 1, 2014. It was created with a "sunset" provision so that if the legislature does not renew the program or create a new law the program will cease to operate four years from the date it went into effect. The Act states that no unit of local government may regulate registered medical cannabis organizations other as provided for in this Act and may not unreasonably prohibit the cultivation, dispensing, and use of medical cannabis authorized by the Act. The Act provides extensive discussions as to the use, regulation and description of medical cannabis. The Act prohibits patients from consuming medical cannabis on the premises.

Medical cannabis dispensaries are listed as a conditional use within the O Office Zoning District. The petitioner is seeking a conditional use for a medical cannabis dispensary as defined under Section 153.802 of the Zoning Ordinance as:

Medical Cannabis Dispensing Organization is a facility operated by an organization or business that is registered by the Department of Financial and Professional Regulation to acquire medical cannabis from a registered cultivation center for the purpose of dispensing cannabis, paraphernalia, or related supplies and education materials to registered qualifying patients.

Staff notes that the discussion of the appropriate zoning district for a dispensary occurred at the August 2013 Plan Commission meeting when the text amendment to list dispensaries as a conditional use in the Office District was brought forth. The text amendment was later approved by the Village Board of Trustees via Ordinance 6896.

Staff finds that the proposed use meets all of the Standards for Conditional Uses.

No signage is being proposed at this time.

4. Site Plan: Access & Circulation

Access to the site is from two points on Fairfield Avenue. The parking lot is shared among all tenants and visitors of all four buildings.

MMRE, LLC anticipates approximately sixty (60) average patient visits per day. They plan on using a patient scheduling system so the volume is distributed throughout the day. Hours of operation are proposed to be Monday through Thursday from 9am to 6pm, Friday and Saturday from 9am to 8pm, and Sunday from 9am to 3pm. Per State regulations, a dispensary is required to be open a minimum of thirty-five (35) hours per week. Patients are anticipated to be at the dispensary from fifteen to thirty minutes, much like other medical uses. The petitioner noted this volume is comparable to a medical or dental office.

Staff received residence correspondence stating the need for a traffic light due to a change in traffic patterns. The office complex is filled with a mix of tenants, mostly medical and dental offices. Staff does not believe the anticipated trip generation and traffic patterns would change significantly that in of itself would warrant a traffic light.

5. Elevations

The petitioner is not proposing any changes to the exterior elevations at this time. The petitioner has provided a floor plan for the interior space.

SITE HISTORY

510 E. 22nd Street has not been before the Plan Commission or Zoning Board of Appeals in recent history.

FINDINGS & RECOMMENDATIONS

As the petitioner has indicated their intention to operate a medical cannabis dispensary and that the site is designed for such use, staff finds that allowing for a medical cannabis dispensary is consistent with the surrounding context, the Village of Lombard Comprehensive Plan and Zoning Ordinance, and is in the best interest of the Village.

The Inter-Department Review Committee has reviewed the standards for the requested conditional use permit for a medical cannabis dispensary and finds that the proposed use **complies** with the standards established by the Village of Lombard Zoning Ordinance, subject to conditionals of approval based on the above considerations. As such, the Inter-Departmental Review Committee recommends that the Plan Commission make the following motion for **approval** of PC 14-32:

Based on the submitted petition and the testimony presented, the proposed conditional use does comply with the standards required by the Village of Lombard Zoning Ordinance and that granting the conditional use permit is in the public interest and, therefore, I move that the Plan Commission accept the findings of the Inter-Departmental Review Committee Report as the findings of the Plan Commission, and recommend to the Village Board **approval** of PC 14-32, subject to the following conditions:

- 1. That this relief is limited to the operation of a medical cannabis dispensary only and any physical site improvements or alterations require approval through the Village;
- 2. That the petitioner shall satisfactorily address all comments noted within the Inter-Departmental Review Committee Report;
- 3. That the petitioner shall develop the site in accordance with plans submitted as part of this request;
- 4. This relief shall be valid for a period of one year from the date of approval of the ordinance. If the medical cannabis dispensary establishment is not established by said date, this relief shall be deemed null and void;
- 5. That the applicant shall receive be in good standing at all times a valid State issued license for a registered medical cannabis dispensary, and be in compliance with all rules and regulations as established by the Compassionate Use of Medical Cannabis Pilot Program Act and Department of Finance and Professional Regulation administrative rules found at Title 68, Part 1290 of the Illinois Administrative Code;
- 6. There shall be no exterior wall signs, outdoor displays, or attention getting devices on the premises, including temporary signs; and
- 7. The petitioner shall be required to apply for and receive a building permit for any improvements to the interior of the space prior to starting the build-out of the tenant space.

Inter-Departmental Review Committee Report approved by:

William J. Heniff, AICP

Director of Community Development

c. Petitioner

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VII. Standards for Conditional Uses

1. That the establishment, maintenance, or operation of the conditional use will not be detrimental to, or endanger the public health, safety, morals, comfort, or general welfare; Applicant's plans for the proposed medical cannabis dispensary include numerous security components that will ensure the safe dispensing of medical cannabis including, but not limited to, 24 hour surveillance cameras with direct monitoring by the Illinois State Police Department, both inside and outside the premises, high secure areas with reinforced walls and bullet resistant glass for the dispensing and storage of medical cannabis, a "man-trap" at the front vestibule that will allow the front receptionist to limit the number of individuals entering the facility at any given time and ensuring that all individuals granted access possess a medical license issued by the State of Illinois with a qualifying condition. An underground parking facility will permit the safe delivery of medical cannabis and the removal of any cash from the premises.

Applicant will be located in a non-descript medical office building with window signage that will be tastefully designed. There is significant landscape screening to the north and west of the building that will prevent most casual observers from noticing the location unless they have a specific purpose to visit the office.

- 2. That the conditional use will not be injurious to the uses and enjoyment of other property in the immediate vicinity for the purposes already permitted, not substantially diminish and impair property values within the neighborhood in which it is to be located; Applicant plans reflect a typical medical office layout with a waiting room and consultation rooms. Patients are prohibited from consuming medical cannabis on premises either within the building or on public property per the Compassionate Use of Medical Cannabis Pilot Program Act. There is currently sufficient parking on site serving the entire office complex. The expected patient visit time is expected to be between 15-30 minutes, resulting in a minimum impact on parking usage by patients of the applicant. There is significant vegetative screening along the north end of the parking area providing very limited visibility to the residential area to the north. Existing office users to the east and west of the location and residences to the north will not be impacted by the use. The only activities that will be visible are qualified patients visiting the location. The patient mix is similar to that of a Walgreens or CVS pharmacy, except that the foot traffic will be significantly less as there are no ancillary products being sold such as toiletries or cosmetics.
- 3. That the establishment of the conditional use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district; The use is similar to that of other users within the development as it will be operated as a medical office. The surrounding properties are improved and constructed and the use is similar to existing uses on the surrounding property.
- 4. That the adequate public utilities, access roads, drainage and/or necessary facilities have been or will be provided;

Applicant plans on located in an existing structure fully serviced by public utilities with adequate ingress and egress to Fairfield Ave from the existing parking area, which is served by an existing storm drainage system.

5. That adequate measures have been or will be taken to provide ingress and egress so designed as to minimize traffic congestion on public streets;

Applicant is locating in an existing structure served by a parking field with two points of access to Fairfield Ave. Location cannot be accessed directly from 22nd St, which provides for the safe and orderly flow of traffic onto Fairfield Ave from 22nd Street prior to entering the parking area of office complex.

6. That the proposed conditional use is not contrary to the objectives of the current Comprehensive Plan for the Village of Lombard; and,

The proposed location of applicant is in an area currently zoned O – Office. Ordinance 6896, An Ordinance Approving Text Amendments to the Lombard Zoning Ordinance Title 15, Chapter 155 of the Code of Lombard, Illinois approved November 21, 2013, lists Medical Cannabis Dispensing Organization as a Conditional Use within the O - Office District. Applicant is proposing its location within the area designated by staff deemed appropriate for medical cannabis dispensaries per the Compassionate Use of Medical Cannabis Pilot Program Act.

7. That the conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located, except as such regulations may, in each instance, be modified pursuant to the recommendations of the Plan Commission.

Applicant shall conform to the applicable regulations of district 3, except as such regulations may, in each instance, be modified to the recommendations of the Plan Commission.

Executive Summary

On January 1, 2014, the Compassionate Use of Medical Cannabis Pilot Program Act ("Act") went into effect, providing for the licensure of 60 dispensary organizations and 22 cultivation centers of medical cannabis in the State of Illinois. MMRE, LLC was formed in 2014 to license and operate medical cannabis dispensaries in Illinois under the Compassionate Use of Medical Cannabis Pilot Program Act. The partnership is comprised of individuals from varying backgrounds including pharmacology, retail, real estate, and consulting. All partners are residents of Illinois and reside in the Chicagoland area.

It is the desire of MMRE, LLC to apply for the conditional use approval to operate a medical cannabis dispensary in the Village of Lombard at 510 E. 22nd St., in an existing medical office building in an area of the Village currently zoned O – Office.

The partnership desires to create a first class dispensary experience for its patients, providing a highly secure and private environment for patients to visit. The first line of security at the dispensary will be at the front vestibule, at which the patients will need to provide evidence of their State-issued medical card in order to gain entry into the premises. From there, patients will be asked to wait in a comfortable waiting room until a patient consultant is available to meet with them individually and assess their needs. The dispensary will institute controls and a security measures to ensure that product is not dispensed to unauthorized individuals or that a patient is dispensed more than is permitted under State law. MMRE, LLC will work with the landlord to install security measures on the exterior of the premises to ensure the safety of the patients exiting the premises as well.

Business Description

The medical cannabis industry currently operates under legislative oversight in 21 states with pending legislation in 18 states that would establish a medical cannabis program. The medical cannabis industry has existed in the United States since 1996, when California passed Proposition 215 permitting the cultivation and dispensing of medical cannabis. Revenues from medical cannabis dispensaries in the U.S. are estimated to be \$1 billion in 2013 and could exceed \$2 billion in 2014. With pending legislation in 18 states legalizing medical cannabis at the state level, the medical cannabis industry could comprise a \$10.2 billion market by 2018.

The medical cannabis industry's growth coincides with a widespread shift in the public's attitude toward cannabis. Polls have recently shown that for the first time in history, more than half of Americans believe that cannabis should be legal for both medical and recreational purposes.¹

It is of important note that the cultivation and dispensing of medical cannabis is in violation of federal law as currently written. However, "states are not required to enforce federal law or prosecute people for engaging in activities prohibited by federal law." Further, "approximately 99 out of every 100 cannabis arrests in the U.S. are made under state law, rather than under federal law." The Act will have the "practical effect of protecting from arrest the vast majority of seriously ill patients who have a medical need to use cannabis."

The Act permits the sale of medical cannabis from a licensed dispensary in the State of Illinois to a cardholder, or qualifying patient or caregiver, a maximum of 2.5 ounces every 14 days. The Act currently provides for approximately 40 prescribed illnesses that qualify for medical cannabis including cancer, glaucoma, hepatitis C, Multiple Sclerosis, and severe fibromyalgia. The legislation permits the sale of unprocessed cannabis in plant form as well as processed in the form of edible products and tinctures.

¹ Marijuana Market Poised to Grow Faster than Smartphones, Huffington Post, November 13, 2011

² Compassionate Use of Medical Cannabis Pilot Program Act

All employees and principal officers of a licensed medical cannabis dispensary will be fingerprinted by the State and undergo background checks by the Illinois State Police. Per the rules and regulations issued by the IDFPR, medical cannabis will be stored in a highly secure environment with limited access by licensed employees of the dispensary. Medical cannabis deliveries will take place every 1-2 days via the secure underground parking structure from licensed cultivation centers in Illinois.

Qualified patients will select a dispensary to which their medical cannabis license will be tied. Patients of a dispensary cannot visit any other dispensaries unless they apply to transfer their license. By tying medical licenses to specific dispensaries, the State shall ensure that patients are monitored by a single dispensary to prevent any violations of the state regulated limit on the amount of prescribed medical cannabis a patient may obtain within a 14-day period.

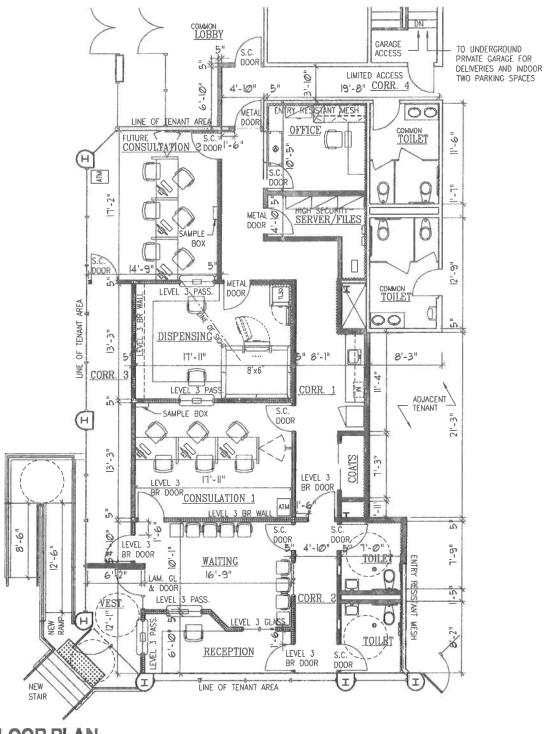
Conclusion

MMRE, LLC looks forward to working with staff and the Board of Trustees of the Village of Lombard to provide a resource for patients who can benefit from the medicinal qualities of medical cannabis. Applicant believes that the location in Lombard will provide for a strong likelihood for success due to the accessibility of the location by both public transit and major highways and looks forward to serving as a strong corporate citizen for years to come.

¹ Marijuana Market Poised to Grow Faster than Smartphones, Huffington Post, November 13, 2011

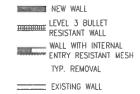
² Compassionate Use of Medical Cannabis Pilot Program Act

RETAIL SPACE 510 E. 22ND STREET LOMBARD, IL





THIS CONCEPTUAL PLAN IS FOR MARKETING PURPOSES ONLY, AND HAS BEEN PREPARED BASED ON PRELIMINARY AVAILABLE. SITE INFORMATION DEEMED RELIABLE. ALL DIMENSIONS AND AREA CALCULATIONS ARE SUBJECT TO VERIFICATION BY A PROFESSIONAL ENGINEER FOR COMPLIANCE WITH ALL FEDERAL, STATE AND LOCAL REGULATIONS.

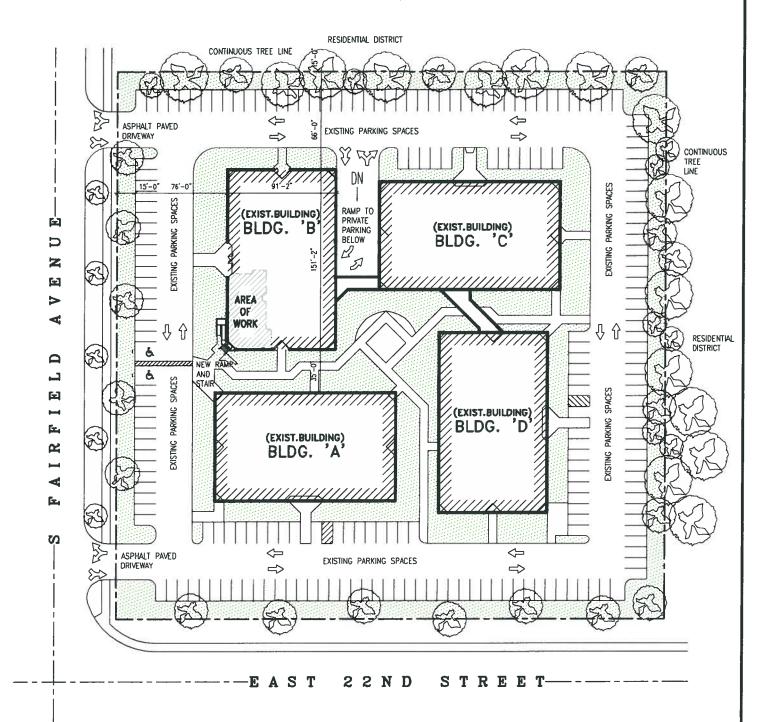


DATE: 9-13-2014



FAIRFIELD PLAZA

FAIRFIELD AVENUE AND 22ND STREET LOMBARD, IL

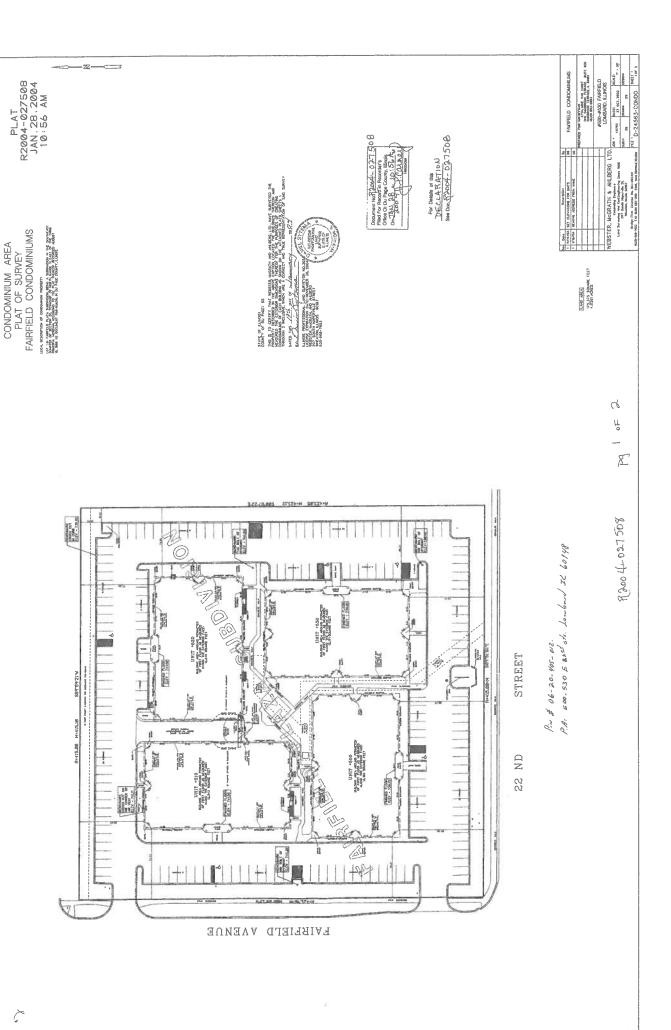


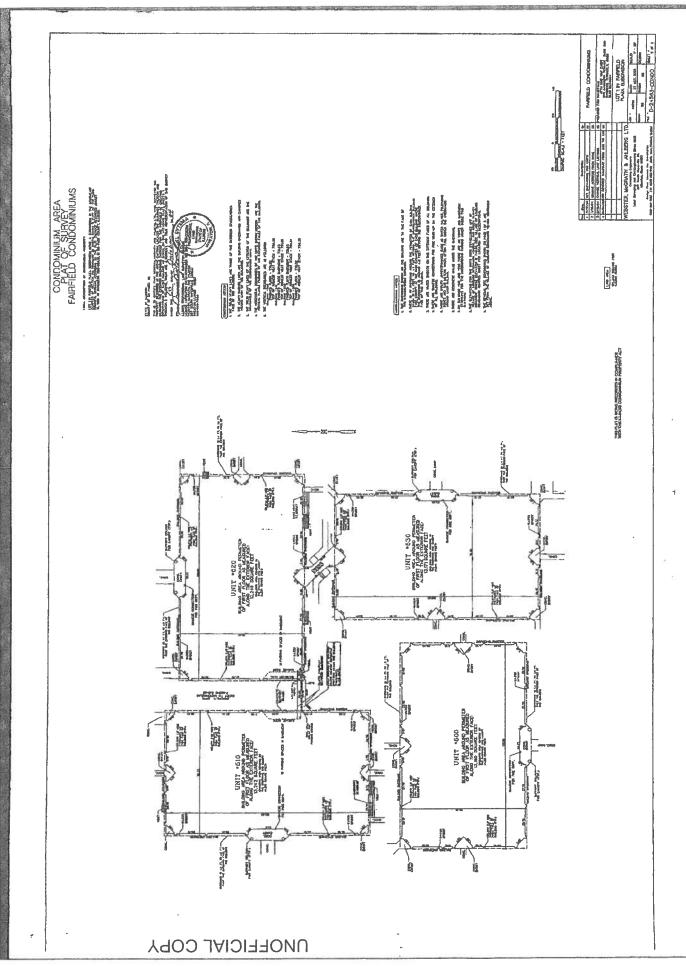


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DATE: 9-12-2014







Legal Description

Unit 510 OF LOT 1 IN FAIRFIELD PLAZA SUBDIVISION, BEING A SUBDIVISION IN THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 18, 1986 AS DOCUMENT R96-95639, IN DU PAGE COUNTY, ILLINOIS.

Commonly known as:

Unit 510 – PIN: 06-20-418-002 – 510 East 22nd Street, Lombard, IL 60148

To Sombard Plan Commission The site chasen for a cannabis dispensing store is unwise because of the proximity of private homes, with children in neighborhood. That corner is a pick-up sete for school children riding a school bus Take feel that pot buyers sould pose a danger to Children & community a better location for this kind of establishment would be an industrial park away from private homes. My vote is no for this location Thank you O Ron Nofsenger 534 E. Rosehud St. S.

October 1, 2014

Lombard Village Hall C/O Plan Commission 255 East Wilson Ave., Lombard, IL 60148

Re: Public Hearing Re PC 14-21

Dear Department of Community Development / Plan Commission:

I am writing in response to the re-zoning of the property (PC14-32) at 510 E. 22nd Street, Lombard, IL to allow for a medical cannabis dispensing organization.

The immediate area surrounding this location is, primarily, residential. My concern is that, with such re-zoning, the traffic pattern would change exponentially and negatively impacting the local homes, townhomes, and condominiums, and high school. Those familiar with the intersection of Fairfield Avenue and East 22nd Street (which abuts the Target and Yorktown Shopping Mall) know that there have been numerous, serious traffic accidents there over the years. There is no traffic signal at this intersection, only stop signs.

There is very heavy residential traffic here as well as pedestrians, many of which are children walking to the movie theater, mall, and restaurants. If a dispensary is approved for this location, a traffic signal light will be a must to ensure the safety and well-being of the community. I hope that this will be taken into consideration.

Thank you.

Sincerely,

Kathleen Harrington 2000 St. Regis Drive, #1J

Lombard, IL 60148

just a note

Village Hall:

Wello riot want the

Cannibis dispinsing

organization here.

Dirontini High School

is near by Students

walk on Fair field. More

it to a different

location Blease

Flourer Jupira

526 Rose Bud Dr. So.

Lombard, Sel.

60148

† AMERICAN LUNG ASSOCIATION. Fighting for Air

R15-CSCS-LGNP

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