



Legislation Text

File #: 22-293, **Version:** 8

ACTION REQUESTED:

Communication from the City Manager and Corporation Counsel with a Request to ADOPT an ORDINANCE Amending ARTICLE 19 (Operation of a Cannabis Business) of CHAPTER 18 (Licenses and Miscellaneous Business Regulations) of the CODE of the City of Peoria.

BACKGROUND:

In 2022, the State of Illinois released a total of 192 conditional dispensary licenses, all social equity applicants. Given the new licenses issued by the State of Illinois and maturity in the industry, Council asked for additional information on how the industry has evolved since the use was first authorized in Peoria. Council also asked that staff obtain feedback from the community on policy issues. The City Council had a policy session on cannabis regulation on October 11, 2022.

Following the policy session, an in-person public meeting on cannabis regulation was held on November 2, 2022 and a virtual public meeting was held on November 3, 2022. An on-line survey was completed by 719 individuals. The feedback gathered at the public meetings and through the survey was presented to the Council on November 8, 2022. Since that time Council has discussed various zoning and licensing issues relative to the cannabis industry. At a Special Meeting on March 21, 2023, Council generally reached a consensus on the following items, which are incorporated into the attached Ordinance:

- Define social equity applicants and require annual proof of social equity status.
- Restrict a dispensary from locating within 1,500' of the property line of a pre-existing dispensary.
- Add language to strengthen the restriction on the transfer of licenses.
- Specifically prohibit on-site consumption.
- Limit the number of adult use cannabis dispensary license to 6, with 3 being reserved for social equity applicants.

In addition, a separate ordinance will be presented following the Planning and Zoning Commission Meeting on April 12, 2023 that will (1) reduce the two-year period where a special use permit is valid to one year; (2) require special use permits in every zoning district.

FINANCIAL IMPACT: Potential funding increase from licensing fees. Additional sales tax revenue would be received from the sale of adult-use cannabis as well.

NEIGHBORHOOD CONCERNS: 32% of the survey results indicated that there should not be any additional dispensaries in Peoria.

IMPACT IF APPROVED: Ordinance will be amended to amend special use provisions, prohibit on site consumption, define social equity applicants and strengthen the prohibition on transfer of licenses.

IMPACT IF DENIED: Status Quo.

ALTERNATIVES: Not applicable.

EEO CERTIFICATION NUMBER: Not applicable.

WHICH OF THE GOALS IDENTIFIED IN THE COUNCIL'S 2014 - 2029 STRATEGIC PLAN DOES THIS RECOMMENDATION ADVANCE?

1. Grow Peoria: Businesses, Jobs, and Population

WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?

1. Keep taxes and fees competitive.

DEPARTMENT: Legal