



**Meeting of the Village of Buffalo Grove**  
**Village Board**  
**Regular Meeting**  
**January 6, 2020 at 7:30 PM**

Fifty Raupp Blvd  
Buffalo Grove, IL 60089-2100  
Phone: 847-459-2500

**1. Call to Order**

- A. Pledge of Allegiance

**2. Approval of Minutes**

- A. Village Board - Regular Meeting - Dec 2, 2019 7:30 PM

**3. Approval of Warrant**

- A. Approval of Warrant #1309 (Trustee Weidenfeld) (Staff Contact: Andrew Brown)

**4. Village President's Report**

- A. Appointment of EMA Deputy Coordinator (Trustee Smith) (Staff Contact: Mike Baker)

**5. Village Manager's Report**

- A. Promotion of a Lieutenant and Sergeant and Introduction of Newest Police Officer (Trustee Smith) (Staff Contact: Steven Casstevens)  
B. StormReady Community Recognition (Trustee Smith) (Staff Contact: Mike Baker)

**6. Special Business**

**7. Reports from Trustees**

**8. Consent Agenda**

All items listed on the Consent Agenda, which are available in this room this evening, are considered to be routine by the Village Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member or citizen so requests, in which event, the item will be removed from the General Order of Business and considered after all other items of business on the Regular Agenda under New Business. (Attached).

- A. O-2020-1 Ordinance Prohibiting the Use of Groundwater as a Potable Water Supply by the Installation or Use of Potable Water Supply Wells or by Any Other Method. (Trustee Stein) (Staff Contact: Darren Monico)

SUMMARY: The Illinois Environmental Protection Agency has determined that the area around Milwaukee Avenue from Deerfield Parkway to Pekara Drive has groundwater contamination that is unsafe for new potable water wells and is requesting the Village to restrict new wells in this area.

- B. O-2020-2 Ordinance Amending Chapter 5.20, Liquor Controls (President Sussman) (Staff Contact: Julie Kamka)

SUMMARY: A Class B liquor license is reserved for Sky Fitness Cafe, Inc. d/b/a Sky Spa & Lounge at 1501 Busch Parkway. This reservation is subject to the applicant completing Village requirements for said license on or before April 27, 2020. The Village Manager shall have the authority to extend the April 27, 2020 date for good cause shown. If not so extended, this reservation shall cease.

- C. O-2020-3 Ordinance Amending Chapter 5.20, Liquor Controls: Booming, Inc (President Sussman) (Staff Contact: Julie Kamka)

SUMMARY: Booming, Inc. at 360 Half Day Road has filed with the Illinois Secretary of State's Office on August 30, 2019 to use the Assumed Name of Yan Yan Chinese Cuisine.

- D. O-2020-4 Ordinance Amending the Village Code Regarding Violations of the Cannabis Regulation and Tax Act (Trustee Smith) (Staff Contact: Chris Stilling)

SUMMARY: In response to the Cannabis Regulation and Tax Act (CRTA), which took effect on January 1, 2020, staff is requesting amendments to Chapter 2 (Table 2.62.015-1), Chapter 5 and Chapter 9 of the Municipal Code. The proposed amendments are necessary to ensure that the Village can adjudicate any violation of these regulations through the Village's Administrative Adjudication process.

- E. O-2020-5 Approve an Ordinance Granting a Special Use for a Recreational Use at 1380 Busch Parkway (Trustee Weidenfeld) (Staff Contact: Chris Stilling)

SUMMARY: The petitioners are proposing to operate a Golf Simulator Facility, WJ Sports Entertainment at 1380 Busch Parkway. The 3,337 square foot facility is currently vacant. Pursuant to the Zoning Ordinance, a recreational use is a special use in the Industrial District.

## **9. Ordinances and Resolutions**

- A. O-2020-6 Ordinance Approving a Special Use for an Adult-Use Cannabis Dispensary, Which Includes a Medical Cannabis Dispensary in the B3 Planned Business Center District for the Property at 830-840 Milwaukee Avenue (Trustee Johnson) (Staff Contact: Chris Stilling)
- B. R-2020-1 Resolution Approving a Development and Operating Agreement Between the Village of Buffalo Grove and PDI Medical III, LLC (Trustee Johnson) (Staff Contact: Chris Stilling)

## **10. Unfinished Business**

## **11. New Business**

- A. Power Supply Agreement with MC Squared (Trustee Weidenfeld) (Staff Contact: Jenny Maltas)

## **12. Questions From the Audience**

Questions from the audience are limited to items that are not on the regular agenda. In accordance with Section 2.02.070 of the Municipal Code, discussion on questions from the audience will be limited to 10 minutes and should be limited to concerns or comments regarding issues that are relevant to Village business. All members of the public addressing the Village Board shall maintain proper decorum and refrain from making disrespectful remarks or comments relating to individuals. Speakers shall use every attempt to not be repetitive of points that have been made by others. The Village Board may refer any matter of public comment to the Village Manager, Village staff or an appropriate agency for review.



### **13. Adjournment**

The Village Board will make every effort to accommodate all items on the agenda by 10:30 p.m. The Board, does, however, reserve the right to defer consideration of matters to another meeting should the discussion run past 10:30 p.m.

*The Village of Buffalo Grove, in compliance with the Americans with Disabilities Act, requests that persons with disabilities, who require certain accommodations to allow them to observe and/or participate in this meeting or have questions about the accessibility of the meeting or facilities, contact the ADA Coordinator at 459-2525 to allow the Village to make reasonable accommodations for those persons.*

**MINUTES OF THE REGULAR MEETING OF THE VILLAGE BOARD OF THE VILLAGE OF  
BUFFALO GROVE HELD IN THE JEFFREY S. BRAIMAN COUNCIL CHAMBERS,  
VILLAGE HALL, 50 RAUPP BOULEVARD, BUFFALO GROVE, ILLINOIS ON  
MONDAY, DECEMBER 2, 2019**

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**CALL TO ORDER**

President Sussman called the meeting to order at 7:30 P.M. Those present stood and pledged allegiance to the Flag.

**ROLL CALL**

Roll call indicated the following present: President Sussman; Trustees Stein, Ottenheimer, Weidenfeld, Johnson Smith and Pike.

Also present were: Dane Bragg, Village Manager; Patrick Brankin, Village Attorney; Jenny Maltas, Deputy Village Manager; Chris Stilling, Deputy Village Manager; Andrew Brown, Deputy Finance Director; Art Malinowski, Director of Human Resources; Katie Golbach, Human Resources Management Analyst; Brett Robinson, Director of Purchasing; Evan Michel, Management Analyst; Darren Monico, Village Engineer; Mike Reynolds, Director of Public Works; Mike Skibbe, Deputy Director of Public Works; Bryan Beitzel, Maintenance Superintendent; Dave Haisma, Public Works; Julie Dziewior, Deputy Clerk; Geoff Tollefson, Director of Golf Operations; Police Chief Casstevens; Fire Chief Baker.

**APPROVAL OF MINUTES**

Moved by Johnson, seconded by Ottenheimer, to approve the minutes of the October 21, 2019 Regular Meeting. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

Moved by Weidenfeld, seconded by Ottenheimer, to approve the minutes of the October 28, 2019 Special Meeting. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

Moved by Weidenfeld, seconded by Johnson, to approve the minutes of the November 4, 2019 Regular Meeting. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

Moved by Stein, seconded by Smith, to approve the minutes of the November 18, 2019 Special Meeting.

It was requested that the word “general” be inserted before “wage increases” in the second line of the last paragraph in the FY 2020 Budget Presentation. Trustees Stein and Smith approved the amended minutes. Upon roll call, Trustees voted as follows on the amended minutes:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

Minutes Acceptance: Minutes of Dec 2, 2019 7:30 PM (Approval of Minutes )

**WARRANT #1308**

Mr. Brown read Warrant #1308. Moved by Ottenheimer, seconded by Johnson, to approve Warrant #1308 in the amount of \$5,440,291.81 authorizing payment of bills listed. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

**VILLAGE PRESIDENT'S REPORT**

President Sussman appointed Stuart G. Berman to the Board of Fire and Police Commissioners. Moved by Stein, seconded by Smith, to concur with President Sussman's appointment. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

Mr. Berman stated that it is an honor to serve the Village of Buffalo Grove and thanked the Board for the opportunity to do so.

**VILLAGE MANAGER'S REPORT**

Fire Chief Baker briefly reviewed the background of the Buffalo Grove Fire Department's newest member, **FF/PM Dustin Baniqued** who was sworn in on November 11, 2019. FF/PM Baniqued was then presented with his badge, which was pinned on by his wife, as he was congratulated by the audience and the Board.

Police Officer Carlson briefly reviewed the **Saved by the Belt Award**, after which he described a traffic accident in which Bob and Joyce Kang were involved and were saved from serious injury by use of their seat belts.

Mr. Reynolds reviewed the Village's **Infrastructure Modernization Project**, referring to a PowerPoint presentation as he spoke. Further details of this project are contained in his memo of November 25, 2019 to Mr. Bragg. Staff then answered questions from the Board. The Public Works Department was complimented for their efforts in developing this plan.

Mr. Bragg announced the **2020 Village Board Meeting Schedule**, noting that, if there were no objections from the Board, staff will publish as required; there were no objections.

**PUBLIC HEARING – FY 2020 BUDGET**

At 7:58 P.M., President Sussman re-opened the Public Hearing continued from November 18, 2019 regarding the FY 2020 Village Budget.

President Sussman asked if there were any questions or comments from the audience on the proposed 2020 budget; there were none.

President Sussman continued the Public Hearing until later on in the meeting.

**REPORTS FROM TRUSTEES**

Trustee Stein noted that he had received several questions from residents with regard to appealing their **Property Tax Assessments**, and he reviewed the procedure to be followed for those appeals.

## **CONSENT AGENDA**

President Sussman explained the Consent Agenda, stating that any member of the audience or the Board could request that an item be removed for full discussion. The Village Clerk read a brief synopsis of each of the items on the Consent Agenda.

### **Utility Easement Agreement**

Motion to approve utility easement in Outlot A of the Roslyn Woods Subdivision pending Attorney review.

### **Competitive Bids**

Motion to approve authorization to seek competitive bids for various projects.

### **Competitive Proposals**

Motion to approve authorization to waive bids and seek competitive proposals for FY 2020 projects.

### **Cardiac Monitor Purchase**

Motion to waive bids and authorize staff to purchase one replacement cardiac monitor at a total not to exceed amount of \$31,237.06 from Zoll Medical Corporation.

### **Resolution No. 2019-40 – Construction on State Highways**

Motion to pass Resolution No. 2019-40 for construction on State highways as required by IDOT.

### **Ordinance No. 2019-59 – LPA IDOT Agreement**

Motion to pass Ordinance No. 2019-59, approval of LPA IDOT Agreement for the Raupp Boulevard Bridge.

### **Ordinance No. 2019-60 – 200 Timber Hill Road**

Motion to pass Ordinance No. 2019-60, re-authorizing the Special Use for a Child Day Care Home in the R-5a Residential Zoning District, 200 Timber Hill Road.

### **Ordinance No. 2019-61 – 303 Gardenia Lane**

Motion to pass Ordinance No. 2019-61, re-authorizing the Special Use for a Child Day Care Home in the R-9 Residential Zoning District, 303 Gardenia Lane.

### **Ordinance No. 2019-62 – 330 University Drive**

Motion to pass Ordinance No. 2019-62, re-authorizing the Special Use for a Child Day Care Home in the R-5a Residential Zoning District, 330 University Drive.

### **Ordinance No. 2019-63 – 315 Gardenia Lane**

Motion to pass Ordinance No. 2019-63, re-authorizing the Special Use for a Child Day Care Home in the R-9 Residential Zoning District, 315 Gardenia Lane

### **Ordinance No. 2019-64 – 371 Springside**

Motion to pass Ordinance No. 2019-64, re-authorizing the Special Use for a Child Day Care Home in the R-4a Residential Zoning District, 371 Springside Lane.

**Ordinance No. 2019-65 – 554 Patton Drive**

Motion to pass Ordinance No. 2019-65, re-authorizing the Special Use for a Child Day Care Home in the R-5a Residential Zoning District, 554 Patton Drive.

**Ordinance No. 2019-66 – 621 Harris Drive**

Motion to pass Ordinance No. 2019-66, re-authorizing the Special Use for a Child Day Care Home in the R-9 Residential Zoning District, 621 Harris Drive.

**Ordinance No. 2019-67 – 47 Chestnut Terrace**

Motion to pass Ordinance No. 2019-67, re-authorizing the Special Use for a Child Day Care Home in the R-4 Residential Zoning District, 47 Chestnut Terrace.

**Ordinance No. 2019-68 – Fee & Fine Update**

Motion to pass Ordinance No. 2019-68, updating the Fee and Fine Ordinance.

**Ordinance No. 2019-69 – Raffles**

Motion to pass Ordinance No. 2019-69, amending Chapter 5.09 – Raffles.

Moved by Smith, seconded by Ottenheimer, to approve the Consent Agenda. Upon roll call, Trustees voted as follows on the Consent Agenda:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried

**ORDINANCE NO. 2019- 70 - GENERAL OBLIGATION BONDS 2010B**

Moved by Weidenfeld, seconded by Johnson, to pass Ordinance No. 2019-70, refunding General Obligation Bonds 2010B, in accordance with materials contained in Board packets and on the dais tonight.

Trustee Stein recused himself from this discussion.

Mr. Brown reviewed the proposed ordinance, details of which are contained in his memo to the Village Board and Mr. Bragg of December 2, 2019.

Anthony Miceli, Senior Vice President of Speer Financial, Inc., further reviewed the bidding process.

Upon roll call, Trustees voted as follows:

AYES: 5 – Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

RECUSED: 1 – Stein

Motion declared carried.

**RESOLUTION NO. 2019-41 – BUFFALO GROVE ROAD PROJECT**

Moved by Stein, seconded by Smith, to pass Resolution No. 2019-41, approving the Buffalo Grove Road Project Specific Agreement, in accordance with materials contained in Board packets.

Mr. Monico reviewed the proposed ordinance, details of which are contained in his memo to Ms. Maltas of November 20, 2019, after which staff answered questions from the Board.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **RESOLUTION NO. 2019-42 – BUFFALO GROVE ROAD**

Moved by Stein, seconded by Weidenfeld, to pass Resolution No. 2019-42, approving a Dedication of Right of Way and Grant of Easements – Buffalo Grove Road.

Mr. Monico reviewed the proposed resolution, details of which are contained in his memo to Ms. Maltas of November 21, 2019.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **RESOLUTION NO. 2019-43 – PERSONNEL MANUAL**

Moved by Ottenheimer, seconded by Stein, to pass Resolution No. 2019-43, amending the Village's Personnel Manual to include an updated Drug and Alcohol Free Workplace Policy, in accordance with materials contained in Board packets.

Ms. Maltas reviewed the proposed resolution, details of which are contained in Mr. Malinowski's memo to her and Mr. Bragg of November 26, 2019, after which she and Mr. Bragg answered questions from the Board.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **ORDINANCE NO. 2019-71 – CUSTODIAL SERVICES**

Moved by Pike, seconded by Ottenheimer, to pass Ordinance No. 2019-71, to authorize the Village President to execute an agreement for Custodial Services with Crystal Maintenance Services Corporation pending final review and approval of the agreement by the Village Attorney.

Mr. Robinson reviewed the proposed ordinance, details of which are contained in his memo to Mr. Bragg of November 18, 2019, after which he answered questions from the Board.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **ORDINANCE NO. 2019-72 – "BEET HEET"**

Moved by Pike, seconded by Smith, to pass Ordinance No. 2019-72, authorizing waiver of bids and purchase of "Beet Heet" from K-Tech Specialty Products at a price not to exceed \$56,000.00 for the 2019-2020 snow season.

Mr. Robinson reviewed the proposed ordinance, details of which are contained in the memo from Bryan Beitzel to Mr. Bragg of November 21, 2019, after which he answered questions from the Board.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **ORDINANCE NO. 2019-73 – LINK CROSSING**

Moved by Johnson, seconded by Weidenfeld, to pass Ordinance No. 2019-73, granting variations to the Sign Code for Link Crossing Development Signs in accordance with materials contained in Board packets.

Mr. Stilling reviewed the proposed ordinance, details of which are contained in his memo to Mr. Bragg of November 21, 2019.

After Board discussion with regard to the signs, Greg Heinrich, K. Hovnanian Homes, agreed to remove the “Model Open” banners, and the motion was amended to remove “Sign N” from the proposed ordinance. Trustees Johnson and Weidenfeld concurred with the amendment.

Upon roll call, Trustees voted as follows on the amended motion:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **ORDINANCE NO. 2019-74 – 1525 DEERFIELD PARKWAY**

Moved by Weidenfeld, seconded by Johnson, to pass Ordinance No. 2019-74, granting an amendment to Planned Development Ordinance No. 2016-66 to allow for a new automobile service station with variations to the Zoning Ordinance and Sign Code for the property located at 1525 Deerfield Parkway, in accordance with materials contained in Board packets.

Mr. Stilling reviewed the proposed ordinance, details of which may be found in his memo to Mr. Bragg of November 21, 2019. Several members of the Board had questions, which were answered and clarified by Mr. Stilling and James Arneson, representing Woodman’s. Mr. Stilling confirmed that there have been no issues at all with the current service station on the Woodman’s property.

Several residents of nearby properties noted concerns about gasoline getting into the wells that supply their water, safety of an unattended gas station, and the need for a third gas station in the immediate area. They were assured by Mr. Arneson that the tanks are double walled so there is no danger of gasoline leaking into the water supply, that safety concerns have been addressed, and that the success of the current Woodman’s facility indicates that the demand exists for this proposal.

Upon roll call, Trustees voted as follows:

AYES: 5 – Stein, Ottenheimer, Johnson, Smith, Pike

NAYS: 1 – Weidenfeld

Motion declared carried.

#### **ORDINANCE # 2019-75 – 723 HASTINGS**

Moved by Johnson, seconded by Smith, to pass Ordinance No. 2019-75, granting a Special Use for a Nonacademic School, Class and Instruction (Fitness Facility) in the Industrial District at 723 Hastings, in accordance with materials contained in Board packets.

Mr. Stilling reviewed the proposed ordinance, details of which are contained in his memo to Mr. Bragg of November 21, 2019.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **ORDINANCE # 2019-76 – LEVY & COLLECTION OF TAXES**

Moved by Weidenfeld, seconded by Ottenheimer, to pass Ordinance No. 2019-76, for the levy and collection of taxes for the fiscal year commencing on the 1<sup>st</sup> day of January 2020 and ending on the 31<sup>st</sup> day of December 2020, in accordance with materials contained in Board packets.

Mr. Brown reviewed the proposed ordinance, details of which are contained in his memo to Mr. Bragg of November 21, 2019.

Upon roll call, Trustees voted as follows:

AYES: 5 – Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

ABSTAIN: 1 – Stein

Motion declared carried.

#### **ORDINANCE # 2019-77 – TAX ABATEMENT**

Moved by Weidenfeld, seconded by Stein, to pass Ordinance No. 2019-77, abating taxes levied for the Village of Buffalo Grove, Cook and Lake Counties, Illinois

Mr. Brown reviewed the proposed ordinance, details of which are contained in the Village Board Meeting Agenda Item Overview that he prepared.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **RESOLUTION NO. 2019-44 – LAKE COUNTY**

Moved by Weidenfeld, seconded by Ottenheimer, to pass Resolution No. 2019-44, requesting the County of Lake not to collect the Loss in Collection on Taxable Property, in accordance with materials contained in Board packets.

Mr. Brown reviewed the proposed resolution, details of which are contained in the Village Board Meeting Agenda Item Overview that he prepared.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **RESOLUTION NO. 2019-45 – COOK COUNTY**



Moved by Weidenfeld, seconded by Stein, to pass Resolution No. 2019-45, requesting the County of Cook not to collect the Loss in Collection on Taxable Property, in accordance with materials contained in Board packets.

Mr. Brown reviewed the proposed resolution, details of which are contained in the Village Board Meeting Agenda Item Overview that he prepared.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

#### **ORDINANCE NO. 2019-78 – FY 2020 BUDGET**

Moved by Ottenheimer, seconded by Johnson, to pass Ordinance No. 2019-78, adopting the Fiscal Year 2020 (January 1-December 31, 2020) Budget for the Village of Buffalo Grove

Mr. Brown reviewed the proposed resolution, details of which are contained in the Village Board Meeting Agenda Item Overview that he prepared.

Trustee Ottenheimer commented that he is proud to support the proposed budget, noting that these are challenging times in which to deliver the highest possible level of service in a fiscally responsible manner, and he thanked Mr. Brown and the entire staff for their efforts in delivering this document.

Trustee Johnson also thanked Mr. Brown and the entire staff for their efforts; she noted that there is no increased spending in this document other than mandated costs such as pensions and road improvements by the County. The infrastructure replacement plan is the result of aging infrastructure and will be an asset to residents for many years to come, and although they will increase, Buffalo Grove's water rates are still among the lowest in the surrounding area.

President Sussman thanked the staff for their efforts in the budget compilation and presentation.

Upon roll call, Trustees voted as follows:

AYES: 5 – Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 1 – Stein

Motion declared carried.

President Sussman closed the Public Hearing at 9:29 P.M.

#### **ORDINANCE NO. 2019-79 – MAP**

Moved by Ottenheimer, seconded by Weidenfeld, to pass Ordinance No. 2019-79, approving a side Letter of Agreement between the Village of Buffalo Grove and the Metropolitan Alliance of Police, which provides for a 2.5% increase for police patrol officers represented by the Metropolitan Alliance of Police, for the period of January 1, 2020 through December 31, 2020 and is consistent with funds programmed in the Village's 2020 budget.

Mr. Malinowski reviewed the proposed ordinance, details of which are contained in his memo to Mr. Bragg of November 19, 2019.

Upon roll call, Trustees voted as follows:

AYES: 5 – Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

ABSTAIN: 1 – Stein  
Motion declared carried.

#### **RESOLUTION NO. 2019-46 – 2020 PAY RANGES**

Moved by Weidenfeld, seconded by Johnson, to pass Resolution No. 2019-46, approving the 2020 Pay Ranges, in accordance with materials contained in Board packets.

Mr. Malinowski reviewed the proposed resolution, details of which are contained in the memo that he and Ms. Golbach sent to Mr. Bragg and Ms. Maltas on November 19, 2019.

Upon roll call, Trustees voted as follows:

AYES: 5 – Ottenheimer, Weidenfeld, Johnson, Smith, Pike  
NAYS: 0 – None  
ABSTAIN: 1 – Stein  
Motion declared carried.

#### **RAFFLE LICENSE FEE**

Moved by Ottenheimer, seconded by Weidenfeld, to approve a Raffle License Fee for St. Mary Parish, 10 N. Buffalo Grove Road, in accordance with materials contained in Board packets.

Mrs. Dziejwior reviewed the proposed request, details of which are contained in her memo to Mr. Bragg of November 26, 2019.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike  
NAYS: 0 – None  
Motion declared carried.

#### **MEETING CANCELLATION**

Moved by Johnson, seconded by Weidenfeld to cancel the December 16, 2019 Regular Meeting of the Buffalo Grove Village Board. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike  
NAYS: 0 – None  
Motion declared carried

#### **QUESTIONS FROM THE AUDIENCE**

President Sussman reviewed the parameters to be followed by speakers and asked if there were any questions from the audience on items not on tonight's agenda; there were no such questions.

#### **ADJOURNMENT**

Moved by Weidenfeld, seconded by Johnson, to adjourn the meeting. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike  
NAYS: 0 – None  
Motion declared carried.

The meeting was adjourned at 9:37 P.M.

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Janet M. Sirabian, Village Clerk

APPROVED BY ME THIS 6<sup>th</sup> DAY OF January 2020

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Village President

Minutes Acceptance: Minutes of Dec 2, 2019 7:30 PM (Approval of Minutes )



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**Action Item : Approval of Warrant #1309**

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**Recommendation of Action**

Staff recommends approval.

TOTAL WARRANT #1309 5,417,652.03.

**ATTACHMENTS:**

- W#1309 SUMMARY (PDF)

**Trustee Liaison**

Weidenfeld

**Staff Contact**

Andrew Brown, Finance

|                         |  |
|-------------------------|--|
| Monday, January 6, 2020 |  |
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**VILLAGE OF BUFFALO GROVE WARRANT #1309**  
**6-Jan-20**

|                                               |                                |
|-----------------------------------------------|--------------------------------|
| General Fund:                                 | 613,355.56                     |
| Parking Lot Fund:                             | 1,319.29                       |
| Motor Fuel Tax Fund:                          | 0.00                           |
| Debt Service Fund:                            | 18,400.00                      |
| School & Park Donations                       | 0.00                           |
| Capital Projects-Facilities:                  | 0.00                           |
| Capital Projects-Streets:                     | 276,686.98                     |
| Health Insurance Fund:                        | 0.00                           |
| Facilities Development Debt Service Fund:     | 0.00                           |
| Retiree Health Savings (RHS):                 | 0.00                           |
| Water Fund:                                   | 1,844,680.37                   |
| Buffalo Grove Golf Fund:                      | 1,423.64                       |
| Arboretum Golf Fund:                          | 3,147.71                       |
| Refuse Service Fund:                          | 161,382.60                     |
| Information Technology Internal Service Fund: | 169,694.70                     |
| Central Garage Internal Service Fund:         | 319,303.59                     |
| Building Maintenance Internal Service Fund:   | 72,727.14                      |
|                                               | <u>3,482,121.58</u>            |
| <br>PAYROLL PERIOD ENDING 12/12/19            | <br>991,955.47                 |
| PAYROLL PERIOD ENDING 12/26/19                | 943,574.98                     |
|                                               | <u>1,935,530.45</u>            |
| <br><b>TOTAL WARRANT #1309</b>                | <br><u><u>5,417,652.03</u></u> |

APPROVED FOR PAYMENT BY THE PRESIDENT AND BOARD OF TRUSTEES OF  
 THE VILLAGE OF BUFFALO GROVE, ILLINOIS

\_\_\_\_\_  
 Village Clerk

\_\_\_\_\_  
 Village President

Attachment: W#1309 SUMMARY (Approval of Warrant #1309)



### Action Item : Appointment of EMA Deputy Coordinator

#### Recommendation of Action

Staff recommends appointment state agencies that oversee emergency management at their levels of government.

Appointing Michael Fleming as the EMA Deputy Coordinator to comply with IEMA requirements and to act on behalf of the Village of Buffalo Grove Emergency Management Agency for regional and Village specific plans, training and other emergency management business with the county and state agencies that oversee emergency management at their levels of government.

#### ATTACHMENTS:

- EMA Dep Coord Appt - 010620 (DOCX)
- EMA Dep Coord Appointment 2020 (DOCX)

**Trustee Liaison**  
Smith

**Staff Contact**  
Mike Baker, Fire

Monday, January 6, 2020

# VILLAGE OF BUFFALO GROVE

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## MEMORANDUM

**DATE:** December 20, 2019

**TO:** Dane Bragg, Village Manager

**FROM:** Mike Baker, Fire Chief/EMA Director

**SUBJECT:** EMA Deputy Coordinator Appointment

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### Background Information

As required by the Illinois Emergency Management Agency (IEMA), those serving in the emergency management capacity on behalf of a municipality shall have an oath on file with their respective Clerk and have an appointment document, which states their role for the agency. The oath and appointment give the individual the ability to coordinate plans, training and other emergency management business with the county and state agencies that oversee emergency management at their levels of government.

The Joint Emergency Management System (JEMS) Director is a component of the Villages' overall emergency management program. At the direction of IEMA, his role is required to have an oath and appointment on file with each municipality that his agency serves. The language for the oath is outlined in the Illinois Emergency Management Act and acts as a formalization of the position that the JEMS Director currently fills.

### Recommendation

Staff recommends appointment of Michael Fleming as the EMA Deputy Coordinator to comply with IEMA requirements and to act on behalf of the Village of Buffalo Grove Emergency Management Agency for regional and Village specific plans, training and other emergency management business with the county and state agencies that oversee emergency management at their levels of government.

Attachment

Attachment: EMA Dep Coord Appt - 010620 (Appointment of EMA Deputy Coordinator)

# NOTICE OF APPOINTMENT

Michael Fleming

has been appointed emergency management agency (EMA) Deputy Coordinator of the Village of Buffalo Grove, effective January 7, 2020

He has taken the Emergency Services and Disaster Agency Personnel Oath required by Section 20 of the Illinois Emergency Management Agency Act.

The EMA Deputy Coordinator shall have the direct responsibility within the political subdivision for the implementation Section 10 of the above referenced Act.

January 7, 2020

\_\_\_\_\_  
Beverly Sussman, Village President

\_\_\_\_\_  
Mike Baker, Fire Chief/EMA Director

|                 |       |                 |       |
|-----------------|-------|-----------------|-------|
| Mailing Address | _____ | Residence Phone | _____ |
|                 | _____ | Email Address   | _____ |
| Business Phone  | _____ | Cellular Phone  | _____ |
| EOC Phone       | _____ | Fax             | _____ |

January 7, 2020

I, Michael Fleming

do solemnly swear that I will support and defend and bear true faith and allegiance to the Constitution of the United States and the State of Illinois and the territory, institutions, and facilities thereof both public and private, against all enemies, foreign and domestic; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter. And I do further swear that I do not advocate, nor am I, nor have I been a member of any political party or organization that advocates the overthrow of the of the government of the United States or of this State by force or violence; and that during such time as I am affiliated with the Village of Buffalo Grove Emergency Management Agency, I will not advocate nor become a member of any political party or organization that advocates the overthrow of the government of the United States or this State by force or violence.

Village of Buffalo Grove

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature of Notary Public

Attachment: EMA Dep Coord Appointment 2020 (Appointment of EMA Deputy Coordinator)





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**Information Item : Promotion of a Lieutenant and Sergeant and  
Introduction of Newest Police Officer**

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|                                 |
|---------------------------------|
| <b>Recommendation of Action</b> |
|---------------------------------|

Staff recommends presentation.

A Promotional Oath of Office will be delivered by the Buffalo Grove Fire and Police Commissioners to the Department's new Lieutenant, Brian Spolar and new Sergeant, Hector De La Paz. The Buffalo Grove newest Police Officer Dawid Wojs will also be introduced.

**Trustee Liaison**  
Smith

**Staff Contact**  
Steven Casstevens, Police

|                         |  |
|-------------------------|--|
| Monday, January 6, 2020 |  |
|-------------------------|--|



## Information Item : StormReady Community Recognition

### Recommendation of Action

Staff recommends presentation.

The StormReady program developed by the National Weather Service (NWS) evaluates a municipal emergency management program for its severe weather preparedness and response. The application process involves documenting and demonstrating the entity's ability to monitor weather, receive alerts, coordinate with stakeholders, and disseminate warnings.

### ATTACHMENTS:

- Storm Ready Community - 010620 (DOCX)
- NWS StormReady 2019 (PDF)

**Trustee Liaison**  
Smith

**Staff Contact**  
Mike Baker, Fire

Monday, January 6, 2020

# VILLAGE OF BUFFALO GROVE

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## MEMORANDUM

**DATE:** November 25, 2019

**TO:** Dane Bragg, Village Manager

**FROM:** Mike Baker, Fire Chief/EMA Director

**SUBJECT:** Presentation – StormReady Community

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### Background Information

The StormReady program developed by the National Weather Service (NWS) evaluates a municipal or county emergency management program as it relates to severe weather preparedness and response. The application process involves documenting and demonstrating the entity's ability to monitor weather, receive alerts, coordinate with stakeholders, and disseminate warnings.

In early October 2019, representatives from the NWS, Illinois Emergency Management Agency (IEMA), Illinois Emergency Management Services Association (IESMA), Cook County Department of Homeland Security and Emergency Management, and Lake County Emergency Management Agency visited Arlington Heights, Buffalo Grove, Elk Grove Village, Hoffman Estates, Inverness, Mount Prospect, Schaumburg and Streamwood to perform the final evaluations in the process for becoming StormReady communities.

Overall, the entire review board was very impressed with the applications and the site reviews. Their praise was echoed in each visit to each applicant and again today, the NWS praised our initiatives during a regional presentation unrelated to the StormReady visit. The NWS takes great pride in their StormReady program, as it is the standard they promote across the nation in measuring a community's preparedness for severe weather.

### Recommendation

Staff recommends presentation of the StormReady recognition by Mick Fleming, Joint Emergency Coordinator from NorthWest Central Dispatch System.

### Attachment



UNITED STATES DEPARTMENT OF COMMERCE  
 National Oceanic and Atmospheric Administration  
 National Weather Service Forecast Office Chicago  
 333 W. University Drive  
 Romeoville, IL 60446-1804

October 2, 2019

Mike Baker  
 Fire Chief/EMA Director  
 1051 Highland Grove Dr.  
 Buffalo Grove, IL 60089

Dear Mike:

On behalf of the StormReady Advisory Board, congratulations on Buffalo Grove being certified as a StormReady Community. Your leadership and the progressive preparedness measures taken by Buffalo Grove have been outstanding. Buffalo Grove is one of 89 StormReady Communities in Illinois.

Buffalo Grove has redundant methods of;

- monitoring weather
- receiving watches and warnings from the National Weather Service (NWS)
- disseminating severe weather warnings throughout the community

Buffalo Grove also has trained Skywarn storm spotters, communications with the NWS, educational outreach programs, a written severe weather preparedness plan, and has conducted severe weather exercises.

Buffalo Grove is authorized to display the StormReady logo on official letterheads, brochures, and other official documentation. The logo is trademarked and thus subject to certain restrictions requiring National Weather Service to monitor its use, so please send us copies or descriptions of the way it is used. I can send the logo to you as an email attachment.

You will be provided with one StormReady road sign at the presentation ceremony. Additional signs and stickers can be made at Oklahoma Correction Industries for \$44.90 each (plus shipping & handling). If you want to order signs, contact OCI at 405-964-7200.

If Buffalo Grove participates in the National Flood Insurance Program, the StormReady designation earns ISO community rating system points. This special StormReady designation will expire after three years, so remember to update your application before October, 2022.

Again, congratulations, Buffalo Grove has a "prototype" severe weather preparedness program and is very deserving of this prestigious recognition.

Sincerely,

Mike Bardou  
 Warning Coordination Meteorologist

Attachment: NWS StormReady 2019 (StormReady Community Recognition)



**Ordinance No. O-2020-1 : Ordinance Prohibiting the Use of Groundwater as a Potable Water Supply by the Installation or Use of Potable Water Supply Wells or by Any Other Method.**

**Recommendation of Action**

Staff recommends approval. The IEPA has determined that any new potable wells in this area would not be safe due to groundwater standards.

SUMMARY: The Illinois Environmental Protection Agency has determined that the area around Milwaukee Avenue from Deerfield Parkway to Pekara Drive has groundwater contamination that is unsafe for new potable water wells and is requesting the Village to restrict new wells in this area.

**ATTACHMENTS:**

- Ground Water Ordinance Memo 19-1210 (DOCX)
- Buffalo Grove GO (PDF)

**Trustee Liaison**  
Stein

**Staff Contact**  
Darren Monico, Public Works

Monday, January 6, 2020

# VILLAGE OF BUFFALO GROVE

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## MEMORANDUM

**DATE:** December 18, 2019  
**TO:** Dane Bragg, Village Manager  
**FROM:** Darren Monico, Village Engineer  
**SUBJECT:** Groundwater Ordinance Restriction IEPA

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The Illinois Environmental Protection Agency (IEPA) routinely samples groundwater and identifies areas or zones where new drinking water wells (potable water) should not be installed. In 2017, the IEPA identified the area around the former landfill located southeast of the intersection of Milwaukee Avenue and Deerfield Parkway as one of these areas. In 2017 they asked that the Village not allow new potable water wells in this area. Accordingly, the Village approved Ordinance 2017-48 agreeing to this. Recently the IEPA has changed how they identify these areas and as a result they have reduced the area from the 2017 Ordinance. They are now asking the Village to adopt the attached ordinance for the updated area shown on Exhibit A. If this new ordinance is approved, it will repeal Ordinance 2017-48 and replace it with this new ordinance. The Village has only one other area with these IEPA restrictions in place, located at 50 E. Lake Cook Road, which was adopted with Ordinance 2007-30. These limitations do not have any real impact on the Village or its residents because new potable water wells are not allowed by current Village Code.

Staff recommends approval of the agreement as submitted.

ORDINANCE NUMBER \_\_\_\_\_

AN ORDINANCE PROHIBITING THE USE OF GROUNDWATER AS A POTABLE WATER SUPPLY BY THE INSTALLATION OR USE OF POTABLE WATER SUPPLY WELLS OR BY ANY OTHER METHOD.

WHEREAS, certain properties in the Village of Buffalo Grove, Illinois have been used over a period of time for commercial/industrial purposes; and

WHEREAS, because of said use, concentrations of certain chemical constituents in the groundwater beneath the Village may exceed Class I groundwater quality standards for the potable resource groundwater as set forth in 35 Illinois Administrative Code 620 or Tier 1 remediation objectives as set forth in 35 Illinois Administrative Code 742; and

WHEREAS, the Village of Buffalo Grove desires to limit potential threats to human health from groundwater contamination while facilitating the redevelopment and productive use of properties that are the source of said chemical constituents;

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE BOARD OF THE VILLAGE OF BUFFALO GROVE, ILLINOIS:

SECTION 1: Use of groundwater as a potable water supply prohibited.

The use or attempt to use as a potable water supply groundwater from within the area depicted in Exhibit A as being within the Village of Buffalo Grove and depicted by black hatching, attached hereto and made a part hereof, by the installation or drilling of wells or by any other method is hereby prohibited. This prohibition expressly includes the Village of Buffalo Grove.

SECTION 2: Penalties.

Any person violating the provisions of this ordinance shall be subject to a fine of up to \$500 for each violation.

SECTION 3: Definitions.

“Person” is any individual, partnership, co-partnership, firm, company, limited liability company, corporation, association, joint stock company, trust, estate, political subdivision, or any other legal entity, or their legal representatives, agents or assigns.

“Potable water” is any water used for human or domestic consumption, including, but not limited to, water used for drinking, bathing, swimming, washing dishes, or preparing foods.

SECTION 4: Repealer

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed insofar as they are in conflict with this ordinance.

## SECTION 5: Severability

If any provision of this ordinance or its application to any person or under any circumstances is adjudged invalid, such adjudication shall not affect the validity of the ordinance as a whole or of any portion not adjudged invalid.

## Section 6: Effective date.

This ordinance shall be in full force and effect from and after its passage, approval and publication as required by law.

AYES: \_\_\_\_\_

NAYES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

PUBLISHED: \_\_\_\_\_

APPROVED:

\_\_\_\_\_  
Village President

ATTEST:

\_\_\_\_\_  
Village Clerk





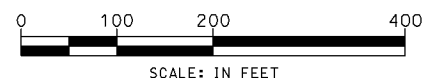
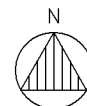
### LEGEND

-  SITE LOCATION
-  VILLAGE OF BUFFALO GROVE GROUNDWATER ORDINANCE AREA
-  DES PLAINES RIVER

| PIN NUMBER |            |
|------------|------------|
| A          | 1535103029 |
| B          | 1535103024 |
| C          | IDOT ROW   |

### NOTES

1. PARCEL DATA DERIVED FROM LAKE COUNTY GEOSPATIAL DATA WEBSITE.
2. AEC. REVISED SIR/ROR/RAP/RACR VILLAGE OF RIVERWOODS, FIGURE 6, JUNE 28, 2016.



SCALE: IN FEET



APPROVED BY: SLG DESIGNED BY: SLG DRAWN BY: MPN

© 2019 Andrews Engineering, Inc.

VILLAGE OF BUFFALO GROVE  
GROUNDWATER ORDINANCE AREA

PREPARED FOR  
RIVERWOODS LANDFILL  
RIVERWOODS, LAKE COUNTY, ILLINOIS

DATE:  
NOVEMBER 2019

PROJECT ID:  
160022/0009

SHEET NUMBER:

**BUFFALO  
GO**

**Packet Pg. 27**

Attachment: Buffalo Grove GO (O-2020-1 : Ordinance Prohibiting the Use of Groundwater as a Potable Water Supply)



**Ordinance No. O-2020-2 : Ordinance Amending Chapter 5.20, Liquor Controls**

**Recommendation of Action**

Staff recommends approval.

SUMMARY: A Class B liquor license is reserved for Sky Fitness Cafe, Inc. d/b/a Sky Spa & Lounge at 1501 Busch Parkway. This reservation is subject to the applicant completing Village requirements for said license on or before April 27, 2020. The Village Manager shall have the authority to extend the April 27, 2020 date for good cause shown. If not so extended, this reservation shall cease.

**ATTACHMENTS:**

- Ord Class B - Sky Fitness Cafe dba Sky Spa & Lounge (DOCX)

**Trustee Liaison**

Sussman

**Staff Contact**

Julie Kamka, Office of the Village Manager

Monday, January 6, 2020

Underlined = addition  
 Strikethroughs = deletion  
 12/17/2019

## ORDINANCE NO. 2020 - \_\_\_\_

### AN ORDINANCE AMENDING CHAPTER 5.20 LIQUOR CONTROLS

**WHEREAS**, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970.

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS** as follows:

**Section 1.** Subsection B. of Section 5.20.072 of the Village of Buffalo Grove Municipal Code is hereby amended with deletions in ~~strikethrough~~ and additions in underline text so that Subsection B. of Section 5.20.072 shall provide as follows:

Class B.

Licensee and d/b/a

Address

- |     |                                                                           |                           |
|-----|---------------------------------------------------------------------------|---------------------------|
| 1.  | Spirit Café, Inc. d/b/a Versailles Restaurant                             | 100 McHenry Road          |
| 2.  | Taste of Tokyo, Inc.                                                      | 159 McHenry Road          |
| 3.  | Nino's Pizzeria, Inc.                                                     | 960 Buffalo Grove Road    |
| 4.  | Chanprung, LLC d/b/a Fuji Thai                                            | 1000 Weiland Road         |
| 5.  | Continental Restaurant, Inc.                                              | 782 S. Buffalo Grove Road |
| 6.  | Booming, Inc. d/b/a Yen Yen Chinese & Sushi Restaurant                    | 360 Half Day Road         |
| 7.  | Donato Restaurant Group, Inc. d/b/a Buffalo Restaurant & Ice Cream Parlor | 1180 Lake Cook Road       |
| 8.  | Golden Durebak Restaurant, Inc.                                           | 718 Buffalo Grove Road    |
| 9.  | Tomatillo Taco-Ville 2 LLC                                                | 1267 Dundee Road          |
| 10. | Grande Jakes Fresh Mexican Grill in BG, Inc.                              | 799 Buffalo Grove Road    |
| 11. | Nacho's Tacos Place, Inc.                                                 | 205 Dundee Road           |
| 12. | <u>Sky Fitness Café, Inc. d/b/a Sky Spa &amp; Lounge</u>                  | <u>1501 Busch Parkway</u> |

**Section 2.**

- A. A Class B liquor license is reserved for Sky Fitness Café, Inc. d/b/a Sky Spa & Lounge at 1501 Busch Parkway. This reservation is subject to the applicant completing Village requirements for said license on or before April 27, 2020. The Village Manager shall have the authority to extend the April 27, 2020 date for good cause shown. If not so extended, this reservation shall cease.
- B. This Section 2 shall not be codified.

**Section 4.** This Ordinance shall be in full force and in effect from and after its passage and approval.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

PASSED: \_\_\_\_\_, 2020

APPROVED: \_\_\_\_\_, 2020

\_\_\_\_\_  
Beverly Sussman, Village President

ATTEST:

\_\_\_\_\_  
Janet M. Sirabian, Village Clerk



**Ordinance No. O-2020-3 : Ordinance Amending Chapter 5.20, Liquor Controls: Booming, Inc**

**Recommendation of Action**

Staff recommends approval.

SUMMARY: Booming, Inc. at 360 Half Day Road has filed with the Illinois Secretary of State's Office on August 30, 2019 to use the Assumed Name of Yan Yan Chinese Cuisine.

**ATTACHMENTS:**

- Ord Class B - Booming, Inc DBA Name Change (DOCX)

**Trustee Liaison**  
Sussman

**Staff Contact**  
Julie Kamka, Office of the Village Manager

Monday, January 6, 2020

Underlined = addition  
 Strikethroughs = deletion  
 12/20/2019

## ORDINANCE NO. 2020 - \_\_\_\_

### AN ORDINANCE AMENDING CHAPTER 5.20 LIQUOR CONTROLS

**WHEREAS**, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970.

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS** as follows:

**Section 1.** Subsection B. of Section 5.20.072 of the Village of Buffalo Grove Municipal Code is hereby amended with deletions in ~~strikethrough~~ and additions in underline text so that Subsection B. of Section 5.20.072 shall provide as follows:

Class B.

Licensee and d/b/a

Address

- |     |                                                                                                      |                           |
|-----|------------------------------------------------------------------------------------------------------|---------------------------|
| 1.  | Spirit Café, Inc. d/b/a Versailles Restaurant                                                        | 100 McHenry Road          |
| 2.  | Taste of Tokyo, Inc.                                                                                 | 159 McHenry Road          |
| 3.  | Nino's Pizzeria, Inc.                                                                                | 960 Buffalo Grove Road    |
| 4.  | Chanprung, LLC d/b/a Fuji Thai                                                                       | 1000 Weiland Road         |
| 5.  | Continental Restaurant, Inc.                                                                         | 782 S. Buffalo Grove Road |
| 6.  | Booming, Inc. d/b/a <del>Yen Yen Chinese &amp; Sushi Restaurant</del> <u>Yan Yan Chinese Cuisine</u> | 360 Half Day Road         |
| 7.  | Donato Restaurant Group, Inc. d/b/a Buffalo Restaurant & Ice Cream Parlor                            | 1180 Lake Cook Road       |
| 8.  | Golden Durebak Restaurant, Inc.                                                                      | 718 Buffalo Grove Road    |
| 9.  | Tomatillo Taco-Ville 2 LLC                                                                           | 1267 Dundee Road          |
| 10. | Grande Jakes Fresh Mexican Grill in BG, Inc.                                                         | 799 Buffalo Grove Road    |
| 11. | Nacho's Tacos Place, Inc.                                                                            | 205 Dundee Road           |
| 12. | Sky Fitness Café, Inc. d/b/a Sky Spa & Lounge                                                        | 1501 Busch Parkway        |

**Section 2.**

- A. Booming, Inc. at 360 Half Day Road has filed with the Illinois Secretary of State's Office on August 30, 2019 to use the Assumed Name of Yan Yan Chinese Cuisine.
- B. This Section 2 shall not be codified.

**Section 4.** This Ordinance shall be in full force and in effect from and after its passage and approval.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

PASSED: \_\_\_\_\_, 2020

APPROVED: \_\_\_\_\_, 2020

\_\_\_\_\_  
Beverly Sussman, Village President

ATTEST:

\_\_\_\_\_  
Janet M. Sirabian, Village Clerk



**Ordinance No. O-2020-4 : Ordinance Amending the Village Code  
Regarding Violations of the Cannabis Regulation and Tax Act**

**Recommendation of Action**

Staff recommends approval of the attached Ordinance.

SUMMARY: In response to the Cannabis Regulation and Tax Act (CRTA), which took effect on January 1, 2020, staff is requesting amendments to Chapter 2 (Table 2.62.015-1), Chapter 5 and Chapter 9 of the Municipal Code. The proposed amendments are necessary to ensure that the Village can adjudicate any violation of these regulations through the Village's Administrative Adjudication process.

**ATTACHMENTS:**

- BOT Memo (DOCX)
- Ordinance (PDF)

**Trustee Liaison**  
Smith

**Staff Contact**  
Chris Stilling, Community Development

Monday, January 6, 2020



# VILLAGE OF BUFFALO GROVE

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## MEMORANDUM

DATE: January 2, 2020

TO: Dane Bragg, Village Manager

FROM: Christopher Stilling, Deputy Village Manager

SUBJECT: Ordinance Amending the Buffalo Grove Municipal Code Addressing the Identification and Administrative Enforcement of Violations of the Cannabis Regulation and Tax Act

### **BACKGROUND**

In response to the Cannabis Regulation and Tax Act (CRTA), which took effect on January 1, 2020, staff is requesting amendments to Chapter 2 (Table 2.62.015-1), Chapter 5 and Chapter 9 of the Municipal Code. The proposed amendments are necessary to ensure that the Village can adjudicate any violation of these regulations through the Village's Administrative Adjudication process.

### **ACTION REQUESTED**

Staff recommends that the Village Board approve the attached Ordinance amending Chapter 2 (Table 2.62.015-1) Chapter 5 and Chapter 9 of the Municipal Code.

**ORDINANCE NO. 2019 - \_\_\_\_\_**

**AN ORDINANCE AMENDING THE BUFFALO GROVE MUNICIPAL CODE BY THE  
ADDITION OF REGULATIONS PERTAINING TO THE IDENTIFICATION AND  
ADMINISTRATIVE ENFORCEMENT OF VIOLATIONS OF THE CANNABIS  
REGULATION AND TAX ACT IN THE VILLAGE OF BUFFALO GROVE**

**WHEREAS**, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and

**WHEREAS**, the Village of Buffalo Grove, Illinois, enacted Municipal Code Regulations for the purpose of improving and protecting the public health, safety, comfort, convenience and general welfare of the people; and

**WHEREAS**, the State of Illinois enacted the Cannabis Regulation and Tax Act (Act), which pertains to the possession, use, cultivation, transportation and dispensing of adult-use cannabis, which became effective June 25, 2019; and

**WHEREAS**, the Village previously established a Village Administrative Hearing System for certain violations of the Buffalo Grove Municipal Code; and

**WHEREAS**, the Act allows for municipalities to enforce violations of the Act; and

**WHEREAS**, the Village seeks to add these regulations as additional violations that can be adjudicated through the Village's administrative adjudication process.

**NOW THEREFORE BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS**, as follows:

**Section 1.** The foregoing recitals are hereby adopted and incorporated into and made a part of this Ordinance as if fully set forth herein.

**Section 2.** Chapters 9.16, 9.17, 5.20.192 and Table 2.62.015-1 of Chapter 2.62 of the Village Code are hereby amended as set forth on the attached Exhibit A which are adopted and incorporated herein as if fully set forth.

**Section 3.** If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

**Section 4.** This Ordinance shall be in full force and effect from and after its passage and approval.

AYES: \_\_\_\_\_

NAYES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

PASSED: \_\_\_\_\_, 2019

APPROVED: \_\_\_\_\_, 2019

APPROVED:

\_\_\_\_\_  
Beverly Sussman, Village President

ATTEST:

\_\_\_\_\_  
Janet Sirabian, Village Clerk

F:\PTBrankin\Buffalo Grove, Village\Ordinances\Amending the Municipal Code.doc

## Chapter 2.62 - VILLAGE ADMINISTRATIVE HEARING SYSTEM

## 2.62.10 - Establishment of administrative hearing system.

- A. Pursuant to the authority set forth in 65 ILCS 5/1-2.1-1 et seq. and the Village's home rule powers, there is established and created within the Village an Administrative Hearing System to enforce and adjudicate violations ("Violations") of the Buffalo Grove Municipal Code (the "Code"), the International Building Code (as adopted by reference by the Village), the International Property Maintenance Code (as adopted by reference by the Village), the International Residential Code One-and Two-Family Dwellings (as adopted by reference by the Village), and the Illinois Vehicle Code (as adopted by reference by the Village, as the same may from time to time hereafter be amended).
- B. The provisions of Division 2.1 of Article 1 of the Illinois Municipal Code (65 ILCS 5/1-2.1 et seq.) are adopted and incorporated into this Chapter as if fully set forth herein.
- C. The provisions of this Chapter shall apply to administrative adjudication proceedings to the extent that they are not inconsistent with the provisions of this Code, which set forth specific procedures for the administrative adjudication of particular Code provisions including, but not by way of limitation, Chapter 10.20, Vehicle Seizure and Impoundment.

(Ord. 2004-46 § 1 (part), 2004)

(Ord. No. 2014-68, § 2, 10-6-2014)

## 2.62.15 - Village code hearing jurisdiction.

- A. An administrative adjudication proceeding pursuant to this Chapter may be initiated for any alleged violation of the Buffalo Grove Municipal Code, the International Building Code ("IBC"), the International Property Maintenance Code ("IPMC"), the International Residential Code One-and Two-Family Dwellings (IRC), and the Illinois Vehicle Code ("IVC") (Illinois Compiled Statutes, Chapter 625), except for:
1. An offense that is a traffic regulation governing the movement of vehicles,
  2. Any reportable offenses under Section 6-204 of the Illinois Vehicle Code, and
  3. Any matters under the jurisdiction of Chapter 2.63, Village Traffic Administrative Hearing System.
- B. Any violation prosecuted under administrative adjudication which is not listed in Table 2.62.015-1 of this Chapter is subject to the general penalty provisions of Chapter 1.08 of this Code.
- C. Any offense listed in Table 2.62.015-1 of this Chapter may be settled, compromised and paid in the respective amounts and within the respective time frames set forth in Table 2.62.015-1, Table of Offenses and Fines, of this Chapter except as set forth in Subsection D. hereof.
- D. A violation of any of the offenses, except for offenses in Chapter 10.16 of the Buffalo Grove Municipal Code, set forth in Table 2.62.015- 1 by a juvenile (17 years and under) require the juvenile to appear at the administrative adjudication hearing and are not subject to the pre-pay option as set forth in said Table.

**Table 2.62.015-1**  
**Table of Offenses and Fines**

| Chapter/Section            | Title/Offenses                                     | Minimum<br>Fine/Fine<br>Paid Before<br>Hearing | Maximum<br>Fine* | Minimum<br>Fine—<br>Must<br>Appear<br>at Hearing |
|----------------------------|----------------------------------------------------|------------------------------------------------|------------------|--------------------------------------------------|
| <b><u>Chapter 3.52</u></b> | <b>Municipal Commuter Station Parking Lot Fees</b> |                                                |                  |                                                  |
| <u>3.52.020</u>            | Failure to Pay Daily Parking Fee—Metra             | \$25                                           | \$50             |                                                  |

|                            |                                                                   |                                             |                                                |          |
|----------------------------|-------------------------------------------------------------------|---------------------------------------------|------------------------------------------------|----------|
| <u>3.52.040</u>            | Resident Parking Only Violation—Metra                             | \$25                                        | \$50                                           |          |
| <u>3.52.055</u>            | Failure to Pay Daily Parking Fee—Township                         | \$25                                        | \$50                                           |          |
| <b><u>Chapter 5.20</u></b> | <b>Liquor Controls</b>                                            |                                             |                                                |          |
| 5.20.190.A                 | Alcohol underage/possession/consumption                           |                                             |                                                | \$100    |
| 5.20.190.B. and C.         | Alcohol sale, give, or deliver to underage                        | \$250                                       |                                                |          |
| <u>5.20.192</u>            | Social Hosting Responsibility                                     | <del>\$250</del> \$1,000<br>first violation | \$2,000 for<br>each<br>subsequent<br>violation |          |
| <b><u>Chapter 5.24</u></b> | <b>Solicitors</b>                                                 |                                             |                                                |          |
| <u>5.24.020</u>            | Soliciting without a permit                                       |                                             |                                                | \$100.00 |
| <u>5.24.080</u>            | Soliciting-Failure to leave when requested                        |                                             |                                                | \$100.00 |
| <u>5.24.090</u>            | Soliciting where posted "No Soliciting"                           |                                             |                                                | \$100.00 |
| <u>5.24.100</u>            | Soliciting in violation of soliciting hours/days                  |                                             |                                                | \$100.00 |
| <b><u>Chapter 5.32</u></b> | <b>Tobacco</b>                                                    |                                             |                                                |          |
| <u>5.32.090</u>            | Sale/delivery of tobacco products to person under 21 years of age |                                             |                                                | \$100    |
| <u>5.32.105</u>            | Possession of tobacco products by person under 18 years of age    |                                             |                                                | \$75     |
| <b><u>Chapter 5.40</u></b> | <b>Hours of Operation Adjacent to Residential Areas</b>           |                                             |                                                |          |
| <u>5.40.040</u>            | Violation of Hours of Operation requirements                      | \$75                                        |                                                |          |
| <b><u>Chapter 6.12</u></b> | <b>Care and Control</b>                                           |                                             |                                                |          |
| <u>6.12.010</u>            | No Rabies Vaccination—1st Violation                               | \$50                                        |                                                |          |
| <u>6.12.010</u>            | No Rabies Vaccination—2nd Violation                               | \$75                                        |                                                |          |
| <u>6.12.010</u>            | No Rabies Vaccination—3rd Violation                               | \$100                                       |                                                |          |
| <u>6.12.020</u>            | No Dog or Cat License                                             | \$100                                       |                                                |          |
| <u>6.12.060</u>            | Failure to Remove Excrement—1st Violation                         | \$50                                        |                                                |          |
| <u>6.12.060</u>            | Failure to Remove Excrement—2nd Violation                         | \$75                                        |                                                |          |

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| <u>6.12.060</u>            | Failure to Remove Excrement—3rd Violation      | \$100 |  |  |
| <u>6.12.070</u>            | Dog or Cat at Large—1st Violation              | \$50  |  |  |
| <u>6.12.070</u>            | Dog or Cat at Large—2nd Violation              | \$75  |  |  |
| <u>6.12.070</u>            | Dog or Cat at Large—3rd Violation              | \$100 |  |  |
| <u>6.12.080</u>            | Excessive Number of Animals—1st Violation      | \$50  |  |  |
| <u>6.12.080</u>            | Excessive Number of Animals—2nd Violation      | \$75  |  |  |
| <u>6.12.080</u>            | Excessive Number of Animals—3rd Violation      | \$100 |  |  |
| <u>6.12.090</u>            | Prohibited Animal—1st Violation                | \$50  |  |  |
| <u>6.12.090</u>            | Prohibited Animal—2nd Violation                | \$75  |  |  |
| <u>6.12.090</u>            | Prohibited Animal—3rd Violation                | \$100 |  |  |
| <u>6.12.120</u>            | Found to be potentially dangerous animal       | \$75  |  |  |
| 6.12.150.D                 | Excessive Dog Barking—1st Violation            | \$50  |  |  |
| 6.12.150.D                 | Excessive Dog Barking—2nd Violation            | \$75  |  |  |
| 6.12.150.D                 | Excessive Dog Barking—3rd Violation            | \$100 |  |  |
| <b><u>Chapter 8.20</u></b> | <b>Refuse</b>                                  |       |  |  |
| <u>8.20.020</u>            | Lack of required refuse service                | \$50  |  |  |
| <u>8.20.030</u>            | Littering                                      | \$100 |  |  |
| <u>8.20.070</u>            | Garbage—Out Too Early                          | \$25  |  |  |
| <u>8.20.090</u>            | Garbage—Unsecured                              | \$25  |  |  |
| <u>8.20.100</u>            | Illegal Dumping/Burning                        | \$50  |  |  |
| <b><u>Chapter 8.24</u></b> | <b>Nuisances and Miscellaneous Health Laws</b> |       |  |  |
| <u>8.24.020</u>            | Stagnant water creating mosquito nuisance      | \$50  |  |  |
| <u>8.24.060</u>            | Pest infestation—Insects                       | \$50  |  |  |
| <u>8.24.070</u>            | Pest infestation—Rodents                       | \$50  |  |  |
| <u>8.24.110</u>            | Use Constituting Nuisance                      | \$50  |  |  |
| <b><u>Chapter 8.32</u></b> | <b>Weeds, Grass, Refuse and Junk</b>           |       |  |  |

|                                                                           |                                                                                                                                                                                                                  |                               |              |  |
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| 8.32.010.A                                                                | Weeds in Excess of 12 Inches                                                                                                                                                                                     | \$50                          |              |  |
| 8.32.010.B                                                                | Grass in Excess of <u>6</u> Inches                                                                                                                                                                               | \$50                          |              |  |
| <b>Chapter 9.04</b>                                                       | <b>Alarm Systems</b>                                                                                                                                                                                             |                               |              |  |
| 9.04.020                                                                  | No Valid Alarm Permit                                                                                                                                                                                            | \$25                          |              |  |
| <b>Chapter 9.16</b>                                                       | <b><u>Buffalo Grove Controlled Substances, Adoption by Reference of the Illinois Cannabis Regulation and Tax Act (ICRTA)</u></b>                                                                                 |                               |              |  |
| ICRTA 10-5<br>9.16.020 – For residents of the State of Illinois           | Possession of Cannabis ( <del>over 30</del> <u>under 10</u> grams of cannabis flower)                                                                                                                            | <del>\$100</del> <u>\$250</u> | <u>\$250</u> |  |
| ICRTA 10-5, 10-10<br>9.16.020 – For Residents of the State of Illinois    | Possession of Adult Use Cannabis with more than 500 milligrams of THC contained in cannabis-infused product                                                                                                      | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-5, 10-10<br>9.16.020 – For Residents of the State of Illinois    | Possession of more than 5 grams of cannabis concentrate                                                                                                                                                          | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-5, 10-10<br>9.16.020 – For nonresidents of the State of Illinois | Possession of Cannabis (over 15 grams of cannabis flower)                                                                                                                                                        | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-5, 10-10<br>9.16.020 – For nonresidents of the State of Illinois | Possession of Adult Use Cannabis with more than 250 milligrams of THC contained in cannabis-infused product                                                                                                      | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-5, 10-10<br>9.16.020 – For nonresidents of the State of Illinois | Possession of more than 2.5 grams of cannabis concentrate                                                                                                                                                        | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-5, 10-10, 10-15<br>9.16.020                                      | Possession, consumption, use, purchase, obtaining, transporting, or cultivating cannabis not otherwise in accordance with ICRTA                                                                                  | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-5, 10-20<br>9.16.020                                             | Use of false identification to obtain cannabis                                                                                                                                                                   | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-20, 10-35<br>9.16.020                                            | Sale, transferring and/or facilitating the use of Cannabis not in conformance with ICRTA;                                                                                                                        | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-35<br>9.16.020                                                   | Undertaking tasks, possession, use, smoking operating, navigating or being in actual physical control of any motor vehicle, aircraft or motorboat while using cannabis in violation of the Illinois Vehicle Code | <u>\$100</u>                  | <u>\$250</u> |  |
| ICRTA 10-35; 9.16.020                                                     | Possession and/or consumption in a prohibited public place and/or otherwise in violation of State statute                                                                                                        | <u>\$100</u>                  | <u>\$250</u> |  |

|                                            |                                                              |                                                                                       |              |       |
|--------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------|-------|
| <u>ICRTA 15 et seq</u><br><u>17-28-080</u> | <u>Operating a cannabis dispensary in violation of ICRTA</u> | <u>\$100</u>                                                                          | <u>\$250</u> |       |
| <b><u>Chapter 9.17</u></b>                 | <b>Drug Paraphernalia</b>                                    |                                                                                       |              |       |
| <u>9.17.020</u>                            | Possession/sale of drug paraphernalia                        | \$100                                                                                 |              |       |
| <b><u>Chapter 9.28</u></b>                 | <b>Disorderly Conduct</b>                                    |                                                                                       |              |       |
| <u>9.28.010</u>                            | Disorderly conduct                                           |                                                                                       |              | \$100 |
| <u>9.28.010.C</u>                          | Possession of fireworks                                      | \$50                                                                                  |              |       |
| <u>9.28.025</u>                            | Public Nuisance Assemblage/Social Host                       | \$100                                                                                 |              |       |
| <b><u>Chapter 9.32</u></b>                 | <b>Smoking in Public Places</b>                              |                                                                                       |              |       |
| <u>9.32.020</u>                            | Smoking in Enclosed Public Place                             | <u>Not less</u><br><u>than \$150<sup>50</sup></u><br><u>1<sup>st</sup> violation;</u> |              |       |
| <u>9.32.030</u>                            | Smoking in Place of Employment                               | <u>Not less</u><br><u>than \$150<sup>50</sup></u><br><u>1<sup>st</sup> violation</u>  |              |       |
| <u>9.32.040</u>                            | Smoking in Open Air Dining Area                              | <u>Not less</u><br><u>than \$150<sup>50</sup></u><br><u>1<sup>st</sup> violation</u>  |              |       |
| <u>9.32.050</u>                            | Smoking at Entrance                                          | <u>Not less</u><br><u>than \$150<sup>50</sup></u><br><u>1<sup>st</sup> violation</u>  |              |       |
| <b><u>Chapter 9.38</u></b>                 | <b>Noise</b>                                                 |                                                                                       |              |       |
| <u>9.38.020</u>                            | Noise Prohibited                                             | \$75                                                                                  |              |       |
| <u>9.38.030</u>                            | Noise within a multi-family structure                        | \$100                                                                                 |              |       |
| <u>9.38.037</u>                            | Construction regulations—Hours of work                       | \$75                                                                                  |              |       |
| <b><u>Chapter 9.48</u></b>                 | <b>Trespass and Damage to Property</b>                       |                                                                                       |              |       |
| <u>9.48.020</u>                            | Trespass                                                     |                                                                                       |              | \$100 |
| <u>9.48.030.A.</u>                         | Damage to Village Property                                   |                                                                                       |              | \$100 |
| <u>9.48.040</u>                            | Graffiti                                                     |                                                                                       |              | \$75  |
| <b><u>Chapter 9.52</u></b>                 | <b>Theft</b>                                                 |                                                                                       |              |       |
| <u>9.52.020</u>                            | Theft                                                        |                                                                                       |              | \$150 |

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| <b><u>Chapter 9.68</u></b>                                      | <b>Curfew</b>                                                                                           |       |       |       |
| <u>9.68.010</u>                                                 | Curfew                                                                                                  |       |       | \$75  |
| <b><u>Chapter 9.70</u></b>                                      | <b>Truancy</b>                                                                                          |       |       |       |
| <u>9.70.010</u>                                                 | Truancy                                                                                                 |       |       | \$75  |
| <b><u>Chapter 9.80</u></b>                                      | <b>Weapons</b>                                                                                          |       |       |       |
| <u>9.80.010</u>                                                 | Air rifle/BB gun/Gun discharge                                                                          |       |       | \$100 |
| <b><u>Chapter 10.08</u></b>                                     | <b>Snow</b>                                                                                             |       |       |       |
| <u>10.08.010</u>                                                | Parking—After 2 inch Snow                                                                               | \$25  | \$50  |       |
| <u>10.08.020</u>                                                | Dumping Snow in Street                                                                                  | \$25  | \$50  |       |
| <b><u>Chapter 10.16,</u></b><br><b><u>Section 10.16.010</u></b> | <b>Buffalo Grove Vehicle and Traffic Code. Adoption by Reference of the Illinois Vehicle Code (IVC)</b> |       |       |       |
| 5/3-401                                                         | No valid registration                                                                                   | \$50  | \$75  |       |
| 5/3-413(a)                                                      | No front/rear registration plate                                                                        | \$50  | \$75  |       |
| 5/3-413(b)                                                      | Improper display of license plate                                                                       | \$50  | \$75  |       |
| 5/3-413(f)                                                      | Operation of vehicle w/expired registration                                                             | \$50  | \$75  |       |
| 5/3-413(g)                                                      | Use of license plate cover                                                                              | \$50  | \$75  |       |
| 5/3-701                                                         | Inoperable odometer under mileage plates                                                                | \$50  | \$75  |       |
| 5/1-100 et seq.                                                 | Miscellaneous Traffic Code Violations                                                                   | \$50  | \$75  |       |
| 5/11-1003(a)                                                    | Jay Walking                                                                                             | \$25  | \$50  |       |
| 5/11-1301.3                                                     | Handicapped Zone Parking                                                                                | \$250 | \$375 |       |
| 5/11-1303.(a).1.b.                                              | Parked Blocking Sidewalk                                                                                | \$25  | \$50  |       |
| 5/11-1303.(a).2.b.                                              | Parked Within 15 feet of Fire Hydrant                                                                   | \$25  | \$50  |       |
| 5/11-1303.(a).2.c.                                              | Parked Within 20 feet of Crosswalk                                                                      | \$25  | \$50  |       |
| 5/11-1303.(a).2.d.                                              | Parked Within 30 feet of Traffic Control Device                                                         | \$25  | \$50  |       |
| 5/11-1303.(a).3.b.                                              | Parking Where Prohibited                                                                                | \$25  | \$50  |       |
| 5/11-1303.(a).3.b.                                              | Parking in Loading Zone                                                                                 | \$25  | \$50  |       |

|              |                                                        |      |      |  |
|--------------|--------------------------------------------------------|------|------|--|
| 5/11-1304.a. | Parking over 12 inches from Curb                       | \$25 | \$50 |  |
| 5/11-1304.a. | Parking—Left Wheels to Curb                            | \$25 | \$50 |  |
| 5/11-1304.5  | Parking of Vehicle With Expired Registration           | \$25 | \$50 |  |
| 5/6-112      | Driver's license not on person                         | \$50 | \$75 |  |
| 5/6-116      | Failure to notify Secretary of State—Change of address | \$50 | \$75 |  |
| 5/12-713     | Improperly marked vehicles—Contractor                  | \$50 | \$75 |  |
| 5/12-101     | Unsafe equipment                                       | \$50 | \$75 |  |
| 5/12-201(a)  | Driving motorcycle w/out lighted headlight             | \$50 | \$75 |  |
| 5/12-201(b)  | Driving w/out lights when required                     | \$50 | \$75 |  |
| 5/12-201(b)  | Only one tail light                                    | \$50 | \$75 |  |
| 5/12-201(c)  | No rear license plate light                            | \$50 | \$75 |  |
| 5/12-204     | Improper lamp or flag on projected load                | \$50 | \$75 |  |
| 5/12-207     | Improper use of spot lamp/aux driving lamps            | \$50 | \$75 |  |
| 5/12-208     | No stop lights                                         | \$50 | \$75 |  |
| 5/12-209(c)  | Defective back-up lights                               | \$50 | \$75 |  |
| 5/12-210     | Failure to dim headlights                              | \$50 | \$75 |  |
| 5/12-211     | Only one headlight                                     | \$50 | \$75 |  |
| 5/12-301     | Defective brakes                                       | \$50 | \$75 |  |
| 5/12-405(c)  | Use of unsafe tire                                     | \$50 | \$75 |  |
| 5/12-502     | No rear view mirror                                    | \$50 | \$75 |  |
| 5/12-503(a)  | Illegally Tinted Windows                               | \$50 | \$75 |  |
| 5/12-503(c)  | Obstructed windshield                                  | \$50 | \$75 |  |
| 5/12-503(d)  | Obstructed windows—Snow, ice, moisture                 | \$50 | \$75 |  |
| 5/12-503(d)  | No windshield clearing device (wipers)                 | \$50 | \$75 |  |
| 5/12-601(a)  | Defective or no horn                                   | \$50 | \$75 |  |

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|--------------------------------|-----------------------------------------------|-------|------|--|
| 5/12-602                       | Loud muffler—Excessive noise                  | \$50  | \$75 |  |
| 5/12-603.1                     | Failure to Wear Properly Adjusted Seat Belt   | \$50  | \$75 |  |
| 5/12-608                       | No bumper or unlawful bumper height           | \$50  | \$75 |  |
| 5/12-610.2                     | Use of Mobile Telephones                      | \$50  |      |  |
| 5/12-611                       | Illegal operation of sound amplification—75'  | \$50  | \$75 |  |
| 5/12-702                       | No flags, flares, warning devices carried     | \$50  | \$75 |  |
| 5/12-710                       | Inadequate or no splash guards (mud flaps)    | \$50  | \$75 |  |
| <b>Title 10, Chapter BG-4</b>  | <b>Towing</b>                                 |       |      |  |
| BG-4-101.E.1.                  | Abandoned vehicle over 7 days                 | \$25  | \$50 |  |
| <b>Title 10, Chapter BG-11</b> | <b>Rules of the Road</b>                      |       |      |  |
| BG-11-1303.C.1.                | Parking on Parkway or Median                  | \$25  | \$50 |  |
| BG-11-1303.C.2.b.              | Parking—Blocking Driveway                     | \$25  | \$50 |  |
| BG-11-1303.C.2.c.              | Parking in Posted Fire Lane                   | \$25  | \$50 |  |
| BG-11-1308.1.                  | Parking on Street 2 am to 6 am                | \$25  | \$50 |  |
| BG-11-1311                     | Selling Vehicle on Street                     | \$25  | \$50 |  |
| <b>Chapter 12.20</b>           | <b>Trees, Shrubs, and Other Plants</b>        |       |      |  |
| <u>12.20.070</u>               | Trees/vegetation obstructing public sidewalks | \$100 |      |  |
| <u>12.20.080</u>               | Trees/vegetation creating visual obstructing  | \$100 |      |  |
| <b>Chapter 13.05</b>           | <b>Water System Cross-connection Control</b>  |       |      |  |
| <u>13.05.110. A.2.</u>         | Inspection and maintenance                    | \$50  |      |  |
| <b>Chapter 13.16</b>           | <b>Water Conservation</b>                     |       |      |  |
| <u>13.16.020</u>               | Sprinkling Ban Violation (12:00—6:00 p.m.)    | \$100 |      |  |
| <b>Title 14</b>                | <b>Sign Code</b>                              |       |      |  |
| <u>14.12.010</u>               | Signs Installed without a Permit              | \$50  |      |  |
| <u>14.32.060</u>               | Signs Placed in the Public Right-of-Way       | \$50  |      |  |

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| <b><u>Chapter 15.04,</u></b><br><b><u>Section 15.04.010</u></b> | <b>International Building Code. Adoption by Reference of the International Building Code (IBC)</b>                                                                   |       |                  |       |
| IBC 105.1                                                       | Failure to secure required permit (Commercial)                                                                                                                       | \$200 |                  |       |
| <b><u>Chapter 15.05,</u></b><br><b><u>Section 15.05.010</u></b> | <b>International Residential Code One- and Two-Family Dwellings. Adoption by Reference of the International Residential Code One- and Two-Family Dwellings (IRC)</b> |       |                  |       |
| IRC 105.1                                                       | Failure to secure required permit (Residential)                                                                                                                      | \$50  |                  |       |
| <b><u>Chapter 15.06,</u></b><br><b><u>Section 15.06.010</u></b> | <b>Property Maintenance Code. Adoption by Reference of the International Property Maintenance Code (IPMC)</b>                                                        |       |                  |       |
| IPMC 302.8, as amended                                          | Parking on non-approved surface/grass/lawn                                                                                                                           | \$50  |                  |       |
| IPMC 302.8, as amended                                          | Unlicensed vehicle                                                                                                                                                   | \$100 |                  |       |
| IPMC 302.8, as amended                                          | Vehicle in a state of disrepair                                                                                                                                      | \$75  |                  |       |
| IPMC 304                                                        | Property in disrepair                                                                                                                                                | \$75  |                  |       |
| IPMC 307                                                        | Junk/Garbage/Debris on property                                                                                                                                      | \$75  |                  |       |
| <b><u>Chapter 15.12</u></b>                                     | <b>Plumbing Code</b>                                                                                                                                                 |       |                  |       |
| <u>15.12.030</u>                                                | Downspout and sump pump discharges                                                                                                                                   | \$75  |                  |       |
| <b><u>Chapter 15.20</u></b>                                     | <b>Fence Code</b>                                                                                                                                                    |       |                  |       |
| <u>15.20.100</u>                                                | Fence in Disrepair                                                                                                                                                   | \$100 |                  |       |
| <b><u>Chapter 15.36</u></b>                                     | <b>Residential Rental Housing Program</b>                                                                                                                            |       |                  |       |
| <u>15.36.040</u>                                                | Renting property without a license                                                                                                                                   |       |                  | \$100 |
| <u>15.36.060</u>                                                | Failure to schedule/allow rental inspection                                                                                                                          |       |                  | \$100 |
| <b><u>Chapter 17.12</u></b>                                     | <b>Definitions</b>                                                                                                                                                   |       |                  |       |
| <u>17.12.230</u>                                                | Use or occupancy of a One-Family Dwelling by more than one family                                                                                                    |       |                  | \$25  |
| <b><u>Chapter 17.28</u></b>                                     | <b><u>Special Uses</u></b>                                                                                                                                           |       |                  |       |
| <u>17.28.080</u>                                                | <u>Adult Use Cannabis Business Organizations</u>                                                                                                                     |       | <u>\$750/day</u> |       |

|                             |                                                                                                                                        |      |           |  |
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| <u>17.28.080:</u>           | <u>Cultivation, craft growing, infusing and/or transporting adult use cannabis in violation of the Cannabis Regulation and Tax Act</u> |      | \$750/day |  |
| <b><u>Chapter 17.36</u></b> | <b><u>Driveways and Off-Street Parking and Loading Facilities</u></b>                                                                  |      |           |  |
| <u>17.36.030</u>            | Improper Recreational Vehicle Parking                                                                                                  | \$50 |           |  |
| <u>17.36.030</u>            | Improper parking of a commercial vehicle/Residential District                                                                          | \$25 |           |  |
| <u>17.36.030</u>            | Oversized Vehicle                                                                                                                      | \$25 |           |  |
| <u>17.36.030</u>            | Improperly maintained parking lots                                                                                                     | \$50 |           |  |
| <u>17.36.030</u>            | Improperly marked accessible parking spaces                                                                                            | \$50 |           |  |

\* The Illinois Vehicle Code (IVC) (625 ILCS 5/1-100 et seq.) has been adopted by reference as the Traffic Code of the Village pursuant to Chapter 10.16 of the Buffalo Grove Municipal. Additions to the IVC, as adopted, are set forth in Chapter BG-1 through BG-16 of the Buffalo Grove Municipal Code. The Traffic Code of the Village corresponds in numbering sequence to the Illinois Vehicle Code.

\* Fines are exclusive of hearing costs. Daily fines are possible where permissible by law. Where a Maximum Fine is not listed the Maximum Fine shall be subject to Section 1.08.010 of the Buffalo Grove Municipal Code.

(Ord. No. 2014-68, § 3, 10-6-2014; Ord. No. 2015-52, § 2, 9-21-2015; Ord. No. 2016-026, § 2, 6, 5-16-2016; Ord. No. 2017-036, § 2, 8-21-2017; Ord. No. 2017-042, § 3, 10-16-2017; Ord. No. 2018-016, § 2, 3, 3-19-2018)

2.62.020 - Hearing procedures non-exclusive.

The provisions of this Chapter shall not preclude the Village from using other methods or proceedings to enforce and adjudicate the Code or other ordinances of the Village, including, without limitation, the institution of an action in the Lake County Circuit Court, the Cook County Circuit Court, the United States District Court, or any administrative proceeding.

(Ord. 2004-46 § 1 (part), 2004).

2.62.030 - Administrative composition.

The Administrative Hearing System shall provide for one or more Hearing Officers and a Code Hearing Unit, all with the power, authority, and limitations as set forth in this Chapter.

(Ord. 2004-46 § 1 (part), 2004).

2.62.40 - Hearing Officer.

- A. Appointment. The Village Manager shall appoint one or more qualified Hearing Officers to perform the functions set forth in this section.
- B. Independent Contractor. A Hearing Officer shall be employed as an independent contractor of the Village and shall not be considered an employee of the Village. A Hearing Officer may be removed, with or without cause, by the Village Manager.
- C. Qualifications. To qualify as a Hearing Officer, an individual must:
  1. Be an attorney licensed to practice law in the State of Illinois for at least three years;

2. Be in good standing with the Illinois Supreme Court Attorney Registration and Disciplinary Commission;
3. Complete a formal training program approved by the Village Manager and the Village Attorney consisting of:
  - a. Instruction on the rules of procedure for administrative hearings,
  - b. Orientation to each subject area of the Code that will be adjudicated,
  - c. Observation of hearings conducted by Illinois municipalities that have adopted the administrative hearing system, and
  - d. Participation in hypothetical hearings, including ruling on evidence and issuance of final orders.
- D. Compensation. Authorization for compensation for a Hearing Officer shall be made by the President and Board of Trustees through the Village's annual budget process. Compensation shall be determined by the Village Manager within approved budget limitations.
- E. Authority and Powers. Hearing Officers shall have all powers necessary to conduct fair and impartial hearings including, but not limited to, the power to:
  1. Hold conferences for the settlement or simplification of the issues;
  2. Administer oaths and affirmations;
  3. Hear testimony and accept evidence that is relevant to the allegation of a Violation;
  4. Issue subpoenas directing witnesses to appear and give relevant testimony at the Hearing, upon the request of the parties or their representatives;
  5. Preserve and authenticate the record of the Hearing, including all exhibits and evidence introduced at the Hearing;
  6. Issue a determination, based on the evidence presented at the Hearing, on whether a violation occurred or exists. The Hearing Officer's determination shall be in writing and shall include a written finding of fact, decision, and order, including the fine, penalty, or other action with which the defendant must comply; and
  7. Impose penalties consistent with applicable Code provisions, order the defendant to obtain a compliance bond, require the defendant to take corrective action to cure the violation and assess costs upon finding a defendant liable for the charged violation. Assessment of costs of twenty-five dollars to fifty dollars shall be based upon the complexity of the matter heard.
  8. Impose a term of community service in addition to or in lieu of any applicable fine.
  9. Impose, if applicable, a late payment penalty pursuant to Section 3.48.060 of this Code.

(Ord. 2004-46 § 1 (part), 2004)

(Ord. No. 2014-68, § 4, 10-6-2014; Ord. No. 2016-026, § 3, 5-16-2016)

2.62.50 - Code Hearing Unit.

- A. Appointment. The Village Manager shall establish a Code Hearing Unit to perform the functions set forth in this section.
- B. Authority and Jurisdiction. The Code Hearing Unit is authorized, empowered, and directed to:
  1. Recommend rules and regulations reasonably required to manage the Administrative Hearing System;
  2. Adopt, distribute, and process all notices as may be required under this Chapter, or as may reasonably be required to carry out the purpose of this Chapter;
  3. Collect payments made as a result of fines, costs, and/or penalties assessed after a final determination of liability;
  4. Certify copies of final determinations of violations adjudicated pursuant to this Chapter, and any factual reports verifying the final determination of any liability that was issued in accordance with this Chapter or the laws of the State of Illinois, as from time to time amended; and
  5. Keep accurate records of appearances and non-appearances at hearings, pleas entered, fines, costs, and penalties assessed and paid.

(Ord. 2004-46 § 1 (part), 2004)

(Ord. No. 2014-68, § 5, 10-6-2014)

2.62.60 - Violation Notice.

- A. A notice of any Violation ("Violation Notice") shall be issued by the persons authorized under this Chapter, shall contain information as to the nature of the Violation, shall be certified, and shall constitute prima facie evidence of the Violation cited.
- B. All full-time and part-time police officers, as well as other specifically authorized individuals of any department of the Village,

shall have the authority to issue Violation Notices.

- C. Any individual authorized to issue Violation Notices who detects a Violation, is authorized to issue a Violation Notice thereof and shall serve the Violation Notice in the manner set forth in the Code.
- D. The correctness of facts contained in any Violation Notice shall be certified by the person issuing the notice through signing his or her name to the Violation Notice at the time of issuance.
- E. The Code Hearing Unit shall retain the original or a facsimile of the Violation Notice and keep it as a record in the ordinary course of business.
- F. The Violation Notice or a copy thereof shall be admissible in any subsequent administrative or judicial proceeding to the extent permitted by law.
- G. Parties shall be given notice of the adjudicatory hearing which includes the type and nature of the code violation to be adjudicated, the date and location of the adjudicatory hearing the legal authority and jurisdiction under which the hearing is to be held, and the penalties for failure to appear at the hearing.

(Ord. 2004-46 § 1 (part), 2004)

(Ord. No. 2014-68, § 6, 10-6-2014)

#### 2.62.70 - Service.

- A. Service of any Violation Notice, unless otherwise provided, shall be made as follows:
  - 1. Handing the notice to the registered owner, operator or lessee of the vehicle, if present;
  - 2. Handing the notice to the person responsible for the ordinance Violation;
  - 3. Mailing the notice by mail to the person responsible for the ordinance Violation; or
  - 4. Notice that is posted upon the property where the violation is found when the party is the owner or manager of the property.
- B. If service of notice is provided by mail for any Violation Notice or for any Hearing Notice, said service shall be deemed sent and shall be complete on the date the notice is deposited, postage prepaid, in the United States mail. The counting of any time period as set forth in the Code shall begin to run on the date the notice is deposited, postage prepaid, in the United States mail.

(Ord. 2004-46 § 1 (part), 2004)

(Ord. No. 2014-68, § 7, 10-6-2014)

#### 2.62.80 - Hearings.

All Hearings conducted under the Administrative Hearing System shall be conducted by a Hearing Officer and shall be in accordance with the following rules and procedures:

- A. A record of the Hearing shall be made by tape recording or other appropriate means;
- B. The parties may be represented by counsel, present witnesses, and cross-examine opposing witnesses;
- C. The Hearing Officer may grant continuances only upon a finding of good cause;
- D. All testimony shall be given under oath or affirmation;
- E. Parties may request the Hearing Officer to issue, and the Hearing Officer shall have the authority to issue, subpoenas to direct the attendance and testimony of relevant witnesses and produce relevant documents;
- F. The formal and technical rules of evidence shall not apply. Evidence, including hearsay, may be admitted only if it is of a type commonly relied upon by reasonably prudent persons in the conduct of their affairs;
- G. In a Hearing on the propriety of impoundment of a vehicle, any sworn or affirmed report, citation or ticket that: (a) is prepared in the performance of a law enforcement officer's duties; and (b) sufficiently describes the circumstances leading to the impoundment, shall be admissible evidence of the vehicle owner's liability, unless rebutted by clear and convincing evidence;
- H. The burden shall be upon the Village to prove by a preponderance of the evidence that the alleged violation occurred.
- I. Each Hearing shall culminate in a determination of liability or non-liability by the Hearing Officer or a determination of liability based upon the failure of the defendant to appear at the Hearing;
- J. The Hearing Officer shall, upon a determination of liability, assess fines and penalties in accordance with the Code. In

addition, the Hearing Officer shall have the discretion to assess costs upon finding a defendant liable for the charged Violation. In no event shall the

Hearing Officer have authority to: (a) impose a penalty of incarceration, or (b) impose a fine in excess of fifty thousand dollars. The maximum monetary fine shall be exclusive of costs of enforcement or costs imposed to secure compliance with this Code;

- K. The maximum monetary fine imposed under the Code shall be exclusive of costs of enforcement or costs incurred by the Village to secure compliance with the Village's Code and ordinances, and shall not be applicable to cases to enforce the collection of any tax imposed and collected by the Village.

(Ord. 2004-85 § 3, 2004; Ord. 2004-79 § 3, 2004; Ord. 2004-46 § 1 (part), 2004)

(Ord. No. 2014-68, § 8, 10-6-2014)

#### 2.62.090 - Judicial review.

Any final decision by a Hearing Officer that a Violation does or does not exist shall constitute a final determination for purposes of judicial review and shall be subject to review under the Illinois Administrative Review Law (735 ILCS 5/3-101 et seq.).

(Ord. 2004-46 § 1 (part), 2004).

#### 2.62.100 - Debt to the Village.

Any fine, penalty or part of any fine or penalty or costs assessed in accordance with the provisions of the Code and remaining unpaid after the exhaustion of, or the failure to exhaust, administrative procedures under this Chapter and the conclusion of any judicial review procedures, shall be a debt due and owing the Village, and, as such, may be collected in accordance with applicable law.

(Ord. 2004-46 § 1 (part), 2004)

(Ord. No. 2014-68, § 9, 10-6-2014)

#### 2.62.110 - Enforcement of judgments.

- A. Any fine, other sanction, or costs imposed, or part of any fine, other sanction, or costs imposed, remaining unpaid after the exhaustion of or the failure to exhaust judicial review procedures under the Illinois Administrative Review Law are a debt due and owing the Village and may be collected in accordance with applicable law.
- B. After expiration of the period in which judicial review under the Illinois Administrative Review Law may be sought for a final determination of a code violation, unless stayed by a court of competent jurisdiction, the findings, decision, and order of the Hearing Officer may be enforced in the same manner as a judgment entered by a court of competent jurisdiction.
- C. In any case in which a defendant has failed to comply with a judgment ordering a defendant to correct a code violation or imposing any fine or other sanction as a result of a code violation, any expenses incurred by the Village to enforce the judgment, including, but not limited to, attorney's fees, court costs, and costs related to property demolition or foreclosure, after they are fixed by a court of competent jurisdiction or a Hearing Officer, shall be a debt due and owing the Village and may be collected in accordance with applicable law. Prior to any expenses being fixed by a Hearing Officer pursuant to this subsection, the Village shall provide notice to the defendant that states that the defendant shall appear at a hearing before the administrative Hearing Officer to determine whether the defendant has failed to comply with the judgment. The notice shall set the date for such a hearing, which shall not be less than seven days from the date that notice is served. If notice is served by mail, the seven-day period shall begin to run on the date that the notice was deposited in the mail.
- D. Upon being recorded in the manner required by Article XII of the Code of Civil Procedure or by the Uniform Commercial Code, a lien shall be imposed on the real estate or personal estate, or both, of the defendant in the amount of any debt due and owing the Village under this Section. The lien may be enforced in the same manner as a judgment lien pursuant to a judgment of a court of competent jurisdiction.
- E. A Hearing Officer may set aside any judgment entered by default and set a new hearing date, upon a petition filed within twenty-one days after the issuance of the order of default, if the Hearing Officer determines that the petitioner's failure to appear at the hearing was for good cause or at any time if the petitioner establishes that the Village did not provide proper service of process. If any judgment is set aside pursuant to this subsection, the Hearing Officer shall have authority to enter an order extinguishing any lien which has been recorded for any debt due and owing the Village as a result of the vacated default judgment.



(Ord. 2004-46 § 1 (part), 2004)

(Ord. No. 2014-68, § 10, 10-6-2014)

2.62.120 - Schedule of fines—Penalties.

For a Violation of any Village ordinance, fines and penalties shall be as established from time to time by the President and Board of Trustees. (Ord. 2004-46 § 1 (part), 2004).

## Chapter 9.16 - CONTROLLED SUBSTANCES

## Footnotes:

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**Editor's note**— Prior ordinance history: Ords. 63-5 and 77-13.

## 9.16.010 - Defined.

"Cannabis," also known as "marijuana," includes any part or parts of the plant *Cannabis sativa*, whether growing or not, and the seeds thereof. (Ord. 94-85 § 47 (part), 1994) shall have the same definition as "Cannabis" in the State of Illinois Cannabis Regulation and Tax Act.

## 9.16.020 - Possession prohibited.

It is unlawful for any person to grow, possess, sell, give away, barter, deliver, exchange, distribute or administer any cannabis unless it conforms in all respects with the State of Illinois Cannabis Regulation and Tax Act. (Ord. 94-85 § 47 (part), 1994)

## 9.16.030 - Sale prohibited.

No person shall expose for sale, sell or offer for sale to any person, directly or indirectly, within the Village, any cigarette or instrument as defined in Chapter 9.17 containing any controlled substance unless it conforms in all respects with the State of Illinois Cannabis Regulation and Tax Act.

(Ord. 94-85 § 47 (part), 1994)

## 9.16.040 - Violation—Penalty.

Any person violating any provision of this Chapter shall be punished as provided in Chapter 1.08. (Ord. 94-85 § 47 (part), 1994)

## Chapter 9.17 - DRUG PARAPHERNALIA

## 9.17.10 - Definitions.

Unless the context otherwise requires, the following terms as used in this Chapter have the meanings ascribed to them.

A. "Cannabis" shall have the same definition as "Cannabis" in the State of Illinois Cannabis Regulation and Tax Act.

B. "Controlled substance" means any drug or controlled substance as defined under any law of the State or of the United States of America.

C. "Instrument" means a device used, designed for use, or intended for use in ingesting, smoking, administering or preparing cannabis, cocaine, phencyclidine, opium or any derivative thereof, or any other controlled substance, and includes the following:

1. Metal, wooden, acrylic, glass, stone, plastic or ceramic marijuana (*Cannabis sativa*) or hashish pipes with or without screens, permanent screens, hashish heads, or punctured metal bowls;
2. Water pipes designed for use or intended for use with marijuana (*Cannabis sativa*), hashish, hashish oil, or cocaine;
3. Carburation tubes and devices;
4. Smoking and carburation masks;
5. Roach clips;
6. Separation gins designed for use or intended for use in cleaning marijuana;
7. Cocaine spoons and vials;

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- 8. Chamber pipes;
- 9. Carburetor pipes;
- 10. Electric pipes;
- 11. Air-driven pipes;
- 12. Chilams;
- 13. Bongs; and
- 14. Ice pipes or chillers.

~~6.D.~~ "Minor" means any person who has not attained eighteen years of age.

(Ord. 94-85 § 48 (part), 1994; Ord. 79-20 § 1 (part), 1979)

#### 9.17.020 - Prohibition.

It is unlawful for any person to have, possess, sell, offer to sell, dispense or give away any instrument adapted for the use of smoking, inhaling or ingesting any controlled substance.

(Ord. 94-85 § 48 (part), 1994; Ord. 79-20 § 1 (part), 1979)

#### 9.17.30 - Application.

The provisions of this Chapter shall not apply to:

- A. Any person who has been authorized by the Department of Mental Health and Developmental Disabilities, with the approval of the Illinois State Police, to possess and deliver substances containing cannabis;
- B. Persons registered under federal law to conduct research with cannabis.

(Ord. 94-85 § 48 (part), 1994; Ord. 79-20 § 1 (part), 1979)

#### 9.17.40 - Violation—Penalty.

- A. Any person violating any provision of this Chapter shall be punished as provided in Chapter 1.08 of this Code.
- B. In addition to the penalty set forth in subsection A of this section, any person convicted of a violation of this Chapter shall be subject to revocation of the business license, if any, issued by the Village to said person.
- C. A violation of this Chapter is declared to be a public nuisance and shall be subject to abatement as provided by law.

(Ord. 94-85 § 48 (part), 1994; Ord. 79-20 § 1 (part), 1979)

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- A. It shall be unlawful for any person to permit, allow, host or fail to take reasonable steps to prevent an event or gathering at his or her place of residence or other private property, public place, any other premises under his or her control, or in any conveyance, where illicit drugs, adult use cannabis or alcoholic beverages have been consumed by an underage person, if such person either knows or reasonably should know that an underage person has consumed any illicit drugs adult use cannabis or alcoholic beverages.
- B. A person who permits, allows or hosts an event or gathering shall be deemed to have known or should have known that an underage person has consumed illicit drugs, adult use cannabis or alcoholic beverages if the person has not taken all reasonable steps to prevent the consumption of illicit drugs, adult use cannabis or alcoholic beverages by underage persons.
- C. A person who permits, allows or hosts an event or gathering shall be rebuttably presumed to have known or should have known that underage persons have consumed illicit drugs, adult use cannabis or alcoholic beverages if such person is present at the premises of the event or gathering at the time any underage person consumes illicit drugs, adult use cannabis or an alcoholic beverage.
- D. This section shall not apply to conduct involving the use of alcoholic beverages that occurs at a religious ceremony or exclusively between an underage person and his parent or legal guardian as permitted by Illinois State Law.
- E. It is the duty of any person who permits, allows or hosts an event or gathering at his or her place of residence or other private property, public place, any other premises under his or her control, or in any conveyance, where underage persons will be present to take all reasonable steps to prevent the consumption of illicit drugs, adult use cannabis or alcoholic beverages by any underage person at the event or gathering.
- F. A person who hosts any event or gathering does not have to be present at the event or gathering to be liable under this section.
- (Ord. 94-7 § 1 (part), 1994: Ord. 93-77 § 2 (part), 1993)
- (Ord. No. 2009-77, § 3, 12-7-2009)

## 5.20.193 - Responsibility of the owner or occupant of premises.

It is unlawful for any owner or occupant of any premises located within the Village to permit any person under the age of twenty-one other than the owner's or occupant's own child or ward to remain on such premises while the underage person is in possession of alcoholic liquor or adult use cannabis or while the underage person is consuming alcoholic liquors or adult use cannabis in violation of Section 5.20.190.

(Ord. 94-7 § 1 (part), 1994: Ord. 93-77 § 2 (part), 1993)

## 5.20.194 - Penalty.

Any person found guilty of violating Section 5.20.192 or 5.20.193 shall be fined in the mandatory amount of not less than one thousand dollars for the first violation and the mandatory amount of not less than two thousand dollars for each subsequent violation.

(Ord. 96-57 § 4, 1996: Ord. 94-7 § 1 (part), 1994: Ord. 93-77 § 2 (part), 1993)

## 5.20.195 - Imposing civil liability.

Every person who is injured, in person or property, by any intoxicated person under the age of twenty-one as a result of alcohol or adult use cannabis has a right of action in his or her own name, severally or jointly for damages (including reasonable attorney's fees and expenses) against any person:

- A. Who by selling, giving or delivering alcoholic liquor or adult use cannabis in violation of Section 5.20.190, 5.20.192, 5.20.193, 5.20.200 or 5.20.201 causes, or contributes to, the intoxication of such underage person;
- B. Who by permitting consumption of alcoholic liquor or adult use cannabis in violation of Section 5.20.190, 5.20.192, 5.20.193, 5.20.200 or 5.20.201 causes, or contributes to, the intoxication of such underage person as a result of alcohol or adult use cannabis; or
- C. Who causes such injury and had become intoxicated by consuming alcoholic liquor or adult use cannabis in violation of Section 5.20.190, 5.20.192, 5.20.193, 5.20.200 or 5.20.201.

Any action for damages under this section may be brought in the circuit court. An action for damages under this section shall be commenced within two years after the right of action arises.

(Ord. 94-7 § 1 (part), 1994; Ord. 93-77 § 2 (part), 1993)

#### 5.20.200 - Selling to unfit persons.

No licensee shall sell, give or deliver alcoholic liquor to any intoxicated person or to any person known by the licensee to be an habitual drunkard, spendthrift or insane, feeble-minded or a distracted person. No adult use cannabis dispensary shall sell, give, or deliver adult cannabis to any person known by the dispensary to be under the age of 21.

(Ord. 94-7 § 1 (part), 1994; Ord. 77-35 § 22, 1977)

#### 5.20.203 - False identification not a defense.

It shall not be a defense to any action brought criminally, civilly or administratively against any liquor licensee or any other person charged with the delivery of any alcoholic beverage to an underage person that such a person produced false identification or proof of age. It also shall not be a defense to any action brought criminally, civilly, or administratively against any adult use dispensary or any other person charged with the delivery of adult use cannabis to any underage person that such a person produced a false identification or proof of age.

The person or persons hearing and deciding the charges may consider such a claim when determining the penalty to be assessed or the apportionment of damages.

(Ord. 95-103 § 2, 1995)

#### 5.20.204. - Mandatory schedule of prices.

All licensees shall maintain a schedule of the prices charged for all drinks of alcoholic liquor to be served and consumed on the licensee's premises or in any room or part thereof. Whenever a hotel or multi-use establishment which holds a valid license operates on its premises more than one establishment at which drinks of alcoholic liquor are sold at retail, the hotel or multi-use establishment shall maintain at each such establishment a separate schedule of the prices charged for such drinks at that establishment.

(Ord. No. 2015-51, § 1, 9-21-2015)

#### 5.20.205. - Prohibited happy hours.

No licensee or employee or agent of such licensee shall:

- A. sell more than one drink of alcoholic liquor for the price of one drink of alcoholic liquor;
- B. sell, offer to sell or serve to any person an unlimited number of drinks of alcoholic liquor during any set period of time at a fixed price, except at private functions not open to the general public or as provided in Section 5.20.206 of this Code;
- C. increase the volume of alcoholic liquor contained in a drink, or the size of a drink of alcoholic liquor, without increasing proportionately the price regularly charged for the drink on that day;
- D. encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor or the awarding of drinks of alcoholic liquor as prizes for such game or contest on the licensed premises; or
- E. advertise or promote in any way, whether on or off the licensed premises, any of the practices prohibited under subsections A through D.

(Ord. 94-7 § 1 (part), 1994; Ord. 89-74 § 1, 1989; Ord. 88-79 § 5, 1988).

(Ord. No. 2015-51, § 2, 9-21-2015)

#### 5.20.206. - Permitted happy hours and meal packages, and party packages.

A. As used in this Section:

"Dedicated event space" means a room or rooms or other clearly delineated space within a licensee's premises that is reserved for the exclusive use of party package invitees during the entirety of a party package. Furniture, stanchions and ropes, or other room dividers may be used to clearly delineate a dedicated event space.

"Meal package" means a food and beverage package, which may or may not include entertainment, where the service of alcoholic liquor is an accompaniment to the food, including, but not limited to, a meal, tour, tasting, or any combination thereof for a fixed price.

other licensee operating within a sports facility, restaurant, winery, brewery, or distillery.

"Party package" means a private party, function, or event for a specific social or business occasion, either arranged by invitation or reservation for a defined number of individuals, that is not open to the general public and where attendees are served both food and alcohol for a fixed price in a dedicated event space.

B. A retail licensee may:

1. Offer free food or entertainment at any time;
2. Include drinks of alcoholic liquor as part of a meal package;
3. Sell or offer for sale a party package only if the retail licensee:
  - a. Offers food in the dedicated event space;
  - b. Limits the party package to no more than three hours;
  - c. Distributes wristbands, lanyards, shirts, or any other such wearable items to identify party package attendees so that attendees may be granted access to the dedicated event space; and
  - d. Excludes individuals not participating in the party package from the dedicated event space;
4. Include drinks of alcoholic liquor as part of a hotel package;
5. Negotiate drinks of alcoholic liquor as part of a hotel package;
6. Provide room service to persons renting rooms at a hotel;
7. Sell pitchers (or the equivalent, including, but not limited to, buckets of bottled beer), carafes, or bottles of alcoholic liquor which are customarily sold in such manner, or sell bottles of spirits;
8. Advertise events permitted under this Section; and
9. Discount any drink of alcoholic liquor during a specified time period only if:
  - a. The price of the drink of alcoholic liquor is not changed during the time that it is discounted;
  - b. The period of time during which any drink of alcoholic liquor is discounted does not exceed four hours per day and fifteen hours per week; however, this period of time is not required to be consecutive and may be divided by the licensee in any manner;
  - c. The drink of alcoholic liquor is not discounted between the hours of 10:00 p.m. and the licensed premises' closing time; and
  - d. Notice of the discount of the drink of alcoholic liquor during a specified time is posted on the licensed premises and on the licensee's publicly available website at least seven days prior to the specified time.

(Ord. No. 2015-51, § 3, 9-21-2015)

#### 5.20.210 - Application of other ordinances and laws.

Nothing in this Chapter shall excuse or relieve the owner, proprietor or person in charge of any tavern or other place in the Village where alcoholic liquor or adult use cannabis is sold from the restrictions and requirements of any other ordinance or ordinances in the Village or of the statutes of the State.

(Ord. 94-7 § 1 (part), 1994; Ord. 77-35 § 15, 1977)

#### 5.20.220 - Licensing on premises for which license is revoked.

When any license under this Chapter has been revoked for any cause at the discretion of the Local Liquor Control Commissioner, no license need be granted to any person, firm or corporation for the period of one year thereafter for the conduct of the sale of alcoholic liquor or for the conduct of sale of adult use cannabis in the premises described in such revoked license.

(Ord. 94-7 § 1 (part), 1994; Ord. 77-35 § 16, 1977)



**Ordinance No. O-2020-5 : Approve an Ordinance Granting a Special Use for a Recreational Use at 1380 Busch Parkway**

**Recommendation of Action**

The Planning & Zoning Commission recommended approval, subject to conditions. Staff concurs with this recommendation.

SUMMARY: The petitioners are proposing to operate a Golf Simulator Facility, WJ Sports Entertainment at 1380 Busch Parkway. The 3,337 square foot facility is currently vacant. Pursuant to the Zoning Ordinance, a recreational use is a special use in the Industrial District.

**ATTACHMENTS:**

- BOT Memo (DOCX)
- Ordinance (DOCX)
- Exhibit A Plan Set (PDF)
- Exhibit B PZC Minutes(PDF)

**Trustee Liaison**  
Weidenfeld

**Staff Contact**  
Chris Stilling, Community Development

Monday, January 6, 2020

# VILLAGE OF BUFFALO GROVE



DATE: January 2, 2020

TO: Dane Bragg, Village Manager

FROM: Christopher Stilling, Director of Community Development

SUBJECT: Ordinance approving a special use for a recreational use (Golf simulator facility) in the Industrial District

## **BACKGROUND**

The petitioners, Won Cho and Jibsoc Jung, are proposing to operate a Golf Simulator Facility, WJ Sports Entertainment at 1380 Busch Parkway. The 3,337 square foot facility is currently vacant. Pursuant to the Zoning Ordinance, a recreational use is a special use in the Industrial District.

## **PLANNING & ZONING COMMISSION (PZC) RECOMMENDATION**

The PZC unanimously recommended approval of the special use, subject to the following conditions:

1. The special use is granted to Won Cho and Jibsoc Jung of WJ Sports Entertainment at 1380 Busch Parkway and said special use does not run with the land.
2. The special use granted may be assignable to subsequent petitioners seeking assignment of this special use as follows:
  - i. Upon application of a petition seeking assignment of this special use, the Village of Buffalo Grove, in their sole discretion, may approve the assignment administratively, or may refer it to the Planning & Zoning Commission and/or the Village Board for a public hearing.
  - ii. Such assignment shall be valid only upon the written approval of the Village of Buffalo Grove granting said assignment, which may be granted or denied for any reason.
3. The petitioner shall monitor traffic circulation and parking on the property and take appropriate measures, as approved by the Village, to ensure adequate parking is being provided. If the Village determines, in its sole discretion, that additional parking is required, the petitioner shall provide said parking in manner acceptable to the Village.

Staff concurs with this recommendation.



**PUBLIC HEARING COMMENTS**

There were no comments or objections as part of the public hearing.

**PLANNING & ZONING ANALYSIS*****Proposed Use***

- This facility will have 7 individual simulator golfing rooms that can be used in 3 modes to offer a different experience to the clients. Range Mode allows the clients for an outdoor practice range experience, Lesson Mode allows instructors to record golf swings of the clients, and Golf Mode allows the clients to play a full round of golf (18 holes).
- Approximately 50% of the 3,337 square feet facility would be dedicated to golf simulator areas which is found in the rear portion of the tenant space. The other 50% of the facility will be used for bathrooms, office, storage, and common.

***Operations***

- General hours of operation for WJ Entertainment Sports are between 9:00 am to 10:00 pm on the weekdays, and 8:00 am to 11:00 pm on the weekends.
- The golf simulator rooms will be open throughout the business hours, the maximum anticipated clients between 9:00 am – 4:00 pm is a total 7 clients or less. The maximum anticipated clients between 4:00 pm – 6:00 pm is a total of 10 clients, and after 6:00 pm to closing time at 10:00 pm the anticipated clients is a total of 14 clients.
- During the weekend hours, the maximum anticipated clients is 18 at any given time between 9:00 am – 11:00 pm.
- There will be no alcohol served in the WJ Sports Entertainment facility.
- WJ Sports Entertainment aims to target families, seniors, young professionals, avid golfers and corporate employees by offering programs that would best suit each of the groups.

***Parking***

- The facility currently has 120 parking spaces and 6 ADA parking spaces in the 1300 – 1398 Busch Parkway lot.
- There will be an anticipated total of up to 10 people in the facility between 9:00 am – 4:00 pm, an anticipated total of 13 people in the facility between 4:00 pm – 6:00 pm, and an anticipated total of 19 people between 6:00 pm – 10:00 pm on the weekdays.
- There is anticipated total of 21 people in the facility at any given time on the weekends.
- The Property owner, Van Vlissingen and Co. has provided the Village a detailed parking study to include the maximum number of cars parked in the parking lot at each hour during the day starting at 6:00 am up to 8:00 pm.
- The maximum number of cars parked in the parking lot at a given time is 80, which leaves the parking lot with a surplus of 40 parking spaces and 6 ADA parking spaces.
- During the weekend, the maximum number of cars parked in the parking lot at any given time is 24, which leaves the parking lot with a surplus of 94 parking spaces, and 6 ADA parking spaces.
- After conducting the parking analysis, Staff does not have any concerns with parking for the proposed WJ sports Entertainment facility.

**RECOMMENDATION**

Staff recommends that the Village Board approve an Ordinance granting the special use, subject to the conditions in the attached Ordinance.

**ORDINANCE NO. 2019 - \_\_\_\_**

**AN ORDINANCE APPROVING A SPECIAL USE FOR A RECREATIONAL FACILITY  
IN THE INDUSTRIAL DISTRICT AT 1380 BUSCH PARKWAY  
VILLAGE OF BUFFALO GROVE,  
COOK AND LAKE COUNTIES, ILLINOIS**

WJ Sports Entertainment  
1380 Busch Parkway

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit by virtue of the Illinois Constitution of 1970; and,

WHEREAS, Won Cho and Jibsoc Jung of WJ Sports Entertainment ("Petitioner") has filed a petition for a recreational facility in the Industrial District for the Property at 1380 Busch Parkway, Buffalo Grove, IL ("Property"); and,

WHEREAS, the Village Planning & Zoning Commission conducted a public hearing on December 4, 2019 concerning the petition for the special use; and,

WHEREAS, the Planning & Zoning Commission made a finding and determined that the petition meets the criteria of a special use as set forth in the Buffalo Grove Zoning Ordinance, as described in the minutes attached as Exhibit B; and,

WHEREAS, the Planning & Zoning Commission voted 8 to 0 to recommend approval of the special use; and,

WHEREAS, the President and Village Board of Trustees after due and careful consideration have concluded that the proposed special use is a reasonable use of the Property and will serve the best interests of the Village.

WHEREAS, the proposed special use shall be operated in accordance with and pursuant to the following exhibits:

EXHIBIT A      Plans

EXHIBIT B      Minutes from the December 4, 2019 Planning & Zoning Commission

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS:

Section 1. This Ordinance is made pursuant to and in accordance with the Village's Zoning Ordinance and the Village's Home Rule powers. The preceding whereas clauses are hereby made a part of this Ordinance.

Section 2. The Corporate Authorities hereby grant a special use for a recreational facility in the Industrial District for the Property at 1380 Busch Parkway, Buffalo Grove, IL, subject to the following

conditions:

1. The special use is granted to Won Cho and Jibsoc Jung of WJ Sports Entertainment at 1380 Busch Parkway and said special use does not run with the land.
2. The special use granted may be assignable to subsequent petitioners seeking assignment of this special use as follows:
  - i. Upon application of a petition seeking assignment of this special use, the Village of Buffalo Grove, in their sole discretion, may approve the assignment administratively, or may refer it to the Planning & Zoning Commission and/or the Village Board for a public hearing.
  - ii. Such assignment shall be valid only upon the written approval of the Village of Buffalo Grove granting said assignment, which may be granted or denied for any reason.
3. The petitioner shall monitor traffic circulation and parking on the property and take appropriate measures, as approved by the Village, to ensure adequate parking is being provided. If the Village determines, in its sole discretion, that additional parking is required, the petitioner shall provide said parking in manner acceptable to the Village.

Section 3. This Ordinance shall be in full force and effect upon passage.

This Ordinance shall not be codified.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

ATTEST:

APPROVED:

\_\_\_\_\_  
Village Clerk

\_\_\_\_\_  
Beverly Sussman, Village President

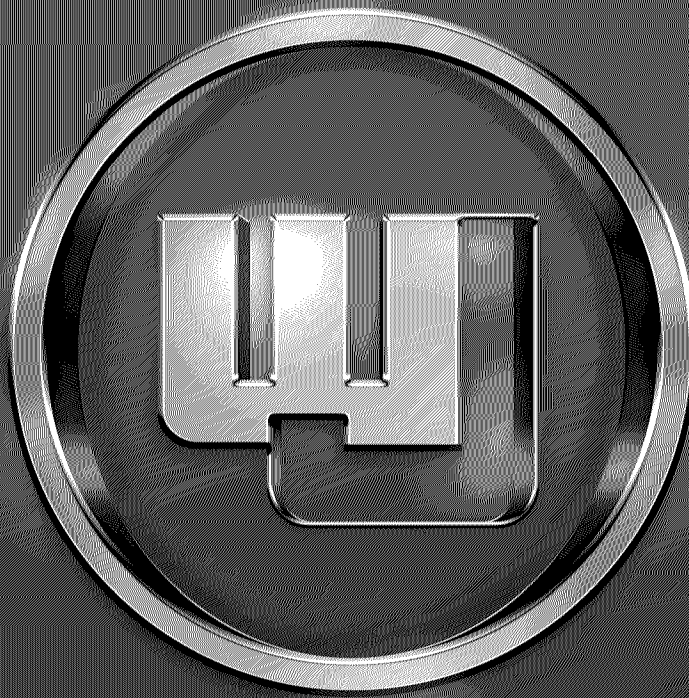
**EXHIBIT A**  
**Plans**

WJ Sports Entertainment  
1380 Busch Parkway

**EXHIBIT B**  
**Minutes from the December 4, 2019 Planning & Zoning Commission**

WJ Sports Entertainment  
1380 Busch Parkway

2019



Attachment: Exhibit A Plan Set (O-2020-5 : Approve an Ordinance Granting a Special Use for a Recreational Use at 1380 Busch Parkway)

# Business Proposal

## I. Business Concept

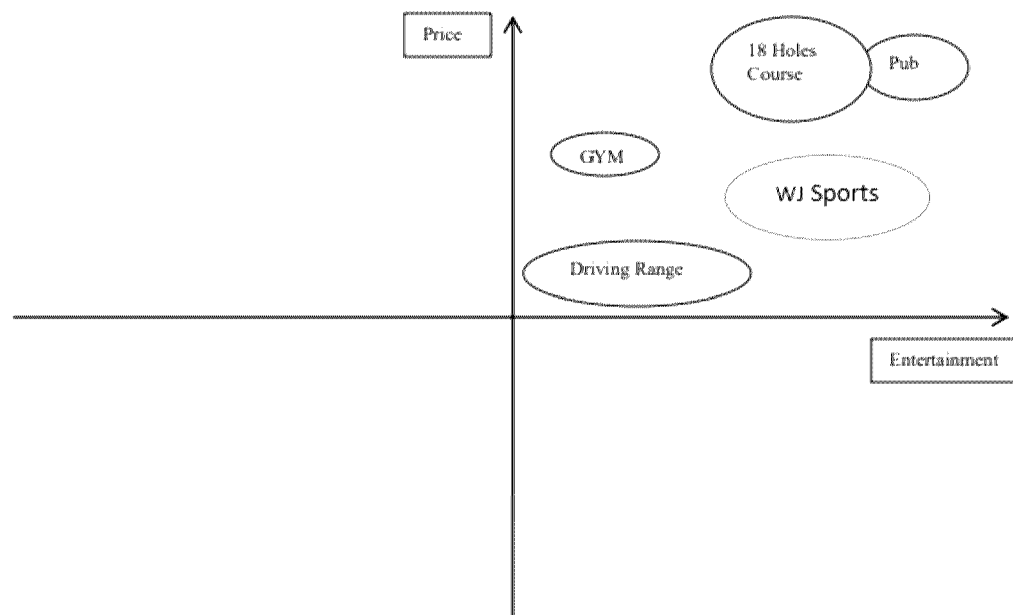
- a. WJ Sports Entertainment is going to be the pioneer into a new area of indoor golf experience
- b. WJ Sports Entertainment wants to bring golf sport that everyone can play anywhere at any time
- c. Members vs non-members distinctions and advantages
- d. Location will be near industrial and residential area for people to socialize and meet new golfers
- e. New golf system can be introduced into residential homes, accommodating PGA tournament hotels, local festivals, hotels, resorts, auto dealerships, club houses, and commercial buildings
  - i. Installation and maintenance will be provided by WJ Sports Entertainment
  - ii. Annual maintenance fees will be applied for all sales
- f. Franchising business model once proof of concept has been achieved

## II. Branding

- a. Following PGA guidelines and tournament schedule to host indoor tournaments
- b. WJ Sports Entertainment will focus on user's experience and creating loyal customers
- c. Promoting the accuracy in the technology behind our brand
- d. Accessibility to US and International golf courses at any time
- e. Time saving to play indoor vs outdoor
- f. Competitive online play (global market) with similar handicap players
  - i. Ball launch detected simultaneously on competitive play
- g. Bonding our brand into the hearts of our customers

## III. Positioning and Targeting

a.



- b. Targeting age group between 20-55
- c. Using existing high salary network for residential sales/installation
- d. Using existing network to enter commercial space for sales/installation
- e. Target 5-7 new members per week
- f. Sales review meeting of system and membership quarterly for realignment to the current market requirement

IV. Advertising and Promotion

- a. Internet advertising is growing at a rate of 15% to 20% annually
  - i. Instagram
  - ii. Facebook
  - iii. YouTube channel
  - iv. Live Stream (Twitch TV)
- b. State of the art accuracy, user interface (HD), and experience
- c. Radio and Golf podcast advertising
- d. Inviting PGA amateur/pro players to showcase stroke play
- e. Local indoor long drive competition
- f. Local Indoor tournament league following PGA tournament schedules
- g. Retaining monthly membership will accrue points for personalized gifts and merchandise provided by WJ Sports Entertainment

V. Products and Service Line

- a. Private Lesson \$50-\$100
- b. Bay rental \$32-\$37 (hourly)
- c. Indoor driving range \$5-\$9 (1/2 hour)
- d. Corporate events \$599-\$1199 (four hours)

VI. Conclusion

- a. In conclusion, with the high potential for indoor golf business in the Midwest and the number of golfers that will likely increase based on current paradigm shift for a new concept in indoor golf entertainment. This venture has great scope to satisfy the current demands. The strengths in focusing on unique experience and building its brand organically in Chicago to enhance taking up golf for beginners, providing an atmosphere to play competitively and non-competitively with friends/families, and to improve the game of golf at our driving range.



### WJ Golf Project of Intent

No alcohol will be served at WJ Sports Entertainment.

WJ golf is an indoor golf simulator facility with the intent to provide a unique golf experience in a safe and fun environment. Our business will let prospect golfers experience the game of golf through our simulators and seasoned golfers can improve their golf game with our training tools and meet new golfers from neighboring communities.

WJ golf will provide private lessons to our customers as a service. Customers will schedule their lessons on our online platform and lessons will be held on weekdays only.

WJ golf will host monthly activities for children on Saturday mornings to neighboring communities to teach and raise interest in golf.

### Hours of operation

Weekdays 9am to 10pm (M-F)

Weekends 8am to 11pm (Saturday and Sunday)

(See attached spreadsheet exhibit for detail information)

### Number of Employees

2019: 3 WJ employees (2 owners)

1 receptionist and 2 owners demonstrating simulators and catering customer needs.

2020: anticipating 4 WJ employees (2 owners)

1 receptionist, 1 golf pro and 2 owners demonstrating simulators and catering customer needs.

(See attached spreadsheet exhibit for detail information)

### Discounts for WJ golf

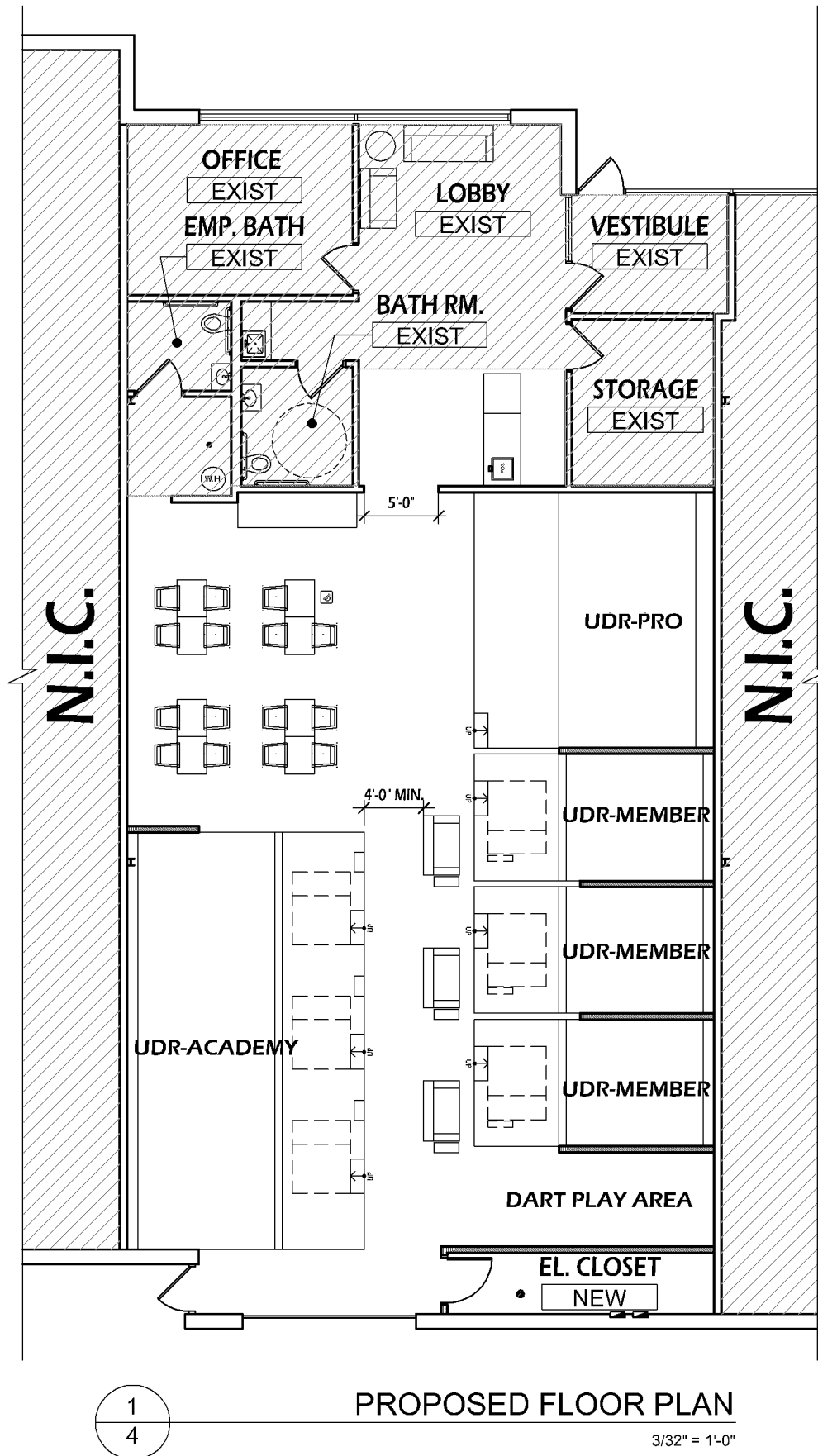
Military

Fire & Paramedics

Police

JSS (Juniors, Seniors, and Students)

Soft Drinks and Snacks will be sold at WJ Golf



Attachment: Exhibit A Plan Set (O-2020-5 : Approve an Ordinance Granting a Special Use for a Recreational Use at 1380 Busch Parkway)

# INTERIOR ALTERATION PROPOSAL

1380 BUSCH PARKWAY  
BUFFALO GROVE, IL

ASK 1-4

MOV. 03, 2019

## Weekdays Hours of Operation

|             | # of employees on site   | # of backup employees when needed | # of clients (Lessons) | # of clients (golfers) | # of clients (practice range) | Total Clients | Total people | Type of Clients                                            | Type of Service         |
|-------------|--------------------------|-----------------------------------|------------------------|------------------------|-------------------------------|---------------|--------------|------------------------------------------------------------|-------------------------|
| 9am - 10am  | 2 (Owners)               | N/A                               | 3                      | 2                      | 2                             | 7             | 10           | Students, Juniors, Casual Golfers and Seniors              | Lessons, Golf Simulator |
| 10am - 11am | 2 (Owners)               | N/A                               | 3                      | 2                      | 2                             | 7             | 10           | Students, Juniors, Casual Golfers and Seniors              | Lessons, Golf Simulator |
| 11am - 12pm | 2 (Owners)               | N/A                               | 3                      | 2                      | 2                             | 7             | 10           | Students, Juniors, Casual Golfers and Seniors              | Lessons, Golf Simulator |
| 12pm - 1pm  | 2 (Owners)               | N/A                               | 3                      | 2                      | 2                             | 7             | 10           | Students, Juniors, Casual Golfers and Seniors              | Lessons, Golf Simulator |
| 1pm - 2pm   | 2 (Owners)               | N/A                               | 2                      | 3                      | 2                             | 7             | 9            | Students, Juniors, Casual Golfers and Seniors              | Lessons, Golf Simulator |
| 2pm - 3pm   | 2 (Owners)               | N/A                               | 2                      | 3                      | 2                             | 7             | 9            | Students, Juniors, Casual Golfers and Seniors              | Lessons, Golf Simulator |
| 3pm - 4pm   | 2 (Owners)               | N/A                               | N/A                    | 3                      | 2                             | 5             | 8            | Students, Juniors, Casual Golfers and Seniors              | Lessons, Golf Simulator |
| 4pm - 5pm   | 3 (Owner + Receptionist) | N/A                               | N/A                    | 8                      | 2                             | 10            | 13           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator          |
| 5pm - 6pm   | 3 (Owner + Receptionist) | N/A                               | N/A                    | 8                      | 2                             | 10            | 13           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator          |
| 6pm - 7pm   | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                    | 12                     | 2                             | 14            | 19           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator          |
| 7pm - 8pm   | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                    | 12                     | 2                             | 14            | 19           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator          |
| 8pm - 9pm   | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                    | 12                     | 2                             | 14            | 19           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator          |
| 9pm - 10pm  | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                    | 12                     | 2                             | 14            | 19           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator          |

## Weekends Hours of Operation

|             | # of employees on site   | # of backup employees when needed | # of clients (Kids Program) | # of clients (golfers) | # of clients (practice range) | Total Clients | Total people | Type of Clients                                            | Type of Service              |
|-------------|--------------------------|-----------------------------------|-----------------------------|------------------------|-------------------------------|---------------|--------------|------------------------------------------------------------|------------------------------|
| 8am - 9am   | 2 (Owners)               | 2 (family members over 18 of age) | 6                           | 2                      | 2                             | 10            | 12           | Students, Juniors, Casual Golfers and Seniors              | Kids Program, Golf Simulator |
| 9am - 10am  | 2 (Owners)               | 2 (family members over 18 of age) | 8                           | 2                      | 2                             | 12            | 14           | Students, Juniors, Casual Golfers and Seniors              | Kids Program, Golf Simulator |
| 10am - 11am | 2 (Owners)               | 2 (family members over 18 of age) | 10                          | 2                      | 2                             | 14            | 16           | Students, Juniors, Casual Golfers and Seniors              | Kids Program, Golf Simulator |
| 11am - 12pm | 2 (Owners)               | 2 (family members over 18 of age) | N/A                         | 10                     | 2                             | 12            | 14           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 12pm - 1pm  | 2 (Owners)               | 2 (family members over 18 of age) | N/A                         | 10                     | 2                             | 12            | 14           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 1pm - 2pm   | 2 (Owners)               | 2 (family members over 18 of age) | N/A                         | 10                     | 2                             | 12            | 14           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 2pm - 3pm   | 2 (Owners)               | 2 (family members over 18 of age) | N/A                         | 10                     | 3                             | 13            | 15           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 3pm - 4pm   | 2 (Owners)               | 2 (family members over 18 of age) | N/A                         | 10                     | 3                             | 13            | 15           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 4pm - 5pm   | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                         | 12                     | 3                             | 15            | 18           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 5pm - 6pm   | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                         | 12                     | 3                             | 15            | 18           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 6pm - 7pm   | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                         | 16                     | 2                             | 18            | 21           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 7pm - 8pm   | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                         | 16                     | 2                             | 18            | 21           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 8pm - 9pm   | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                         | 16                     | 2                             | 18            | 21           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 9pm - 10pm  | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                         | 16                     | 2                             | 18            | 21           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |
| 10pm - 11pm | 3 (Owner + Receptionist) | 2 (family members over 18 of age) | N/A                         | 16                     | 2                             | 18            | 21           | Corporate Employees, Young Professionals, and Avid Golfers | Golf Simulator               |

Number of anticipated clients per hour during the hours of operation

| Suite                        | Tenant                                 | Allocate Stalls Per Lease | Hours of Parking Demand                                              | Tenant Type               |
|------------------------------|----------------------------------------|---------------------------|----------------------------------------------------------------------|---------------------------|
| 1300-1308                    | Medical Association of the North Shore | 5 Reserve 30 Unreserved   | Mon - Sat: 8:00AM- 8:00PM                                            | Medical                   |
| 1310                         | Prairie Kraft's Brewing Co.            | 8 Unreserved              | Mon - Thr 4:00PM--9:00PM, Fri- Sat 2:00PM-11:00PM, Sun 2:00PM-7:00PM | Recreational              |
| 1318-1320                    | SST Form                               | 8 Unreserved              | Mon-Fri 6:00AM-6:00AM                                                | Light Industrial          |
| 1330                         | Veterinary Real Estate Group, LLC      | 10 Unreserved             | Mon-Fri 8:00AM-5:00AM                                                | Office                    |
| 1340                         | Crown Trophy                           | 6 Unreserved              | Mon-Fri 9:00AM-5:30PM                                                | Retail                    |
| 1348-1350                    | MIR Tactical                           | 11 Unreserved             | Mon-Fri 12:00PM-8:00PM                                               | Retail                    |
| 1358                         | Chicago Show                           | 6 Unreserved              | Mon-Fri 8:00AM-5:30PM                                                | Office                    |
| 1360                         | Chicago Quick Clean                    | 6 Unreserved              | Mon-Fri 5:00AM-4:00PM                                                | Light Industrial / Office |
| 1368                         | Trademark Licensing Corp.              | 6 Unreserved              | Mon-Fri 8:00AM-5:00 PM                                               | Office                    |
| 1370                         | Diplomat Specialty Pharm.              | 7 Unreserved              | Mon-Fri 8:00AM-6:00AM                                                | Office / Medical          |
| 1380                         | ***Proposed ***                        | 8 Unreserved              | ***Proposed***                                                       | ***Proposed***            |
| 1388                         | Movement & Sound Dance                 | 11 Unreserved             | Mon-Fri 9:30 AM-9:30 PM Saturday 8:30AM-1:00 PM                      | Recreational              |
| 1390                         | Geocomp Corp.                          | 6 Unreserved              | Mon-Fri 7:30AM-5:00PM                                                | Office                    |
| 1398                         | Heritage Products                      | 6 Unreserved              | Mon-Fri 9:00AM-6:00PM                                                | Office                    |
| <b>Total Assigned Stalls</b> |                                        | <b>126</b>                |                                                                      |                           |
| <b>Unassigned Stalls</b>     |                                        | <b>22</b>                 |                                                                      |                           |
| <b>Total Stalls</b>          |                                        | <b>148</b>                |                                                                      |                           |

#### Tenant spaces and parking allocation

| 24-Oct THU |       |      | 25-Oct FRI |       |        | 26-Oct SAT |        |        | 27-Oct SUN |       |        | 28-Oct MON |        |       | 29-Oct TUE |        |        | 30-Oct WED |        |        |        |       |        |        |        |       |        |        |
|------------|-------|------|------------|-------|--------|------------|--------|--------|------------|-------|--------|------------|--------|-------|------------|--------|--------|------------|--------|--------|--------|-------|--------|--------|--------|-------|--------|--------|
| Hours      | North | East | South      | Total | North2 | East2      | South2 | Total2 | North3     | East3 | South3 | Total3     | North4 | East4 | South4     | Total4 | North5 | East5      | South5 | Total5 | North6 | East6 | South6 | Total6 | North7 | East7 | South7 | Total7 |
| 6:00 AM    | 4     | 3    | 5          | 12    | 3      | 3          | 4      | 10     | 3          | 2     | 4      | 9          | 3      | 1     | 3          | 7      | 5      | 2          | 9      | 16     | 5      | 3     | 7      | 15     | 5      | 3     | 9      | 17     |
| 7:00 AM    | 4     | 4    | 11         | 19    | 4      | 2          | 6      | 12     | 4          | 2     | 5      | 11         | 2      | 1     | 3          | 6      | 7      | 3          | 11     | 21     | 6      | 3     | 8      | 17     | 4      | 4     | 13     | 21     |
| 8:00 AM    | 8     | 8    | 20         | 36    | 5      | 8          | 17     | 30     | 8          | 3     | 5      | 16         | 2      | 1     | 3          | 6      | 6      | 8          | 20     | 34     | 9      | 5     | 17     | 31     | 9      | 5     | 21     | 35     |
| 9:00 AM    | 9     | 9    | 21         | 39    | 6      | 8          | 20     | 34     | 9          | 6     | 8      | 23         | 4      | 1     | 9          | 14     | 12     | 9          | 22     | 43     | 12     | 7     | 23     | 42     | 8      | 8     | 29     | 45     |
| 10:00 AM   | 11    | 8    | 23         | 42    | 10     | 8          | 24     | 42     | 9          | 5     | 10     | 24         | 4      | 1     | 9          | 14     | 18     | 6          | 23     | 47     | 14     | 7     | 26     | 47     | 15     | 8     | 37     | 60     |
| 11:00 AM   | 9     | 8    | 31         | 48    | 11     | 8          | 25     | 44     | 9          | 6     | 10     | 25         | 4      | 4     | 11         | 19     | 20     | 8          | 30     | 58     | 13     | 7     | 28     | 48     | 14     | 8     | 38     | 60     |
| 12:00 PM   | 15    | 7    | 36         | 58    | 14     | 9          | 20     | 43     | 7          | 6     | 8      | 21         | 4      | 5     | 12         | 21     | 20     | 7          | 28     | 55     | 13     | 8     | 31     | 52     | 14     | 11    | 39     | 64     |
| 1:00 PM    | 22    | 11   | 45         | 78    | 19     | 9          | 29     | 57     | 7          | 3     | 9      | 19         | 3      | 6     | 10         | 19     | 25     | 8          | 30     | 63     | 12     | 9     | 29     | 50     | 20     | 10    | 38     | 68     |
| 2:00 PM    | 23    | 11   | 41         | 75    | 25     | 8          | 37     | 70     | 7          | 6     | 9      | 22         | 2      | 2     | 13         | 17     | 24     | 6          | 31     | 61     | 15     | 11    | 38     | 64     | 23     | 11    | 44     | 78     |
| 3:00 PM    | 24    | 11   | 43         | 78    | 24     | 4          | 36     | 64     | 5          | 6     | 9      | 20         | 2      | 2     | 14         | 18     | 21     | 6          | 29     | 56     | 16     | 11    | 41     | 68     | 21     | 11    | 48     | 80     |
| 4:00 PM    | 20    | 8    | 40         | 68    | 27     | 4          | 32     | 63     | 4          | 6     | 7      | 17         | 2      | 3     | 9          | 14     | 20     | 5          | 25     | 50     | 13     | 11    | 43     | 67     | 18     | 8     | 47     | 73     |
| 5:00 PM    | 19    | 7    | 35         | 61    | 14     | 3          | 30     | 47     | 1          | 7     | 7      | 15         | 1      | 1     | 6          | 8      | 19     | 3          | 24     | 46     | 15     | 11    | 29     | 55     | 12     | 8     | 41     | 61     |
| 6:00 PM    | 16    | 7    | 21         | 44    | 12     | 4          | 30     | 46     | 2          | 6     | 9      | 17         | 1      | 1     | 5          | 7      | 11     | 2          | 21     | 34     | 11     | 7     | 28     | 46     | 11     | 8     | 28     | 47     |
| 7:00 PM    | 9     | 7    | 15         | 31    | 3      | 4          | 21     | 28     | 1          | 6     | 7      | 14         | 1      | 1     | 4          | 6      | 2      | 1          | 18     | 21     | 13     | 7     | 24     | 44     | 11     | 7     | 20     | 38     |
| 8:00 PM    | 5     | 4    | 13         | 22    | 1      | 4          | 20     | 25     | 1          | 5     | 7      | 13         | 1      | 1     | 5          | 7      | 2      | 1          | 20     | 23     | 14     | 6     | 25     | 45     | 11     | 7     | 14     | 32     |

## 17.28.040 - Criteria for special use.

A.

All special uses shall meet the following criteria:

1.

The special use will serve the public convenience at the location of the subject property; or the establishment, maintenance or operation of the special use will not be detrimental to or endanger the public health, safety, morals, comfort, or general welfare;

2. (Yes)

The location and size of the special use, the nature and intensity of the operation involved in or conducted in connection with said special use, the size of the subject property in relation to such special use, and the location of the site with respect to streets giving access to it shall be such that it will be in harmony with the appropriate, orderly development of the district in which it is located;

3. (Yes)

The special use will not be injurious to the use and enjoyment of other property in the immediate vicinity of the subject property for the purposes already permitted in such zoning district, nor substantially diminish and impair other property valuations with the neighborhood;

4. (Yes)

The nature, location and size of the buildings or structures involved with the establishment of the special use will not impede, substantially hinder or discourage the development and use of adjacent land and buildings in accord with the zoning district within which they lie;

5. (Yes)

Adequate utilities, access roads, drainage, and/or other necessary facilities have been or will be provided;

6. (Yes)

Parking areas shall be of adequate size for the particular special use, which areas shall be properly located and suitably screened from adjoining residential uses, and the entrance and exit driveways to and from these parking areas shall be designed so as to prevent traffic hazards, eliminate nuisance and minimize traffic congestion in the public streets.

B. (Yes)

The special use shall in all other respects conform to the applicable regulations of the zoning district in which it is located, except as such regulations may be varied. Notwithstanding the foregoing, business planned unit developments shall conform with Section 17.44.040(D) unless varied.

C. (Yes)

The Planning & Zoning Commission may recommend and the Corporate Authorities may impose such conditions and restrictions upon the subject property, the location, the construction and design of buildings and use of the property benefited by such special use as may be necessary or appropriate to comply with the foregoing criteria.

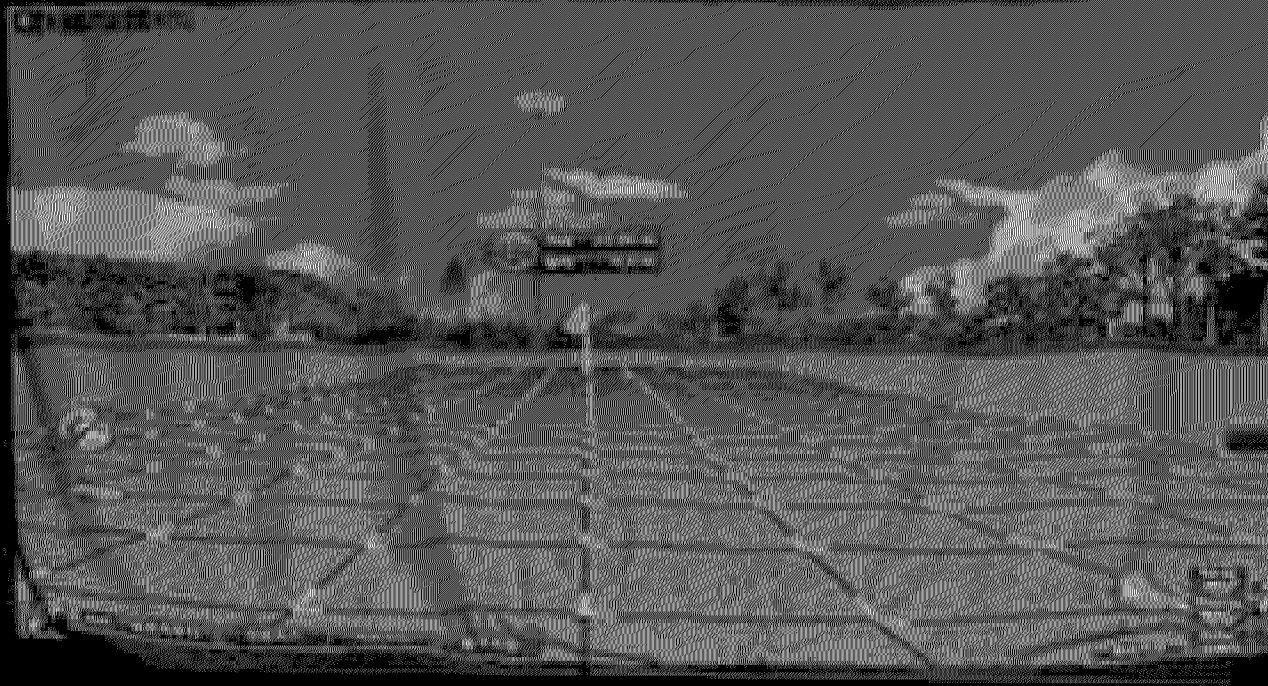
D. (Yes)

Notwithstanding Chapter 17.52, the Planning & Zoning Commission may recommend and the Corporate Authorities may vary the regulations of the zoning district in which the special use is located subject to meeting the criteria of Section 17.52.070(A)(1)–(3), except for planned unit developments which shall meet the general objectives of Section 17.28.050(A)(1)–(7).

(Ord. 2004-100 § 2, 2004)

(Ord. No. 2014-43, § 21, 6-16-2014)

(WJ Sports Entertainment will abide by the criteria defined above)



Attachment: Exhibit A Plan Set (O-2020-5 : Approve an Ordinance

Example

Packet Pg. 74



Example

Packet Pg. 75





Attachment: Exhibit A Plan Set (O-2020-5 :

8.E.c

Packet Pg. 76

Example

8.E.c

Attachment: Exhibit A Plan Set (O-2020-5 :

Packet Pg. 77

Example

Cleveland  
2011



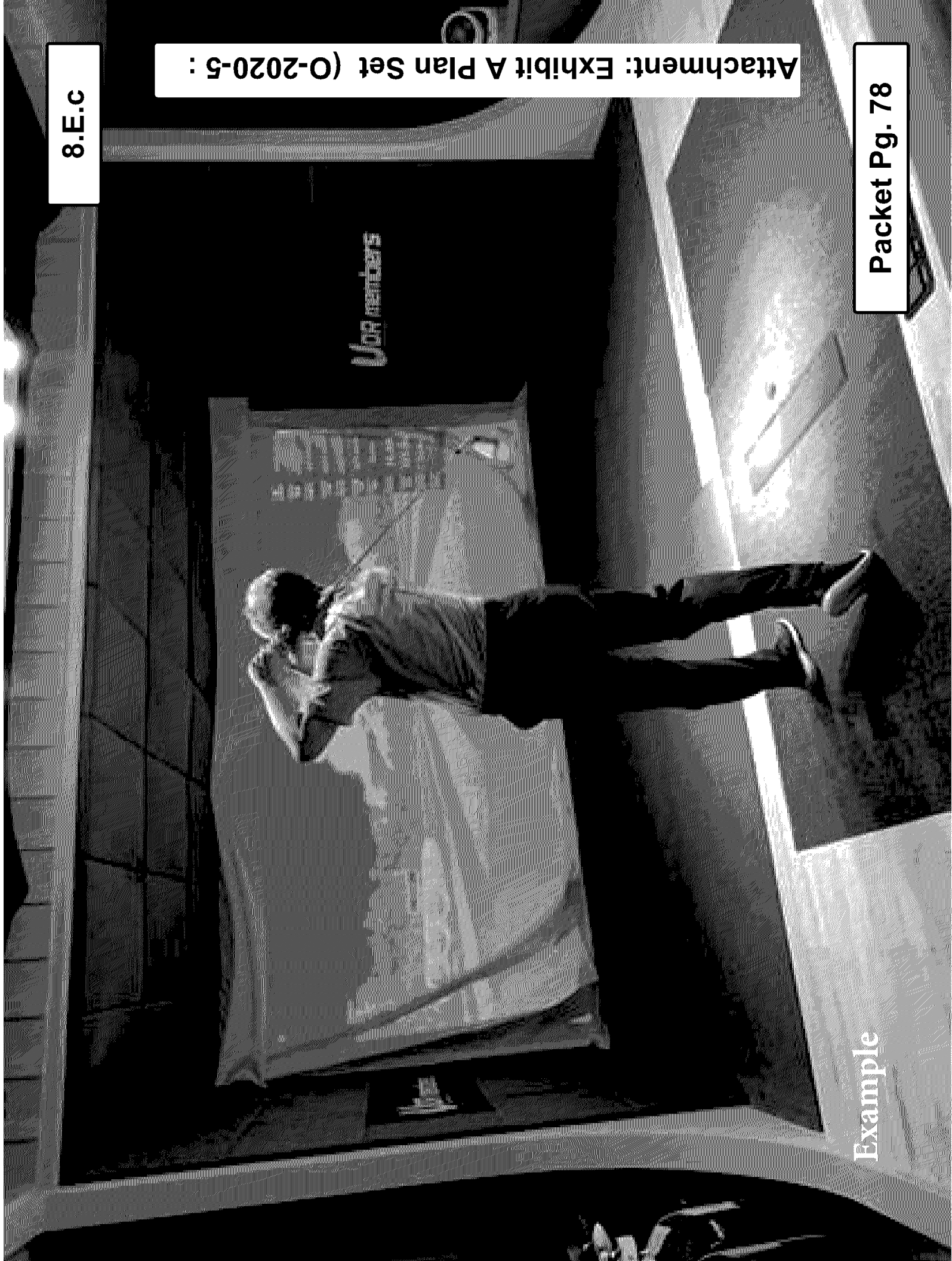


8.E.c

Attachment: Exhibit A Plan Set (O-2020-5 :

Packet Pg. 78

Example





Packet Pg. 79

Attachment: Exhibit A Plan

8.E.c

12/4/2019

**MINUTES OF THE REGULAR MEETING OF THE PLANNING AND ZONING COMMISSION OF THE  
VILLAGE OF BUFFALO GROVE HELD IN THE COUNCIL CHAMBERS, 50 RAUPP BOULEVARD,  
BUFFALO GROVE, ILLINOIS ON WEDNESDAY, DECEMBER 4, 2019**

---

**Call to Order**

The meeting was called to order at 7:30 PM by Chairman Frank Cesario

**Public Hearings/Items For Consideration**

1. Petition to the Village of Buffalo Grove for a Special Use for a Recreational Use (Golf Simulator Facility) in the Industrial District for the Property at 1380 Busch Parkway (Trustee Weidenfeld) (Staff Contact: Nicole Woods)

*Mr. Cho, Mr. Jung and Mr. Lamphere were sworn in.*

*Mr. Cho described their request for a special use to operate a golf simulator facility at 1380 Busch Parkway.*

*Com. Goldspiel asked the petitioners to explain the parking.*

*Mr. Lamphere responded that there are 120 parking spaces and 6 ADA parking spaces and do not anticipate any parking issues.*

*Com. Goldspiel asked the petitioners about the night lighting in the area of 1380 Busch Parkway.*

*Mr. Lamphere responded that the lighting was adequate for patron safety.*

*Com. Goldspiel asked the petitioners where additional parking would be in the event they came across inadequate parking.*

*Mr. Lamphere responded that the current landscape would allow for additional parking should they come into a situation in which they no longer had adequate parking.*

*Deputy Community Development Director Woods commented that there is ample parking in this area, and explained why staff included additional parking as a condition to the special use.*

*Com. Goldspiel asked the petitioners if there would be any outside use.*

*Mr. Lamphere responded no, there will not be any outside use.*

*Chairperson Cesario asked the petitioners to describe the use of the facility in terms of number of players and the hours in which they would be busy.*

*Mr. Lamphere responded that they would be most busy during week nights and weekends and would have a minimum of 2 to 4 at each of the simulators.*

*Com. Moodhe asked if the facility could hold a corporate event, and if it could, how many people could be in the corporate group.*

*Mr. Cho responded that they could host a corporate event up to 20 people max on week nights.*

*Com. Weinstein asked the petitioners to go over the special use criteria and provide more detail.*

12/4/2019

*Mr. Cho responded with detailed answers to the special use criteria.*

*Com. Khan asked the petitioners to educate the commission on the golf simulator system and how it works.*

*Mr. Cho explained how the golf simulator system works and the time it would take to complete 18 holes for a beginner.*

*Com. Khan asked if training was available.*

*Mr. Cho responded that there are 3 modes to accommodate the needs of the player including a training mode.*

*Chairperson Cesario entered the staff report as exhibit one.*

*The public hearing closed at 7:47 PM.*

*Com. Weinstein made a motion to approve a special use for a recreational use (golf simulator facility) in the Industrial District, subject to the following conditions:*

*1. The special use is granted to Won Cho and Jibsoc Jung of WJ Sports Entertainment at 1380 Busch Parkway and said special use does not run with the land.*

*2. The special use granted may be assignable to subsequent petitioners seeking assignment of this special use as follows: i. Upon application of a petition seeking assignment of this special use, the Village of Buffalo Grove, in their sole discretion, may approve the assignment administratively, or may refer it to the Planning & Zoning Commission and/or the Village Board for a public hearing. ii. Such assignment shall be valid only upon the written approval of the Village of Buffalo Grove granting said assignment, which may be granted or denied for any reason.*

*3. The petitioner shall monitor traffic circulation and parking on the property and take appropriate measures, as approved by the Village, to ensure adequate parking is being provided. If the Village determines, in its sole discretion, that additional parking is required, the petitioner shall provide said parking in manner acceptable to the Village.*

*Com. Khan seconded the motion.*

*Com. Moodhe commented on the recreational use of the business and how it is consistent with the use of the rest of the building, and sees a need.*

*Com. Goldspiel asked if the motion included*

*Chairperson Cesario commented on the use and concurs with Com. Moodhe, that the use of the building is not new and believes that it will keep the area active.*

|                |                                                                       |
|----------------|-----------------------------------------------------------------------|
| <b>RESULT:</b> | <b>APPROVED [UNANIMOUS]</b>                                           |
| <b>AYES:</b>   | Moodhe, Cesario, Cohn, Goldspiel, Khan, Weinstein, Richards, Worlikar |
| <b>ABSENT:</b> | Amy Au                                                                |

## **Regular Meeting**

### **Other Matters for Discussion**

None.

### **Approval of Minutes**

12/4/2019

## 1. Planning and Zoning Commission - Regular Meeting - Nov 20, 2019 7:30 PM

|                 |                                                            |
|-----------------|------------------------------------------------------------|
| <b>RESULT:</b>  | <b>ACCEPTED [7 TO 0]</b>                                   |
| <b>AYES:</b>    | Moodhe, Cesario, Cohn, Khan, Weinstein, Richards, Worlikar |
| <b>ABSTAIN:</b> | Stephen Goldspiel                                          |
| <b>ABSENT:</b>  | Amy Au                                                     |

**Chairman's Report**

None.

**Committee and Liaison Reports**

Com. Weintin talked about the items that were approved at the Village Boarding Meeting, previously brought to the Planning and Zoning Commission.

**Staff Report/Future Agenda Schedule**

Deputy Community Development Director, Woods, spoke about the future agenda item for the December 18th PZC meeting.

**Public Comments and Questions****Adjournment**

The meeting was adjourned at 7:51 PM

---

Chris Stilling

APPROVED BY ME THIS 4th DAY OF December, 2019





**Ordinance No. O-2020-6 : Ordinance Approving a Special Use for an Adult-Use Cannabis Dispensary, Which Includes a Medical Cannabis Dispensary in the B3 Planned Business Center District for the Property at 830-840 Milwaukee Avenue**

**Recommendation of Action**

The Planning & Zoning Commission held the required public hearing on December 18, 2019 and voted 4-4. Therefore there is no recommendation from the PZC. Staff recommends approval, subject to the conditions in the attached Ordinance.

On October 21, 2019, the Village Board approved Ordinance 2019-54 (attached) establishing regulations for Adult-Use Cannabis Dispensaries (recreational cannabis dispensaries) in the Village. Subsequent to the approval, the Village has received an application from the Village's existing medical cannabis dispensary, PDI Medical, requesting a special use to operate both a recreational and medical cannabis dispensary at 830-840 Milwaukee Avenue in the Shops of Buffalo Grove development.

**ATTACHMENTS:**

- BOT Memo (DOCX)
- Ordinance (DOCX)
- Exhibit A- Plan Set (PDF)
- Exhibit B- Draft PZC Minutes 12.18.19 (PDF)
- Objector Emails (PDF)
- Ordinance 2019-54 (PDF)

**Trustee Liaison**  
Johnson

**Staff Contact**  
Chris Stilling, Community Development

Monday, January 6, 2020

# VILLAGE OF BUFFALO GROVE



## MEMORANDUM

DATE: January 2, 2020

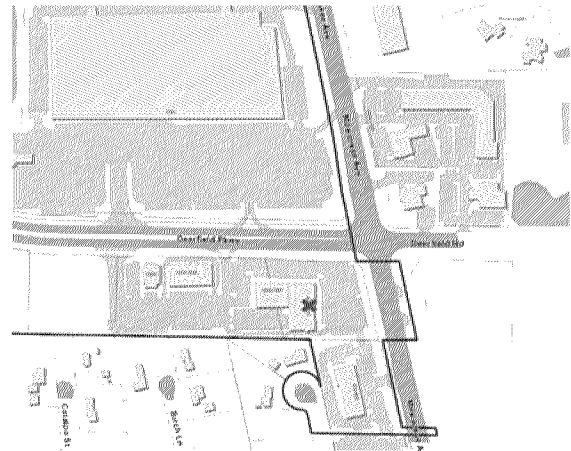
TO: Dane Bragg, Village Manager

FROM: Christopher Stilling, Deputy Village Manager

SUBJECT: Approve an Ordinance Granting a Special Use for an Adult-Use Cannabis Dispensary, which includes a Medical Cannabis Dispensary in the B3 Planned Business Center District for the property at 830-840 Milwaukee Avenue

### **PROJECT BACKGROUND**

On October 21, 2019, the Village Board approved Ordinance 2019-54 (attached) establishing regulations for Adult-Use Cannabis Dispensaries (recreational cannabis dispensaries) in the Village. Subsequent to the approval, the Village has received an application from the Village's existing medical cannabis dispensary, PDI Medical, requesting a special use to operate both a recreational and medical cannabis dispensary at 830-840 Milwaukee Avenue in the Shops of Buffalo Grove development.



### **PLANNING & ZONING COMMISSION (PZC) RECOMMENDATION**

The Planning & Zoning Commission held the required public hearing on December 18, 2019 and voted 4-4. Therefore there is no recommendation from the PZC.

Staff recommends approval, subject to the following conditions:

1. The special use for a cannabis dispensary is granted to PDI Medical III, LLC, for the tenant space at 830-840 Milwaukee Avenue and shall substantially conform to the documents and plans submitted as Exhibit A in the Ordinance. The special use shall not be transferable or assignable and does not run with the land.
2. The hours of operation shall be limited to 9AM to 10PM Monday – Sunday, except as may be approved by the Village.
3. All exterior signage associated with the proposed Cannabis Dispensary located at 830-840 Milwaukee Avenue shall be in compliance with the Sign Regulations established in Chapter 14 of the Code of Ordinances, Ordinance 2016-65 and State Statute. In addition, no exterior signage or window signage shall use the word “marijuana,” “cannabis,” or any other word, phrase or symbol commonly understood to refer to marijuana or cannabis.

4. The display of merchandise and/or products related to cannabis shall not be visible from the exterior of the building.
5. Prior to the issuance of a certificate of occupancy, the final security plan shall be reviewed and approved by the Chief of Police.
6. Other than cannabis-infused food products, no adult-use cannabis dispensary shall also sell food for consumption on the premises in the same tenant space.
7. Any consumption, including but not limited to sampling or offering samples, of cannabis or cannabis infused products shall be prohibited within the dispensary and on the premises. The dispensary shall be responsible for enforcing the prohibition of on-site consumption of cannabis under all circumstances inside and outside the dispensary and on the premises.
8. PDI Medical III, LLC, may not conduct any sales or distribution of cannabis other than as authorized by State Statute.
9. PDI Medical III, LLC, shall file an affidavit with the Village affirming compliance with Section 17.28.80 as provided herein and all other requirements of State Statute.
10. Any violation of the conditions associated with this special use ordinance and the Buffalo Grove Municipal Code could result in penalties including but not limited to the revocation of the special use.
11. In addition to all other required security measures, PDI Medical III, LLC, agrees that the Village may conduct random unannounced compliance checks of its operations at 830-840 Milwaukee Avenue.
12. PDI Medical III, LLC shall enter into a Development and Operating Agreement in a manner acceptable to the Village.
13. Prior to the issuance of a certificate of occupancy, PDI Medical III, LLC shall provide the Village a copy of their State License to operate a cannabis dispensary.

#### **PUBLIC HEARING COMMENTS**

There were 4 members of the public who spoke in opposition to the special use citing safety concerns, underage access to cannabis and the proximity to "Attention to Wellness" Therapy which is located in an unincorporated office building to the south of the existing Potbelly Shopping Center. Staff notes that the condition of the 1000' buffer from "substance abuse treatment or counseling center" only applies to facilities within the corporate limits of Buffalo Grove. Putting aside whether this office even qualifies under this section, it is not in the Village. Staff finds that the petitioner meets this condition.

#### **PLANNING & ZONING ANALYSIS**

##### ***PDI Medical Zoning History***

- In 2015, the Village approved Ordinance 2015-18 granting a special use allowing PDI Medical III, LLC (PDI) to operate a medical cannabis dispensary at 1623 Barclay Boulevard.
- In 2018, PDI was purchased by Cresco Labs, a national company specializing in the cannabis dispensing business.
- While Cresco Labs assumed the ownership of the business, the name and operations of the existing establishment and the approving Ordinance remain unchanged.

- PDI has been in operation at their current location for nearly four years and to date, the Village has not experienced any material problems or complaints from the use.

#### ***State and Local Request***

- PDI and their owner Cresco Labs are seeking to relocate the existing dispensary and operate both a recreational and medical cannabis dispensary at 830-840 Milwaukee Avenue in the Shops of Buffalo Grove development.
- The request would include a special use for an Adult-Use Cannabis Dispensary and Medical Cannabis Dispensary pursuant to the Village's recently adopted Ordinance (attached).
- PDI has submitted the required application to the State of Illinois to relocate their existing medical cannabis dispensary to 830-840 Milwaukee Avenue and their application is included in the submittal package.
- Although the State of Illinois has already issued PDI permission to begin selling recreational cannabis at their current location on Barclay, PDI has not filed the necessary special use to begin selling at 1623 Barclay. Therefore they will not be able to sell recreational cannabis at that location.
- At this time, PDI has elected to pursue this new location on Milwaukee Avenue as it is larger, more visible and has more parking spaces. Their ability to operate both a medical and recreational dispensary at this new location will be contingent on the receipt of the State license.

#### ***Proposed Plan***

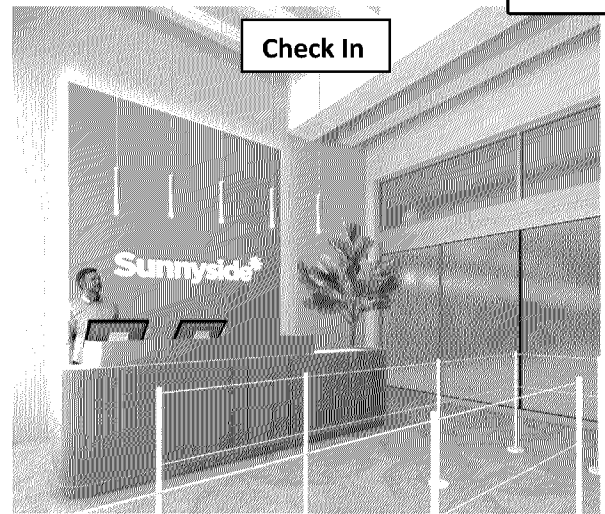
The following is a summary of their proposed plans for 830-840 Milwaukee Avenue:

- PDI is proposing to occupy a 4,900 square foot tenant space in the Shops of Buffalo Grove development which is zoned B3 Planned Business District.
- The space is located between the existing Starbucks and T-Mobile and will have frontage on Milwaukee Avenue.
- The business would include both a recreational and medical cannabis dispensary and is permitted as a special use, subject to conditions, in the B3 District.

#### ***Floor Plan/Operations***

- As noted, the tenant space is currently vacant and is 4900 square feet in area.
- Approximately 2500 square feet will be dedicated to the retail showroom and counter area. The balance of the space would include receiving area, offices, breakroom and washrooms.
- The proposed floor plan has a single secured entrance on the north side of the space.

- Customers will be required to check in and be verified in this area before gaining access to the secured retail area.
- Medical cannabis cardholders that are under the age of 21 would be escorted into an adjacent room where they would complete purchases.
- Medical cannabis cardholders under 21 will not be allowed to enter the retail area and will be escorted out of the lobby.
- All items on the showroom floor are for “display only” and do not contain actual product.
- All products are kept in a secured area and brought out to the customer as part of their transaction.
- The business would be open 9AM to 10PM, 7 days a week.
- PDI estimates that as many as 4 deliveries/week could occur. Delivery times will be random.



#### ***Signage/Exterior***

- PDI has provided a rendering showing the exterior of the space.
- PDI will be providing screening over the front windows to block the view into the interior.
- Pursuant to the Sign Code, the business is permitted to have 1 wall sign. According to information provided by the applicant, they would have 1 sign with “Sunnyside” shown. They also show 2 additional yellow panels on either side. Staff will work with the applicant to ensure that the signage proposed meets Village Code.
- As a condition of approval, staff recommends that no exterior signage or window signage shall use the word “marijuana,” “cannabis,” or any other word, phrase or symbol commonly understood to refer to marijuana or cannabis. Furthermore, staff recommends that the display of merchandise and/or products related to medical cannabis shall not be visible from the exterior of the building.



#### ***Parking***

- Pursuant to the Zoning Ordinance, the parking requirements for the proposed use (1 space/200 square feet) would require 20 parking spaces.
- This space was originally identified as a restaurant and parking was developed at a ratio of 10 spaces/1,000 square feet (50 spaces).
- PDI has submitted a memo from their traffic engineer who finds that adequate parking is provided. Staff concurs with this finding.

**Security**

- PDI has provided a detailed security plan, which has been reviewed by the Village's Police Department. Overall, the Police Department does not have any issues or concerns.
- In addition to a state of the art security system, they will also have an armed guard at the premise during the hours of operation. Further details about their security plan will be presented at the public hearing.
- As a condition of approval, staff recommends that the final security plan be reviewed and approved by the Police Chief prior to the issuance of a certificate of occupancy.

**COMPLIANCE WITH VILLAGE CODE**

As noted, the Village approved Ordinance 2019-54 establishing standards for recreational cannabis dispensaries. The following is a summary of PDI's compliance with the key standards:

1. *The adult-use cannabis dispensary must be operated by an organization or business that is currently licensed by the Illinois Department of Financial and Professional Regulation to operate a medical cannabis dispensary under the Compassionate Use of Medical Cannabis Pilot Program Act (410 ILCS 130 et seq.).*

**Staff Response:** Although PDI Medical III, LLC is seeking approval from the State to relocate their medical cannabis license to 830-840 Milwaukee Avenue, they currently have a license to operate a medical cannabis business at 1623 Barclay. Therefore, staff finds that they meet this condition.

2. *The adult-use cannabis dispensary must keep a copy of the dispensing organization agent identification card issued pursuant to the Compassionate Use of Medical Cannabis Pilot Program Act visible at all times.*

**Staff Response:** This will remain as a condition.

3. *There shall be no more than two adult-use cannabis dispensaries permitted at any one time.*

**Staff Response:** PDI is the first request the Village has received. Therefore, staff finds that they meet this condition.

4. *The adult-use cannabis dispensary may not be located within 1,000 feet of the property line of a pre-existing public or private nursery school, pre-school, primary or secondary school, day care center, or day care home, museum, library and substance abuse treatment or counseling center within the Village of Buffalo Grove corporate limits. Notwithstanding the foregoing, an adult-use cannabis dispensary will not be deemed to violate this provision if one of the school related facilities locates within the 1,000 foot spacing after the adult-use cannabis dispensary has been granted special use approval by the Village. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.*

**Staff Response:** The Village has received 2 emails (attached) from individuals concerning the location of "Attention to Wellness" Therapy which is located in an unincorporated office building to the south of the existing Potbelly Shopping Center. The condition of the 1000' buffer from "substance abuse treatment or counseling center" only applies to facilities within the corporate limits of Buffalo Grove. Putting aside whether this office qualifies under this section, it is not in the Village. Staff finds that the petitioner meets this condition.

5. *At least 85% of the floor area of any tenant space occupied by an adult-use cannabis dispensary shall be devoted to the activities of the dispensary as authorized by the Act. Any request for reduction in floor area percentage shall be evaluated as part of the Special Use request.*

**Staff Response: Staff finds that they meet this condition.**

6. *For purpose of determining required parking, the adult-use cannabis dispensary shall be classified as a retail and wholesale trade pursuant to Section 17.36.040 of the Zoning Ordinance; provided however that the Village may require that additional parking be provided as a result of the analysis completed through the Special Use process.*

**Staff Response: Staff finds that they meet this condition.**

7. *Other than cannabis-infused food products, no adult-use cannabis dispensary shall also sell food for consumption on the premises in the same tenant space.*

**Staff Response: This will remain as a condition.**

8. *On-site consumption of cannabis shall be prohibited within an adult-use cannabis dispensary and on the premises. The dispensary shall be responsible for enforcing the prohibition of on-site consumption of cannabis under all circumstances inside and outside the dispensary and on the premises.*

**Staff Response: This will remain as a condition.**

9. *The adult-use cannabis dispensary may not conduct any sales or distribution of cannabis other than as authorized by the Act.*

**Staff Response: This will remain as a condition.**

10. *No adult-use dispensary shall be maintained or operated in a manner that causes, creates, or allows the public viewing of adult-use cannabis, cannabis-infused products or cannabis paraphernalia or similar products from any sidewalk, public or private right-of-way or any property other than the lot on which the dispensary is located. No portion of the exterior of the dispensary shall utilize or contain any flashing lights, search lights or spot lights or any similar lighting system.*

**Staff Response: This will remain as a condition.**

11. *No adult-use cannabis dispensary nor any other person or entity shall place or maintain, or cause to be placed or maintained, an advertisement of cannabis or cannabis-infused product in any form or through any medium:*
  - a. *Within 1,000 feet of the perimeter of a pre-existing public or private nursery school, pre-school, primary or secondary school, day care center, or day care home within the Village of Buffalo Grove corporate limits; or*
  - b. *On or in a public transit vehicle or public transit shelter; or*
  - c. *On or in publicly owned or publicly operated property.*

*All advertising shall comply with the rules and regulations set forth in the Cannabis Regulation and Tax Act (P.A. 101-0027).*

**Staff Response: Staff finds that they meet this condition.**

12. *Each adult-use dispensary shall prohibit any person who is not at least twenty-one (21) years of age from entering the dispensary, except for cardholders granted medical access under the Compassionate Use of Medical Cannabis Act over 18 years of age, whose access shall be limited to the medical cannabis dispensing area only. Dispensaries shall not employ anyone under the age of twenty-one (21). Access to the dispensary shall be limited exclusively to dispensary staff and those specifically authorized under the Cannabis Regulation and Tax Act (P.A. 101-0027).*

**Staff Response: PDI has submitted a plan to address this condition. Medical cannabis cardholders that are under the age of 21 would be escorted into an adjacent room where they would complete purchases. Once completed, they will be escorted out and not allowed to enter the retail floor area. Staff finds that they meet this condition.**

13. *As part of the Special Use application requirements, Petitioner shall submit plans regarding installation of building enhancements, such as security cameras, security systems, lighting or other improvements to ensure the safety of employees and customers of the adult-use cannabis dispensary, as well as its environs. Said improvements shall be determined based on the specific characteristics of the dispensary and of the floor plan for an adult-use cannabis dispensary and the site on which it is located, consistent with the requirements of the Act.*

**Staff Response: PDI has provided a detailed security plan, which has been reviewed by the Village's Police Department. Overall, the Police Department does not have any issues or concerns. As a condition of approval, staff recommends that the final security plan be reviewed and approved by the Police Chief prior to the issuance of a certificate of occupancy**

14. *The Special Use Applicant shall submit a complete copy of their license application and all plans submitted to the State of Illinois, or any agency thereof, as part of their special use application. Before issuance of a certificate of occupancy or otherwise opening to the public, Adult-Use Cannabis Business Organizations must provide a copy of their state license to operate as an adult-use cannabis dispensary issued by the Illinois Department of Financial and Professional Regulation.*

**Staff Response: PDI has submitted their application to the State. Staff finds that they meet this condition.**

15. *Petitioner shall file an affidavit with the Village affirming compliance with Section 17.28.80-c as provided herein and all other requirements of the Act.*

**Staff Response: This will remain as a condition.**

#### **ACTION REQUESTED**

Staff recommends that the Village Board approve an Ordinance granting a Special Use for an Adult-Use Cannabis Dispensary, which includes a Medical Cannabis Dispensary in the B3 Planned Business Center District for the property at 830-840 Milwaukee Avenue



**ORDINANCE NO. 2020 - \_\_\_\_**

**AN ORDINANCE APPROVING A SPECIAL USE FOR AN ADULT-USE CANNABIS DISPENSARY,  
WHICH INCLUDES A MEDICAL CANNABIS DISPENSARY IN THE B3 PLANNED BUSINESS CENTER DISTRICT  
FOR THE PROPERTY AT 830-840 MILWAUKEE AVENUE  
VILLAGE OF BUFFALO GROVE,  
COOK AND LAKE COUNTIES, ILLINOIS**

PDI Medical III, LLC  
830-840 Milwaukee Avenue

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit by virtue of the Illinois Constitution of 1970; and,

WHEREAS, PDI Medical III, LLC ("Petitioner") has filed a petition for a Special Use for an Adult-Use Cannabis Dispensary, which includes a Medical Cannabis Dispensary in the B3 Planned Business Center District for the property at 830-840 Milwaukee Avenue ("Property"); and,

WHEREAS, the Village Planning & Zoning Commission conducted a public hearing on December 18, 2019 concerning the petition for the special use and voted 4-4 on the Special Use; and,

WHEREAS, the President and Village Board of Trustees after due and careful consideration have concluded that the proposed special use meets the criteria of a special use as set forth in the Buffalo Grove Zoning Ordinance and is a reasonable use of the Property and will serve the best interests of the Village.

WHEREAS, the proposed special use shall be operated in accordance with and pursuant to the following exhibits:

EXHIBIT A      Plans

EXHIBIT B      Draft Minutes from the December 18, 2019 Planning & Zoning Commission

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS:

Section 1. This Ordinance is made pursuant to and in accordance with the Village's Zoning Ordinance and the Village's Home Rule powers. The preceding whereas clauses are hereby made a part of this Ordinance.

Section 2. The Corporate Authorities hereby grant a Special Use for an Adult-Use Cannabis Dispensary, which includes a Medical Cannabis Dispensary in the B3 Planned Business Center District for the property at 830-840 Milwaukee Avenue, Buffalo Grove, IL, subject to the following conditions:

1. The special use for a cannabis dispensary is granted to PDI Medical III, LLC, for the tenant space at 830-840 Milwaukee Avenue and shall substantially conform to the documents and plans submitted

as Exhibit A in the Ordinance. The special use shall not be transferable or assignable and does not run with the land.

2. The hours of operation shall be limited to 9AM to 10PM Monday – Sunday, except as may be approved by the Village.
3. All exterior signage associated with the proposed Cannabis Dispensary located at 830-840 Milwaukee Avenue shall be in compliance with the Sign Regulations established in Chapter 14 of the Code of Ordinances, Ordinance 2016-65 and State Statute. In addition, no exterior signage or window signage shall use the word “marijuana,” “cannabis,” or any other word, phrase or symbol commonly understood to refer to marijuana or cannabis.
4. The display of merchandise and/or products related to cannabis shall not be visible from the exterior of the building.
5. Prior to the issuance of a certificate of occupancy, the final security plan shall be reviewed and approved by the Chief of Police.
6. Other than cannabis-infused food products, no adult-use cannabis dispensary shall also sell food for consumption on the premises in the same tenant space.
7. Any consumption, including but not limited to sampling or offering samples, of cannabis or cannabis infused products shall be prohibited within the dispensary and on the premises. The dispensary shall be responsible for enforcing the prohibition of on-site consumption of cannabis under all circumstances inside and outside the dispensary and on the premises.
8. PDI Medical III, LLC, may not conduct any sales or distribution of cannabis other than as authorized by State Statute.
9. PDI Medical III, LLC, shall file an affidavit with the Village affirming compliance with Section 17.28.80 as provided herein and all other requirements of State Statute.
10. Any violation of the conditions associated with this special use ordinance and the Buffalo Grove Municipal Code could result in penalties including but not limited to the revocation of the special use.
11. In addition to all other required security measures, PDI Medical III, LLC, agrees that the Village may conduct random unannounced compliance checks of its operations at 830-840 Milwaukee Avenue.
12. PDI Medical III, LLC shall enter into a Development and Operating Agreement in a manner acceptable to the Village.
13. Prior to the issuance of a certificate of occupancy, PDI Medical III, LLC shall provide the Village a copy of their State License to operate a cannabis dispensary.

Section 3. This Ordinance shall be in full force and effect upon passage.

This Ordinance shall not be codified.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

APPROVED:

\_\_\_\_\_  
Beverly Sussman, Village President

4

**EXHIBIT A**  
**Plans**

PDI Medical III, LLC  
830-840 Milwaukee Avenue

Attachment: Ordinance (O-2020-6 : Ordinance Approving a Special Use for an Adult Use Cannabis Dispensary at 830-840 Milwaukee Ave)

**EXHIBIT B****Draft Minutes from the December 18, 2019 Planning & Zoning Commission**

PDI Medical III, LLC  
830-840 Milwaukee Avenue

## **Application for Special Use**

Applicant:

**PDI Medical III, LLC**

Property:

**830-840 N. Milwaukee Avenue**

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4. Owner Authorization
5. Responses to Special Use Standards
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8. Compliance with Village Ordinances
9. Floor Plan and Interior Renderings
10. Updated Exterior Rendering
11. PDI Medical Sam-Site Operations and Management Practices
12. Same-Site Application information to State of Illinois

# 1. Cover Letter



# CRESCOLABS®

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Christopher Stilling, AICP  
Deputy Village Manager  
Village of Buffalo Grove  
50 Raupp Blvd  
Buffalo Grove, IL 60089

Dear Mr. Stilling,

PDI Medical III, LLC (“the Applicant”) is pleased to submit its application for a special use permit to occupy a vacant commercial space at 830-840 N. Milwaukee Ave. In this application, the Applicant has responded to the Village of Buffalo Grove’s (the “Village”) application requests, demonstrating how it will fulfill each of the Village’s ordinance requirements and how the Applicant intends to maintain compliance with the State’s rules and regulations. The Applicant intends to change its location from 1623 Barclay Blvd. (the “Existing Location”) to 830-840 N. Milwaukee Ave. (the “Proposed Location”), Buffalo Grove because it will allow the Applicant to better serve the Village. The Proposed Location has more square footage, which will allow the Applicant to improve every aspect of its operational layout. Additionally, the Proposed Location is on a major intersection in the Village and will provide patients with better public access. These changes will make the Applicant’s new site Illinois’ premier cannabis dispensary.

The Applicant is owned by one of the most experienced medical marijuana operators in the country, Cresco Labs. Cresco has established itself as one of the premier vertically integrated multi-state operators in the industry for earning very limited and highly competitive merit-based marijuana licenses. Cresco Labs was founded by professionals with legal, operational, and compliance experience in banking, commercial real estate, and technology. Cresco has leveraged the experience from those disciplines to incorporate established methodologies and best practices from other highly regulated industries at its existing site at 1623 Barclay Blvd. and will continue these practices at 830-840 N. Milwaukee Ave.

We are excited to submit our application for a special use application at 830-840 N. Milwaukee Ave. and look forward to presenting our proposal to the Village in the coming weeks.

Sincerely,



John Sullivan

Senior Vice President – Government Affairs, CRESCOLabs

**2. Narrative**  
**(with inventory security supplement)**

### **Narrative of Project**

PDI Medical III, LLC (“the Applicant”) is requesting a special use permit from the Village of Buffalo Grove (the “Village”) to develop a vacant commercial space into a medical and adult-use cannabis dispensary at 830-840 N. Milwaukee Avenue, Buffalo Grove (the “Proposed Location”).

#### ***Zoning***

The Proposed Location is zoned B3 (Planned Business Center District). Buffalo Grove’s Zoning Ordinance allows for an adult-use/medical cannabis dispensary to operate in a B3 zone. The Proposed Location has frontage on N. Milwaukee Avenue in a business district, compliant with Buffalo Grove’s dispensary regulations.

#### ***Location Compliance***

Additionally, the Proposed Location is compliant with Sections 130 (d) and 140 of the Medical Cannabis Pilot Program Act (the “Act”). In accordance with Section 130 (d) of the Act and the Village ordinance, **the property is located more than 1,000 ft. from the property line of any pre-existing public or private preschool, elementary or secondary school, day care center, day care home, group day care home, part day child care facility, museums, libraries, or substance abuse treatment/counseling centers within Buffalo Grove.** In order to ensure that the Proposed Location is compliant, the Applicant searched publicly available resources and utilized third-party services to determine distances from the applicable sites. The Applicant will comply with all of the Village’s local zoning conditions set forth in its ordinance.

#### ***Signage***

The Applicant seeks to normalize and professionalize cannabis dispensing and intends to reflect that mission in its exterior signage. Purchasers can expect the physical environment to be inviting and warm, a source of everyday wellness. The dispensary will reflect the interior design, with a bright and welcoming palette. The exterior of the dispensary will have security shatterproof tinted film on exterior windows with signage to match the dispensary, without advertising cannabis. The signage at the dispensary will say “Sunnyside\*,” and will generally fit in with the surrounding neighborhood. The goal is for purchasers to have the same experience at the Applicant’s dispensary as one might have at a high-end retailer such as Apple or Whole Foods.

#### ***Host Agreement***

The Applicant desires to be a responsible corporate citizen and contributing member of the Village’s business community. The Applicant intends to provide the Village certain benefits as requested that go above and beyond typical economic development benefits pertaining to new manufacturing and retail concerns in the Village and will work with the Village attorney and Village Board as it has done at 1623 Barclay Blvd.

#### ***Buffalo Grove Recreational Cannabis Dispensary Regulation Compliance***

The Applicant will comply with all requests for inspections, both scheduled and unscheduled, by appropriate parties including the Illinois Department of Financial and Professional Regulation (the “Department”), the State Police, and local law enforcement. Additionally, the Applicant will employ sufficient security staff, pursuant to local and state regulation, to patrol for and prohibit loitering and on-site consumption.

Pursuant to the Buffalo Grove Recreational Cannabis Dispensary Regulations, **the Applicant will not allow purchasers under the age of 21 to enter the dispensary.** Before entering the Proposed Location, all medical patients and purchasers will have their IDs checked in accordance with the Act. Medical patients who are minors will be escorted to the patient consultation room by a patient care specialist to wait while their order is fulfilled, and then will be escorted back out of the dispensary through the entrance door to avoid the sales floor altogether once their order is fulfilled.

The dispensary will have a rapid check-in system and a large sales area, allowing purchasers and medical patients to browse inside the dispensary for a longer duration.

Dispensary agents will prompt everyone that enters the building for government-issued identification and engage in the following activities, as required by 410 ILCS 705/15-85 (a):

- Verify the age of each purchaser using an electronic reader;
- Verify the validity of the purchaser’s government-issued identification card; and
- Offer any appropriate purchaser education or support materials.

#### *Examples of Acceptable Identification*

##### For proof of ILLINOIS residence, 21+ age verification, and full allocation:

Will Illinois drivers’ licenses be allowed? Yes.

Will Illinois state IDs be allowed? Yes.

Will a non-Illinois drivers’ license and lease (or other document) be allowed? No.

Will a non-Illinois state ID and lease (or other document) be allowed? No.

Will a City of Chicago CityKey ID card be allowed? Yes.

##### For proof of 21+ age verification:

Will passports be allowed? Yes.

Will military IDs be allowed? Yes.

Will passport cards be allowed? Yes.

##### Identification that will not be allowed:

Will a school ID be allowed? No.

Will an FOID card be allowed? No.

Will a AAA card be allowed? No.

Will a credit card be allowed? No.

Will a lease be allowed? No.

Will a bill be allowed? No.

All employees will receive training on how to identify fraudulent, invalid, expired, or otherwise unacceptable identification and how to reject service to unauthorized patrons. As required by 410

ILCS 705/15-85 (c), identification must be valid, unexpired, contain a photograph, and the date of birth of the person. A security guard will be onsite to assist with greeting purchasers, accommodating mobility pathways through the security vestibule/waiting room, and ensuring the purchaser-entry is locked and secured when not in use.

### ***Explanation of Business Operations***

PDI Medical III, LLC (“the Applicant”) is proposing to relocate its business to 830-840 N. Milwaukee Ave. (the “Proposed Location”) and intends to sell cannabis, cannabis-infused products including edibles, paraphernalia, and related items to eligible purchasers, medical patients, and caregivers under the rules of the Cannabis Regulation and Tax Act (“the Act”) consistent with the permissions set forth by 410 ILCS 705/15-20 (m). As required by 410 ILCS 705/15-80 (b), the dispensary will be of suitable size and construction to facilitate proper operations, cleaning, and maintenance. The Applicant’s proposed hours of operation are 9 a.m. to 10 p.m. seven (7) days a week.

### ***Safe Dispensing of Medical Cannabis***

The Proposed Location’s **size and layout promote safe dispensing of medical and adult-use cannabis** and is a one-story facility with approximately 4,900 square feet of usable space. This amount of space allows more efficient transactions for a high number of patients and purchasers and will allow staff to more easily monitor patients, caregivers, and purchasers within the limited access area – creating a comfortable and safe shopping experience for all patients and purchasers.

The Proposed Location will include 24/7 video surveillance through the whole premises, the exterior will be well-lit pursuant to the Act and the shopping center’s (where the Applicant will be located) requirements and security personnel as required by the Act and in accordance with the number of patients and purchasers will remain on premises during business hours to monitor foot traffic in-and-out of the building. Patients and purchasers will only have access to the building’s main entrance to ensure that all cannabis exits the building through one area – allowing security personnel to pinpoint surveillance and safety procedures in those areas. Additionally, the Applicant has created a comprehensive and confidential safety and security plan for the Illinois Department of Financial and Professional Regulation (the “Department”), that can be submitted if the Village agrees to not make the safety and security plan public, to ensure the care and well-being of every patient.

### ***Staffing Plan***

The Applicant intends to hire approximately 46 dispensary employees within the first year of operation. This number is dependent on several factors, including, but not limited to market conditions, growth in purchaser participation, and availability of product as supplied by licensees to meet purchaser demand. Initially, Applicant will staff the facility with the following number of employees, noted in parentheses, in each operational department:

- Dispensary Management, including Agents-in-Charge (6);
- Dispensary Agents (30);
- Purchaser Coordinators (6);

- Maintenance/Engineering (1); and
- Security (Security Director (1) and Contracted Security Guards (2)).

Some positions will be full-time, some will be part-time, and activities will occur over two work shifts (e.g., 6:00 a.m. – 2:30 p.m. and 2:00 p.m. – 10:30 p.m.). The Applicant will provide all its employees a living wage. Further, all full-time employees will be eligible for a comprehensive benefits package, including but not limited to health insurance, 401(k) benefits, and paid time off. In the event purchaser demands or community needs change, or an unexpected surge of sales occurs, the Applicant will work diligently to also retain part-time employees as necessary.

### ***Product Handling and Storage***

The size and the layout of the Proposed Location **promotes safe product handling and storage** while enhancing compliance, safety, and patient satisfaction. As noted on the floor plan included in this application, the Applicant will install physical barriers that will prevent public access to areas containing cannabis, restricting access to cannabis storage areas. All cannabis containers in the sales area will be for display only and will not contain any cannabis. Only staff responsible for controlling inventory will have access to safes and vaults. Medical and adult-use cannabis storage areas will be in the innermost rooms of the facility, not touching any exterior walls, away from the waiting room and entry – and divided from patients and purchasers by the restricted part of the sales area. All doors to storage areas will have alarms and redundant locking systems that will help keep cannabis safe in storage, and extra cameras will monitor cannabis-transfer points such as safes, cash registers, and loading/unloading zones. The Applicant anticipates approximately one (1) to four (4) cannabis deliveries to occur at the dispensary per weekday. All delivery times will be randomized and not made public. All safety and security equipment will meet both the requirements of State Police and the Act.

Additionally, no cannabis will be visible to the public from the entry vestibule and/or waiting areas. Only patients, purchasers, authorized staff, and authorized visitors (e.g., law enforcement and Department representatives) will have access to the sales area – which will be a separate room with additional security provisions.

### ***Inventory Security Details***

The Applicant will store cannabis and cannabis-infused products in an enclosed, secure, restricted access vault. The vault will be locked at all times except for when dispensary employees are moving the day vaults in and out of the vault and for inventory audits. Product displays will be limited, and all have packaged, tamper-evident containers so there is no loose cannabis, and employees will return any product on display during business hours to the vault at the end of the day. The Applicant will also closely monitor its cannabis waste, which it will store in locked receptacles/dumpsters. Employees will record all weights/units of product and render waste unusable before disposing it in locked receptacles/dumpsters.

At the Proposed Location, medical cannabis will be dispensed from day lockers stored behind the POS counters that will be moved into the vault during non-operating hours, daily. The day lockers will be locked at all times, except for during dispensing, and no patients or caregivers will have access to the lockers at any time. This process will create a more streamlined inventory movement,

inventory accuracy, and greater accessibility because staff can spend more time with patients, rather than accessing the vault for all inventory.

### ***Cash Handling and Deposits***

The Applicant has an established banking relationship but cannot currently take credit card payments. In the interim, the Applicant will require that all sales be paid in cash or through a cashless ATM. The Applicant will implement the following cash handling and deposit policies:

- Cash registers will only contain amounts of money necessary to make change – several register counts may occur throughout the day to ensure accurate counts;
- Staff will have counterfeit-detection markers that they will use to ensure the legitimacy of large bills;
- Only an AIC will have access to cash safe keys.
- At the end of each business day, an AIC will prepare nightly deposits of cash, to be contained in a drop-safe in the vault;
- The Applicant intends to do all cash handling and deposit schedules in a randomized fashion
- The Applicant will have sufficient insurance coverage to provide the maximum amount of cash coverage required; and
- Cash will be deposited to the bank via armored vehicle weekly, on a random day and time.

### ***Daily Customers***

The Applicant currently averages two (2) to three (3) patients per operating hour at the current location. The Applicant estimates that the dispensary will serve approximately 15 patients and purchasers per operating hour at the proposed location.

### ***ADA Accessibility***

The Applicant will maintain American Disabilities Act (“ADA”) accessibility and will meet all accessibility requirements from the Village of Buffalo Grove (the “Village”). The Applicant will integrate a multitude of features that will not only benefit patients and purchasers with physical limitations, but also staff, as they too will benefit from thoughtful building design and accessibility. For example, entrance and exit door hardware will include ADA-compliant door openers. The building does not require an ADA ramp as there are no grade changes from the sidewalk to the interior floor. The exterior of the Proposed Location is an approved new development and no landscaping or other changes will be made.

Moreover, the Proposed Location is suitable for public access because it is easily accessible to patients and purchasers by way of ADA accessible public transportation methods including bus, vehicle, or rideshare. The Proposed Location is close to two Pace bus stops, on Milwaukee Ave. and Deerfield Parkway. The Proposed location is compliant with the Village’s parking space requirements and provides for ADA accessibility.

### ***Parking Accessibility***

## Request for Special Use — 830-840 N. Milwaukee Ave

The Applicant's Proposed Location will have approximately 90 shared parking spots for patrons of both the dispensary and retail complex.

*Summary*

PDI Medical III, LLC respectfully submits a request for a pre-application conference for a special use permit to occupy a vacant commercial space at 830-840 Milwaukee Ave. to operate a medical and adult-use cannabis dispensary. The Applicant looks forward to formally presenting its application before the Village in the coming weeks.



### 3. Petition for Concept Review

## VILLAGE OF BUFFALO GROVE

## PETITION FOR CONCEPT AND PRELIMINARY PLAN REVIEW

PLEASE NOTE THAT THIS PETITION MUST BE SIGNED BY ALL PROPERTY OWNERS AND THE PETITIONER.  
IF PETITIONER HAS ANY QUESTIONS CONCERNING REQUIRED MATERIALS, PLEASE CALL THE  
DEPARTMENT OF COMMUNITY DEVELOPMENT

|                                                                                         |                                                                            |
|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Project Name: PDI Medical, 830-840 N. Milwaukee Avenue                                  |                                                                            |
| <b>INDEX INFORMATION (To be completed by Village staff)</b>                             |                                                                            |
| Site Address:                                                                           |                                                                            |
| Title:                                                                                  |                                                                            |
| Date of Submittal:                                                                      |                                                                            |
| <b>BACKGROUND INFORMATION</b>                                                           |                                                                            |
| Petitioner: PDI Medical                                                                 |                                                                            |
| Corporation/ Title: PDI Medical III, LLC                                                |                                                                            |
| Street Address: 400 W. Erie St., Suite 100                                              | City/ State/ ZIP: Chicago, Illinois 60654                                  |
| Telephone (Office): John Sullivan & Anthony V. Casaccio<br>(312) 929-0993               | Cell: John Sullivan: (773) 835-3106<br>Anthony V. Casaccio: (630) 333-7672 |
| Email: John.Sullivan@crescolabs.com<br>Anthony.Casaccio@crescolabs.com                  | Fax:                                                                       |
| Relationship of Petitioner to Property (e.g. Contract Purchaser, Lessee, Owner): Lessee |                                                                            |
| <b>OWNER OF PROPERTY</b>                                                                |                                                                            |
| Owner Name: SDG Buffalo Grove                                                           |                                                                            |
| Corporation/ Title: SDG Buffalo Grove, LLC                                              |                                                                            |
| Street Address: 2150 E. Lake Cook Road, Suite 820                                       | City/ State/ ZIP: Buffalo Grove, Illinois 60089                            |
| Telephone (Office):                                                                     | Cell:                                                                      |
| Email:                                                                                  | Fax:                                                                       |
| <b>Developer</b>                                                                        | <b>Attorney</b>                                                            |
| Name: N/A                                                                               | Name: Daniel C. Shapiro                                                    |
| Company:                                                                                | Company: Shapiro & Associates Law                                          |
| Address:                                                                                | Address: 618 Academy Drive, Suite B                                        |
| City, State, ZIP:                                                                       | City, State, ZIP: Northbrook, Illinois 60062                               |
| Phone (Office): Cell:                                                                   | Phone (Office): (312) 763-9640 Cell: (312) 636-7647                        |
| Fax: Email:                                                                             | Fax: (312) 763-9641 Email: dshapiro@ShapiroAssociatesLaw.com               |

[Type text]

|                                                                                                                                                                                                   |                                                 |                                                                                                             |                                     |                                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------|
| <b>APPROVAL REQUESTED (Check all that apply)</b>                                                                                                                                                  |                                                 |                                                                                                             |                                     |                                    |
| <input type="checkbox"/> Site Plan/Preliminary Plan                                                                                                                                               | <input checked="" type="checkbox"/> Special Use | <input type="checkbox"/> PUD                                                                                | <input type="checkbox"/> Annexation | <input type="checkbox"/> Variation |
| <input type="checkbox"/> Rezoning                                                                                                                                                                 | <input type="checkbox"/> Appearance Review      | <input type="checkbox"/> Landscape Plan                                                                     | <input type="checkbox"/> Other      |                                    |
| <b>PROJECT/SITE INFORMATION</b>                                                                                                                                                                   |                                                 |                                                                                                             |                                     |                                    |
| Site address: 830-840 N. Milwaukee Avenue, Buffalo Grove, Illinois 60089                                                                                                                          |                                                 |                                                                                                             |                                     |                                    |
| Legal description:<br>(If description exceeds more than eight type-written lines, submit as an electronic file in Word format)                                                                    |                                                 |                                                                                                             |                                     |                                    |
| PIN number (s): New construction                                                                                                                                                                  |                                                 | Size of parcel: Approx. 25 Acres                                                                            |                                     |                                    |
| Size of building: Approx. 18,000 sq.ft.                                                                                                                                                           |                                                 | Size of user/tenant space: 4,900 sq.ft.                                                                     |                                     |                                    |
| Existing uses onsite: Retail and Service Uses                                                                                                                                                     |                                                 | Current land use: Retail and Service Uses                                                                   |                                     |                                    |
| Existing structures: Retail shopping center consisting of (3) existing structures                                                                                                                 |                                                 | Proposed uses: Medical cannabis dispensary, and Adult-use cannabis dispensary upon state and local approval |                                     |                                    |
| Current zoning: B3 District                                                                                                                                                                       |                                                 | Proposed zoning: B3 District                                                                                |                                     |                                    |
| Proposed structures (sq. ft. and building height):                                                                                                                                                |                                                 |                                                                                                             |                                     |                                    |
| Significant natural amenities, including trees:                                                                                                                                                   |                                                 |                                                                                                             |                                     |                                    |
| Floodplains and other development restrictions:                                                                                                                                                   |                                                 |                                                                                                             |                                     |                                    |
| <b>VARIATIONS:</b>                                                                                                                                                                                |                                                 |                                                                                                             |                                     |                                    |
| List all variations requested of Village Ordinances. The specific section of the respective Ordinance should be cited, and the reason(s) that the variation is needed should be clearly explained |                                                 |                                                                                                             |                                     |                                    |

**FILLING FEES:**

All applications require payment of a non-refundable fee. Please see the Fee Schedule at the Village website under Home/Government/Planning and Economic Development/Applications and Forms/Fee Schedule.

In addition to filing fees, an escrow deposit for the Village's recoverable costs is required. Questions concerning fees can be directed to the Department of Community Development at (847) 459-2530.

I certify that the above is true and accurate and agree to pay the required fees as stated in Fee Schedule.

Signature of Petitioner



Date

10/28/19

Signature of Property Owner



Date

10/28/19

|                                                                                                                                                                                           |                                                                 |                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|---------------------|
| <b>IMPORTANT NOTICE:</b><br>Completion of this form is necessary for consideration for licensure in connection with the Medical Cannabis Pilot Program Act, 410 ILCS 130 and 68 IAC 1290. | ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION    | SUPPORTING DOCUMENT |
|                                                                                                                                                                                           | <b>MEDICAL CANNABIS<br/>DOCUMENTATION OF PROPERTY OWNERSHIP</b> |                     |

|                                                                                                               |                          |                                                  |
|---------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------|
| 1. NAME OF ENTITY APPLYING FOR A DISPENSARY REGISTRATION<br><b>PDI Medical</b>                                |                          | 2. MEDICAL CANNABIS DISTRICT NUMBER<br><b>27</b> |
| 3. NAME OF OWNER OF THE PHYSICAL ADDRESS OF THE PROPOSED DISPENSARY<br><b>SDG Buffalo Grove, LLC</b>          |                          |                                                  |
| 4. PHYSICAL ADDRESS OF THE PROPOSED DISPENSARY<br><b>830 N. Milwaukee Avenue</b>                              |                          |                                                  |
| 5. CITY<br><b>Buffalo Grove</b>                                                                               | 6. COUNTY<br><b>Lake</b> | 7. ZIP CODE<br><b>60089</b>                      |
| 8. IS APPLICANT ALSO THE PROPERTY OWNER? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO  |                          |                                                  |
| 9. IS THE PROPERTY SUBJECT TO A MORTGAGE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |                          |                                                  |

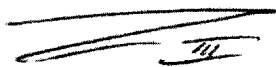
### CERTIFICATION

By affixing your signature below, you certify you are the owner of the physical address of the property listed herein, and you know and understand that the above listed entity is applying for a medical cannabis dispensary with the Illinois Department of Financial and Professional Regulation. You also consent that the property at the listed address provided herein may be used as a dispensary if the applicant is awarded a registration by the Illinois Department of Financial and Professional Regulation.

**SDG BUFFALO GROVE LLC**
**773 354 1730**

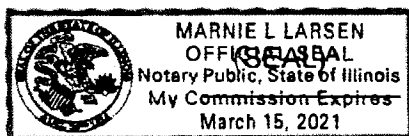
Property Owner Name

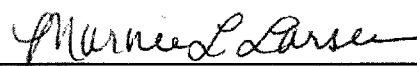
Phone Number


**6/24/2019**

Property Owner Signature

Date

 Subscribed and sworn to before me this 24<sup>th</sup> day of June, 2019.


  
 Notary Public



**Illinois Department of Financial and Professional Regulation**  
**Division of Professional Regulation - Medical Cannabis Unit**

**NOTICE OF PROPER ZONING FORM**

**SECTION 1: TO BE COMPLETED BY APPLICANT**

1. BUSINESS/LEGAL NAME OF APPLICANT:  
PDI Medical

2. STREET ADDRESS OF THE PROPOSED DISPENSARY:  
830-840 N. Milwaukee Avenue

3. DISPENSARY'S REGISTRY ID #:  
27-002

4. CITY:  
Buffalo Grove

5. COUNTY:  
Lake

6. ZIP CODE:  
60089

The applicant is solely responsible for ensuring the proposed location is within district boundaries, is compliant with Section 130(d) and 140 of the Act and is in a location that meets minimum zoning requirements. Applicants must not apply with a proposed dispensary address that needs to be re-zoned.  
**NOTE: If a proposed location is not in a zoning classification that allows for operation of a medical cannabis dispensary, then the location is non-compliant and your application will be disqualified.**

**CHECK ALL THAT APPLY**

7. Are there local zoning restrictions specific to a medical cannabis dispensary at the proposed location? ☒ Yes ☐ No
8. If applicable, is the location of the proposed medical cannabis dispensary in compliance with minimum local zoning restrictions for medical cannabis dispensaries? ☒ Yes ☐ No
9. If applicable, has the proposed dispensing organization filed a request with the local zoning authority for a dispensary use permit/special use permit? ☒ Yes ☐ No
- If a zoning request was filed but has not been approved, the zoning determination is expected to be issued in approximately 60 DAYS ☒ WEEKS ☐ MONTHS ☐ (check one)
10. Is the proposed location in compliance with Section 130(d) of the Act? ☒ Yes ☐ No

**SECTION 2: TO BE COMPLETED BY AN AUTHORIZED REPRESENTATIVE OF THE LOCAL ZONING OFFICE**

Please confirm the boxes 7 to 10 above are true and accurate under the local zoning ordinance.

Deputy Village Manager

Village of Buffalo Grove

Title of the Authorized Zoning Representative

Name of the Local Jurisdiction

Christopher Stilling

847-459-5530

Printed Name

Telephone Number

Signature / Date

11/5/19

**NOTE:** Section 130(d) of the Medical Cannabis Pilot Program Act states in pertinent part:  
 (d) A dispensing organization may not be located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, or part day child care facility. A registered dispensing organization may not be located in a house, apartment, condominium, or an area zoned for residential use.

## 4. Owner Authorization

**OWNER AUTHORIZATION**

When the Applicant is not the owner of record, the following must be completed by the Owner and include the Owner(s) signature(s) with the Special Use Permit(s) or related land use and/or zoning applications.

I (We) SDG Buffalo Grove, LLC  
(Owner's Name)

2150 E. Lake Cook Road, Suite 820, Buffalo Grove, Illinois 60089  
(Address)

(Home Phone) (773) 254-1730 (224) 532-2404  
(Cell Phone) (Business Phone)

owners of the property located at: 830-840 N. Milwaukee Avenue, Buffalo Grove, Illinois 60089  
(Site Address)

do hereby authorize: PDI Medical III, LLC, and its affiliated entities  
(Applicant)

400 W. Erie Street, Suite 100, Chicago, Illinois 60654  
(Address)

(312) 929-0993 John Sullivan (773) 835-3106  
(Business Phone) (Cell Phone) (Business Fax)

to submit and file its Special Use Permit Application, and any ancillary or related land use and/or zoning applications for Medical Cannabis Dispensary, and Adult-Use Cannabis dispensary at the Site Address.

Dated: November 25, 2019

  
(Owner's Signature)

Louis Schriber III, Manager  
(Print Name, Title)

\_\_\_\_\_  
(Owner's Signature)

\_\_\_\_\_  
(Print Name, Title)

## 5. Responses to Special Use Standards



### **Responses to Special Use Standards**

- 1. The special use will serve the public convenience at the location of the subject property; or the establishment, maintenance or operation of the special use will not be detrimental to or endanger the public health, safety, morals, comfort, or general welfare.**

For nearly four years, PDI Medical III, LLC (“Applicant”) has operated a medical cannabis dispensary at its current location in the Village of Buffalo Grove (“Village”) at 1623 Barclay Boulevard (“Existing Location”). However, due to recent major changes in Illinois law, the Existing Location will not provide an ideal environment for patients and future adult-use customers in the community. Therefore, Applicant is requesting to move to 830-840 N. Milwaukee Avenue (“Proposed Location”) to operate a medical and adult-use cannabis dispensary.

When the Applicant opened its doors in Buffalo Grove in early 2016, there were only about 4,000 registered medical cannabis patients in the state. This year, after two legislative expansions of the State’s medical cannabis program, the number of medical cannabis patients has grown extremely rapidly. By the end of 2019, the statewide patient-count will likely be double number at the start of the year (there were about 50,000 patients in January 2019 but nearly 90,000 patients as of early October 2019). Even more significantly, pursuant to the Cannabis Regulation and Tax Act (“Act”), beginning January 1, 2020, all adults 21 years and older can purchase limited quantities of cannabis at licensed adult-use cannabis dispensaries.

Compared to the Existing Location, the Proposed Location has more square footage which will allow the Applicant to provide superior operations and experience. Similarly, the Proposed Location is at a major intersection in the Village, has more parking spaces, and is accessible by public transportation providing more convenient access to all of the Applicant’s patients, customers and employees.

As to public safety and welfare, when it filed its original special use application for its Existing Location, the Applicant stated that its most important focus was to ensure operations are secure from intrusion and diversion and to protect the safety of its patients, employees and community. This same priority exists today. After operating for nearly four years, there have been no substantive complaints or negative issues associated with Applicant’s use at its Existing Location. The Applicant’s strong commitment to public safety and welfare will continue at its Proposed Location.

The additional space and the layout of the Proposed Location will promote operational safety and compliance. Only staff responsible for controlling inventory will have access to safes and vaults where cannabis is stored. The cannabis containers in the sales area will be for display only and will not actually contain any cannabis. The cannabis storage room will not touch any exterior walls and is located away from the waiting room, entry and exit. All cannabis storage areas doors will be equipped with alarms and redundant locking systems. Extra cameras will monitor cannabis-transfer points including safes, cash registers, and loading/unloading zones.

This Application provides further documentation demonstrating the Applicant's operation fully complies with all state and local requirements.

The Applicant is committed to working with the Village to fully ensure that its operations at the Proposed Location will serve public convenience, safety and welfare of its community.

The Applicant will also continue its philanthropic efforts and community involvement, including volunteer campaigns and community sponsorship programs in and around Buffalo Grove. The Applicant has participated in the Lake County Canna Expo, has a partnership with Sedgebrook Retirement Community, and has participated in the Walk to End Alzheimer's.

**2. The location and size of the special use, the nature and intensity of the operation involved in or conducted in connection with said special use, the size of the subject property in relation to such special use, and the location of the site with respect to streets giving access to it shall be such that it will be in harmony with the appropriate, orderly development of the district in which it is located.**

All aspects of Applicant's proposed special use are in harmony with the purpose and development of the B-3 zoning district. The Applicant's Proposed Location is a one-story, 4,900-square-foot space fronting Milwaukee Ave in the Shops of Buffalo Grove, all of which are zoned B-3 Planned Business District.

As stated in the Village Code, the purpose of the B-3 District is, in pertinent part, to ensure "adequate space is provided in appropriate locations for the various types of business uses, thereby protecting and strengthening the economic base of the Village..., [t]o encourage the grouping in appropriate locations of compatible business uses...[in order to] promote public convenience and business prosperity and contribute to the alleviation of traffic and pedestrian congestion." Buffalo Grove Code of Ordinances 17.44.010.

The location, size and nature of the Applicant's proposed use fits squarely within the B-3's purpose. The Proposed Location is currently vacant and is located between an existing Starbucks and T-Mobile store. The other co-tenants in the Shops at Buffalo include Panera Bread, Mod Pizza, Solidcore Fitness, and Great Clips. The Proposed Location will be part of Applicant's Sunnyside\* brand and its storefront design will remain generally unchanged from its current appearance in harmony with the other co-tenant storefronts. The Proposed Location's signage will read "Sunnyside\*" and its interior will provide a high-end retail experience reminiscent of an Apple Store or Whole Foods.

All features of the dispensary will of course be fully compliant with state and local regulations specific to cannabis dispensaries. Specifically, the dispensary will be of suitable size and construction to facilitate proper operations, cleaning, and maintenance pursuant to 410 ILCS 705/15-80 (b) of the Act. The 4,900 square feet of usable space will allow the Applicant to provide more efficient transactions for a high number of patients and adult-use customers. Additionally, the size and layout will allow staff to more easily and effectively observe all

activity within the limited access area creating a comfortable and safe shopping experience for all patients and adult-use customers.

The compatibility with the other businesses in the Shops at Buffalo Grove and the location at a major intersection will surely promote public convenience, business prosperity, and traffic alleviation. The Applicant intends to sell cannabis, cannabis-infused products including edibles, paraphernalia, and related items to medical patients and adult-use customers consistent with the permissions set forth by 410 ILCS 705/15-20(m) of the Act at the Proposed Location. With its high-end experience and affordable prices, the Applicant anticipates many of its patients and adult-use customers will also be customers of its co-tenant thereby creating business synergies and encouraging less congestion in the community.

**3. The special use will not be injurious to the use and enjoyment of other property in the immediate vicinity of the subject property for the purposes already permitted in such zoning district, nor substantially diminish and impair other property valuations with the neighborhood.**

The special use request by applicant will not harm the use and enjoyment of surrounding properties, nor will it cause substantial impairment of property valuations in the neighborhood.

As stated above, the Applicant has operated a licensed medical cannabis dispensary in Buffalo Grove at its Existing Location since early 2016. During Applicant's nearly four years of operation at the Existing Location, there have been no significant complaints or issues brought to the Village regarding Applicant's use. As a longstanding healthcare resource to residents, the Applicant will continue to operate professionally and with attentiveness to community concerns.

The Applicant now seeks to relocate its current the medical cannabis dispensary operation to the Proposed Location with the intention of also operating as an adult-use cannabis dispensary at the Proposed Location. Of note, the Applicant's proposed use at the Proposed Location will not include a cultivation center, craft grower, processing organization, infuser organization, or transporting organization.

The special use will be fully compliant with state and local law in addition to the rules of the Shops at Buffalo Grove. The Applicant has a full suite of standard operating procedures ("SOPs") designed to mitigate diversion, and all safety and security equipment will meet and/or exceed requirements of State Police and the Act. For example, the Proposed Location will have 24/7 video surveillance of the entire premises, the exterior will be well-lit, and onsite security personnel will monitor activity.

The exterior surveillance measures will add security to both the Applicant's building and the surrounding community. By installing cameras pointing towards the street and sidewalks, the Applicant can serve as a remote surveillance-depot for the Village and State - if a crime were to occur in the Proposed Location's proximity, cameras could provide critical evidence to law enforcement in prosecuting perpetrators.

The Applicant will prohibit on-site consumption at the Proposed Location and its premises. On-site consumption prohibition will be enforced through the Applicant's SOPs and security

procedures including strict anti-loitering policies. The Proposed Location will contain a sufficient odor absorbing ventilation and exhaust system so that any cannabis odor generated from inventory stored inside the business is not detected outside of the dispensary, anywhere on adjacent property or in public right-of-ways. The Applicant will also employ stringent groundskeeping procedures, including litter and graffiti procedures, in order to keep an attractive business and remain a responsible neighbor.

No inventory will be visible from any sidewalk, private or public right-of-way or any property other than the lot on which the dispensary is located. Cannabis will also not be visible from the entry vestibule or the waiting areas. Only patients, adult-use customers, authorized staff and authorized visitors (e.g. law enforcement) will be able to enter the sales area. The Proposed Location's building sign will read "Sunnyside\*" reflecting the Applicant's new up-scale dispensary concept. Likewise, the exterior in general will remain cohesive with the Shops at Buffalo Grove with a gentle aesthetic of light wood tones and whites with brightly colored accents.

Considering the Applicant's secure and compliant practices, high-end experience provided, and community philanthropy, the Applicant's special use will appropriately complement the Shops at Buffalo Grove and surrounding neighborhood.

**4. The nature, location and size of the buildings or structures involved with the establishment of the special use will not impede, substantially hinder or discourage the development and use of adjacent land and buildings in accord with the zoning district within which they lie.**

The buildings involved in the special use will not impede the orderly development or use of adjacent properties. The special use will be located in an existing 4,900 square-foot vacant building that is part of the Shops at Buffalo Grove development. The Applicant will not be making any substantial changes to the exterior of the building other than adding its window cover signage and façade sign that reads "Sunnyside\*" as can be seen in renderings submitted with this Application.

In addition to on-site security personnel monitoring inside and outside conditions, the Applicant will install both conspicuous and inconspicuous cameras around the interior and exterior of the building, all of which will help prevent theft and other crimes at the Proposed Location and at adjacent units of the shopping center. Posted signs that the premises is under 24/7 video surveillance will also help deter criminal activity on and near the Proposed Location.

The layout at the Proposed Location will also enable Applicant's employees to have a more streamlined access between the secure storage areas and the restricted access receiving area at the rear of the building. This streamlining will improve the delivery process by making it faster and more discrete.

The size of the sales area at the Proposed Location will allow for more than triple the current number of point-of-sales stations ("POS stations") to a total of 15 POS stations to process patient transactions. Additionally, the Proposed Location will have a designated entrance (with

man-trap) that is separate from the exit in order to enable better patient flow and focused security measures. The Proposed Location's additional POS stations, open floor plan, and streamline patient flow will dramatically reduce wait times and help prevent queuing outside.

Overall, the exterior of the building will remain cohesive with the Shops at Buffalo Grove, and the Applicant's floor plan, security and operating procedures will ensure that it will be a valuable business to its neighboring co-tenants.

**5. Adequate utilities, access roads, drainage, and/or other necessary facilities have been or will be provided.**

The Applicant's Proposed Location will be more than adequately suited for the special use. The special use will require no special accommodations with respect to the utilities or other infrastructure in addition to what is already provided and built at the Proposed Location. Moreover, the Proposed Location's placement in a new retail shopping development at the corner of a major intersection of the Village will provide greater access to community members.

**6. Parking areas shall be of adequate size for the particular special use, which areas shall be properly located and suitably screened from adjoining residential uses, and the entrance and exit driveways to and from these parking areas shall be designed so as to prevent traffic hazards, eliminate nuisance and minimize traffic congestion in the public streets.**

The Proposed Location is compliant with the Village's parking space requirements and provides for ADA accessibility. The Proposed Location is within a retail complex with approximately 90 shared parking spaces available for patient and purchaser use, along with the retail complex's other patrons.

According to Village Code, and as referenced in the Village's Staff Memorandum dated October 31, 2019, the Proposed Location was originally identified as a restaurant which would have required (50) parking spaces. In contrast, the Applicant's proposed use requires (20) parking spaces, less than half of the amount of spaces for which the Proposed Location intended in the Traffic Study. Therefore, the Applicant more than satisfies the Village's parking requirements.

A Traffic Impact Study was completed by Sam Schwartz Engineering, D.P.C., in June 2016, a copy of which is included in this Application ("Traffic Study"). At the time, the Traffic Study identified the Proposed Location's use to be "Fast Food/Fast Casual restaurant without drive-through window," which is a notably more intense use compared to the Applicant's proposal.

Moreover, the Traffic Study provides that certain roadway and traffic signal improvements be completed to accommodate the future traffic volumes for both the Woodman's parcel to the north and the retail complex to the south. Specifically, the following pertinent improvements which have been completed: 1) a traffic control signal be installed at the intersection of Deerfield Pkwy and the site full access driveway, and 2) improvements at the intersection of Deerfield Pkwy and site full access driveways should also include widening of Deerfield Pkwy to provide a left-turn and right-turn lane in both the eastbound and westbound directions. Thus, the entrance and exit

## Request for Special Use — 830-840 N. Milwaukee Ave

driveways to and from the Proposed Location is well designed to prevent traffic hazards, eliminate nuisance and minimize traffic congestion on Deerfield Pkwy and Milwaukee Ave.

## 6. Site Plan for Shops of Buffalo Grove

[illegible][illegible]

|                                                                                       |                                                                                                                                                                                                             |                                                                                       |
|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|  | <b>ASPHALT PAVEMENT</b><br>AT CA-6 COMPACTED SURF, 10.1, 10.0<br>2-1/4" HMA BINDER COURSE, 11.0, 10.0<br>8" CA-6 CRUSHED STONE<br>COMPACTED SUBGRADE, 5% MOISTURE PROCTOR                                   |  |
|  | <b>PORTLAND CEMENT PAVEMENT</b><br>AT CA-6 COMPACTED SURF, 10.1, 10.0<br>10" CA-6 CRUSHED STONE<br>2-1/4" HMA BINDER COURSE, 11.0, 10.0<br>8" CA-6 CRUSHED STONE<br>COMPACTED SUBGRADE, 5% MOISTURE PROCTOR |   |
|    | <b>PORTLAND CEMENT PAVEMENT</b><br>AT PORTLAND CEMENT<br>1000 PSI A.C.<br>AT CA-6 CRUSHED STONE<br>COMPACTED SURF, 5% MOISTURE PROCTOR                                                                      |   |
|  | <b>CONCRETE SIDEWALK</b><br>5" PORTLAND CEMENT<br>1000 PSI A.C.<br>AT CA-6 CRUSHED STONE<br>COMPACTED SURF, 5% MOISTURE PROCTOR                                                                             |  |
|  | <b>NOTE:</b><br>REFERS TO THE GEOTECHNICAL ENGINEERING SERVICES<br>CONSTRUCTION & GEOTECHNICAL MATERIAL TESTING.                                                                                            |  |

1. **UNDERSTANDING THE PROJECT:**  
ALL CHANGES TO THE EXISTING BUILDING UNLESS OTHERWISE NOTED.
2. **ALL CURB AND ARE 3' IN WIDTH.**
3. **CONTRACTOR SHALL COORDINATE WITH ALL AGENCIES AND UTILITIES.**
4. **ALL EXISTING PARKING SPACES SHALL BE MAINTAINED AND NOTED. EXISTING PARKING MARKINGS SHALL BE MAINTAINED.**
5. **THE LOCAL STANDARD SPECIFICATIONS SHALL BE USED FOR CONSTRUCTION. SURVEY AND CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE CONTRACT.**
6. **BUILDING DIMENSIONS AND ELEVATIONS SHALL BE IN ACCORDANCE WITH THE CONSTRUCTION DOCUMENTS FOR ADDITIONAL INFORMATION.**
7. **CONTRACTOR SHALL REPAIR ALL EXISTING DRIVEWAYS, ASPHALT, CONCRETE, CURBS, AND SIDEWALKS TO THE SATISFACTION OF THE CITY.**
8. **ALL EXISTING TREES SHOWN ON THE PLANS SHALL BE MAINTAINED AND PROTECTED UNLESS OTHERWISE NOTED.**
9. **SEE LANDSCAPE PLANS FOR ALL EXISTING TREES SHOWN ON THE PLANS.**

THIS REPORT PREPARED BY:  
 [Signature]  
 INC. (630-455-1111) AND  
 [Signature]

[illegible]

BL 12 CURB AND GUTTER  
 REVERSE PITCH BE 12 CURB AND GUTTER  
 DEPRESSIONED CURB AND GUTTER

**PROPERTY BOUNDARY NOTE:**  
 THE SHOPS OF BUTTANO GROSS FINAL PLAN OF  
 1/4 PREPARED BY COMPASS SURVEYING LTD.  
 2100) FOR ALL ROW DEMANDATIONS AND NEW  
 LINE BOUNDARIES AND DISTANCES.

N

GRAPHIC SCALE 1" = 30'

|                                   |                  |                                                                                    |
|-----------------------------------|------------------|------------------------------------------------------------------------------------|
| Attachment: Exhibit A- Plan Set ( | F313<br>1" = 30' |  |
|-----------------------------------|------------------|------------------------------------------------------------------------------------|



## 7. Updated Parking and Traffic Memo

**Sam Schwartz**  
 223 W. Jackson Blvd., Suite 1101  
 Chicago, IL 60606  
 (773) 305-0800  
 samschwartz.com

**Sam  
 Schwartz**

## Memorandum

**To:** John Sullivan, Cresco Labs

**From:** Tim Doron

**Date:** November 25, 2019

**Re:** Parking and Traffic Review, New Cannabis Use, The Shops of Buffalo Grove

### Introduction

At your request, Sam Schwartz Consulting, LLC (Sam Schwartz) has performed a parking analysis and traffic review for the Shops of Buffalo Grove (Center) in order to serve a new medical and adult use cannabis dispensary. This evaluation is performed primarily to determine the adequacy of parking supply. The use is proposed to be located in the Center at 830-840 N. Milwaukee Avenue, Buffalo Grove, Illinois. The dispensary is moving to this location from a previous site of a medical cannabis dispensary located at 1623 Barclay Boulevard in Buffalo Grove, Illinois. This memorandum will address current and projected parking conditions and generally comment on traffic. The study will reference a previous traffic impact study, prepared by Sam Schwartz Consulting for the Center, dated June 2016.

### Site Area Context

The cannabis dispensary will be located within a mixed-use retail shopping center that includes multiple retail and restaurant uses, as well as 11,968 square feet of office on the second floor. The Center is served by a signalized access drive on the western border, which aligns with the Woodman's access drive to the north. It also contains a right-in/right-out drive nearly centered on the property. The Center is constructed in such a manner that there are two primary retail areas—east and west—that are separated by a driveway. The use is proposed to be located in the eastern retail/office area shown on **Figure 1** as Site Location and is the subject of this evaluation. Even though parking for the entire Center is shared, the easterly spaces are those primarily serving the site. It should be noted that this analysis did not include the lot located to the rear of the building which could be 32 additional spaces for employees of the use. It also did not include spaces on the western portion of the Center. Consequently, this analysis is very conservative. The spaces subject to this evaluation are identified on Figure 1 and further classified as Lot A and Lot B.

### Existing Parking Utilization

The eastern portion of the Center, including the subject site, contains a mix of commercial, retail, and office totaling 29,209 square feet. Currently 10,239 square feet is occupied including a Starbucks, T-Mobile, Mod Pizza, and Solidcore, leaving 18,970 square feet vacant and yet to be filled. Parking occupancy surveys were performed for three time periods on a Tuesday, Thursday, and Saturday to identify general utilization of the spaces and remaining availability. **Table 1** shows the results of the survey.

**Table 1: Site Area Lots - Parking Occupancy**

|                  | Capacity   | Spaces Occupied        |                        |                       |
|------------------|------------|------------------------|------------------------|-----------------------|
|                  |            | Tuesday 11/19<br>12 PM | Thursday 11/21<br>5 PM | Saturday 11/23<br>1PM |
| Lot A            | 79 spaces  | 16                     | 14                     | 28                    |
| Lot B            | 46 spaces  | 9                      | 5                      | 11                    |
| Total            | 125 spaces | 25                     | 19                     | 39                    |
| Spaces Available |            | +100                   | +106                   | +86                   |

### Traffic Review

The site was the subject of a full Traffic Impact Study dated June of 2016 at which time the entire site had a total commercial tabulation (both east and west) estimated as 99,048 square feet including a gas station, a bank, retail, and office. Included in the total commercial was 9,956 square feet of fast casual restaurant. The traffic study did not break out east and west locations. The traffic study shows that even with the inclusion of the total traffic from the development, along with existing and background growth traffic, the results show a very good Level of Service B at the site signalized drive.

The proposed cannabis use will occupy 4,900 square feet of the Center in the eastern portion. Referencing the Institute of Transportation Engineers' Trip Generation Manual, 10<sup>th</sup> Edition, a cannabis site of this size should generate a range of trips resulting in 50-80 trips during the peak hours of adjacent street activity. Other times would be lower. It should be noted that a portion of the subject site was previously identified as a fast-casual restaurant on the site plan dated August 24, 2017, and in the June 2016 traffic study. Therefore, these traffic volumes are already included in the study's site intersection analyses, resulting in a LOS B at the main signalized drive.

### Projected Parking Demand and Evaluation

This report analyzes the parking supply and demand for the eastern portion of the site and specifically the lots located proximate to the use (A and B). As previously mentioned, the analysis is conservative as there are other lots available not included in the analysis, to the west and south, that could park employees- specifically the 32 spaces located on the south side of the building. The parking survey shows a surplus of 86 spaces during the busiest times which is Saturday at 12:00 PM. Current total square footage summaries provided by the owner for the eastern portion of the site are 17,241 square feet of commercial plus 11,968 square feet of office. As planned, the use will employ an estimated 8 staff persons per shift. Information from the owner indicates that an estimated 15 customers per hour could be expected during busy times. Based on engineering standards and referencing the Institute of Transportation Engineers' Parking Generation Manual, 5<sup>th</sup> Edition, Land Use Code 882 (Marijuana Dispensary), a use of this size is projected to generate a peak parking demand of 35 vehicles, including employees and patients/customers.

Projecting a total future condition, with the proposed cannabis use and full tenant occupancy of the eastern portion of the site, specifically office, there will be ten surplus spaces available even during the peak occupancy times identified in the parking survey. **Table 2** which follows shows the results.

**Table 2: Projected Parking Demand**

| Use                                    | Size      | Parking Demand |
|----------------------------------------|-----------|----------------|
| Office when occupied <sup>1</sup>      | 11,968 SF | 29 vehicles    |
| Cannabis use <sup>2</sup>              | 4,900 SF  | 35 vehicles    |
| Vacant retail <sup>3</sup>             | 2,102 SF  | 6 vehicles     |
| Total future demand                    |           | 70 vehicles    |
|                                        |           |                |
| Minimum available parking (per survey) |           | 86 spaces      |
| Peak time/occupancy surplus            |           | 16 spaces      |

<sup>1</sup>Using 2.39/1000 SF per ITE LUC 710 General Office Building

<sup>2</sup>Using 7.19/1000 SF per ITE LUC 882 Marijuana Dispensary

<sup>3</sup>Using 2.91/1000 SF per ITE LUC 820 Shopping Center

The use was previously contemplated (partially) as a fast-casual restaurant in the traffic study. Based on ITE standards, a 4,800 square foot fast-casual restaurant would have generated *an additional* 13 space peak weekday demand than the proposed use. Furthermore, as stated in the “Responses to Special Use Standards” Village Code would have required the restaurant to have 50 parking spaces, while the proposed use is required by Code to have 20 spaces. As shown in Table 1 above, the east and north parking lots, proximate to the site, have plentiful available parking with 86 spaces available at a minimum during our parking counts to accommodate 70 vehicles at most.

### Conclusion

The Center is well designed with good circulation and access and very good operating characteristics when fully leased. Consequently, traffic generated by this use will function efficiently. The study indicates a surplus of spaces in the eastern portion near the site even with full occupancy of the Center. Accordingly, traffic conditions and parking availability is more than adequate to accommodate the proposed use now and in the future.

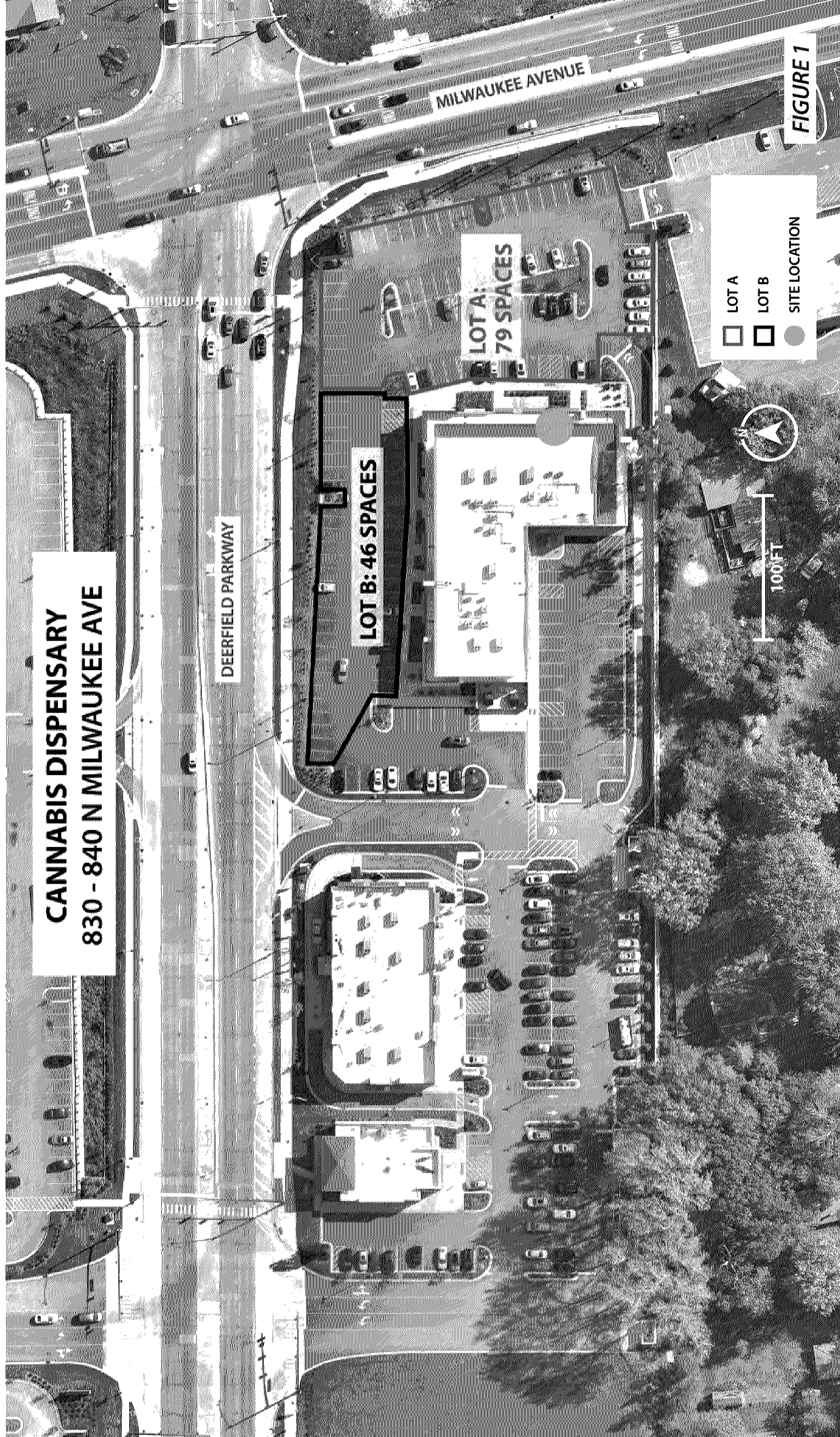


FIGURE 1

9.A.c

## 8. Compliance with Village Ordinances

**Compliance with Village of Buffalo Grove Zoning Ordinances**

*Section 1. The foregoing recitals are hereby adopted and incorporated into and made a part of this Ordinance as if fully set forth herein.*

*Section 2. Title 17.28.080 (Special Use for Adult-Use Cannabis) of the Village Zoning Ordinance is hereby amended by adding the underlined language:*

- a. **Adult-Use Cannabis Business Organizations: An adult-use cannabis dispensary as defined in Section 17.28.80-b. Adult-Use Cannabis Business Organization shall not include a cultivation center, craft grower, processing organization, infuser organization or transporting organization as defined by the Illinois Cannabis Regulation and Tax Act.***

PDI Medical III, LLC (the “Applicant”) is applying for zoning approval for its Adult-Use Cannabis Business Organization which is an adult-use cannabis dispensary and will not include a cultivation center, craft grower, processing organization, infuser organization, or transporting organization as defined by the Illinois Cannabis Regulation and Tax Act.

- b. **Adult-use cannabis dispensary: An adult-use cannabis dispensary shall be defined as a facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from licensed cannabis business organizations for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies to purchasers or to qualified registered medical cannabis patients and caregivers, per the Cannabis Regulation and Tax Act (P.A. 101-0027) as it may be amended from time to time, and regulations promulgated thereunder.***

The Applicant is currently licensed by the Illinois Department of Financial and Professional Regulation to operate a medical cannabis dispensary under the Compassionate Use of Medical Cannabis Pilot Program Act and has received its conditional adult-use same site licensure by the Illinois Department of Financial and Professional Regulation.

- c. **Purpose and Applicability. It is the intent and purpose of this Section to provide regulations regarding the dispensing of adult-use cannabis occurring within the corporate limits of the Village. Such facilities shall comply with all regulations provided in the Cannabis Regulation and Tax Act (P.A. 101-0027) (Act), as it may be amended from time to time, in the regulations promulgated thereunder, and the regulations provided below. In the event that the Act is amended, the more restrictive of the state or local regulations shall apply.***

The Applicant will comply with all regulations provided in the Cannabis Regulation and Tax Act and understands that if the Act is amended, the more restrictive of the state or local regulation will apply.

- d. **Special Use. An adult-use cannabis dispensary, as defined herein, shall require an approval of a Special Use, which use may include a medical cannabis dispensary as***

*defined in Section 17.12.399 (Definition) and shall be processed in accordance with Chapter 17.28 (Special Uses) of this Title as provided herein, and shall be subject to the following conditions:*

The Applicant is seeking approval of a Special Use Permit from the Village of Buffalo Grove.

*i. The adult-use cannabis dispensary must be operated by an organization or business that is currently licensed by the Illinois Department of Financial and Professional Regulation to operate a medical cannabis dispensary under the Compassionate Use of Medical Cannabis Pilot Program Act (410 ILCS 130 et seq.)*

The Applicant is currently licensed by the Illinois Department of Financial and Professional Regulation to operate a medical cannabis dispensary under the Compassionate Use of Medical Cannabis Pilot Program Act and has received its conditional adult-use same site licensure by the Illinois Department of Financial and Professional Regulation.

*ii. The adult-use cannabis dispensary must keep a copy of the dispensing organization agent identification card issued pursuant to the Compassionate Use of Medical Cannabis Pilot Program Act visible at all times.*

The Applicant's employees will have their badges visible at all times pursuant to the Act.

*iii. There shall be no more than two adult-use cannabis dispensaries permitted at any one time.*

The Applicant is seeking one license for a single adult-use cannabis dispensary located at 830-840 N. Milwaukee Ave. (the "Proposed Location") in the Village of Buffalo Grove.

*iv. The adult-use cannabis dispensary may not be located within 1,000 feet of the property line of a pre-existing public or private nursery school, pre-school, primary or secondary school, day care center, or day care home, museum, library and substance abuse treatment or counseling center within the Village of Buffalo Grove corporate limits. Notwithstanding the foregoing, an adult-use cannabis dispensary will not be deemed to violate this provision if one of the school related facilities locates within the 1,000-foot spacing after the adult-use cannabis dispensary has been granted special use approval by the Village. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.*

The Applicant has checked for the setbacks provided in both the Village's ordinance and the Act and to its knowledge, meets the requirements of the 1,000-foot rule for a pre-existing public or private nursery school, pre-school, primary or secondary school, day care center, or day care home, museum, library, and substance abuse treatment or counseling centers within the Village of Buffalo Grove corporate limits.



- v. At least 85% of the floor area of any tenant space occupied by an adult-use cannabis dispensary shall be devoted to the activities of the dispensary as authorized by the Act. Any request for reduction in floor area percentage shall be evaluated as part of the Special Use request.***

The Applicant intends to use the entirety of the floor area of the tenant's space for activities of an adult-use cannabis dispensary.

- vi. For purpose of determining required parking, the adult-use cannabis dispensary shall be classified as a retail and wholesale trade pursuant to Section 17.36.040 of the Zoning Ordinance; provided however that the Village may require that additional parking be provided as a result of the analysis completed through the Special Use process.***

The Proposed Location is compliant with the Village's parking space requirements and provides for ADA accessibility. The Applicant's location is within a retail complex with approximately 90 shared parking spaces available for patient and purchaser use, along with the retail complex's other patrons.

According to the Village code, the Proposed use requires 20 spaces. As noted in the Village staff report regarding the Applicant's request for a pre-application conference, the Proposed location was originally identified as a restaurant which would have required 50 parking spaces. The proposed use requires less than half of that amount, but the number of shared parking spaces built and available to the Applicant's location will remain unchanged (i.e., 90 spaces).

Therefore, the Applicant more than satisfies the Village's parking requirements.

- vii. Other than cannabis-infused food products, no adult-use cannabis dispensary shall also sell food for consumption on the premises in the same tenant space.***

The Applicant will not sell food for consumption other than cannabis-infused food products at the Proposed Location.

- viii. On-site consumption of cannabis shall be prohibited within an adult-use cannabis dispensary and on the premises. The dispensary shall be responsible for enforcing the prohibition of on-site consumption of cannabis under all circumstances inside and outside the dispensary and on the premises.***

The Applicant will prohibit on-site consumption at the dispensary and its premises. The Applicant has standard operating procedures and security procedures that provide for prohibiting on-site consumption including anti-loitering procedures.

- ix. The adult-use cannabis dispensary may not conduct any sales or distribution of cannabis other than as authorized by the Act.***

The Applicant will not conduct any sales or distribution of cannabis other than as authorized by the Act. The Applicant has a full suite of standard operating procedures (“SOPs”) designed to help prevent diversion.

- x. No adult-use dispensary shall be maintained or operated in a manner that causes, creates, or allows the public viewing of adult-use cannabis, cannabis-infused products or cannabis paraphernalia or similar products from any sidewalk, public or private right-of-way or any property other than the lot on which the dispensary is located. No portion of the exterior of the dispensary shall utilize or contain any flashing lights, search lights or spotlights or any similar lighting system.***

No cannabis, cannabis-infused products, or cannabis paraphernalia will be visible from any sidewalk, private or public right-of-way or any property other than the lot on which the dispensary is located. Purchasers can expect the physical environment to be inviting and warm, a source of everyday wellness. The dispensary will reflect the interior design, with a bright and welcoming palette. The exterior of the dispensary will have a gentle aesthetic of light wood tones and whites with brightly colored accents. The signage at the dispensary will say “Sunnyside\*,” and will generally fit in with the surrounding neighborhood. The goal is for purchasers to have the same experience at the Applicant’s dispensary as one might have at a high-end retailer such as Apple or Whole Foods.

- xi. No adult-use cannabis dispensary nor any other person or entity shall place or maintain, or cause to be placed or maintained, an advertisement of cannabis or cannabis-infused product in any form or through any medium:***

- 1. Within 1,000 feet of the perimeter of a pre-existing public or private nursery school, pre-school, primary or secondary school, day care center, or day care home within the Village of Buffalo Grove corporate limits; or***

The Applicant will not display advertisements within the 1,000-foot perimeter of a pre-existing public or private nursery school, pre-school, primary or secondary school, day care center, or day care home within the Village of Buffalo Grove corporate limits.

- 2. On or in a public transit vehicle or public transit shelter; or***

The Applicant will not display advertisements on or in a public transit vehicle or public transit shelter within the Village of Buffalo Grove.

- 3. On or in publicly owned or publicly operated property. All advertising shall comply with the rules and regulations set forth in the Cannabis Regulation and Tax Act (P.A. 101-0027).***

The Applicant will not display advertisements on or in publicly owned or publicly operated property within the Village of Buffalo Grove. All advertising will comply with the rules and regulations in the Cannabis Regulation and Tax Act.

- xii. Each adult-use dispensary shall prohibit any person who is not at least twenty-one (21) years of age from entering the dispensary, except for cardholders granted medical access under the Compassionate Use of Medical Cannabis Act over 18 years of age, whose access shall be limited to the medical cannabis dispensing area only. Dispensaries shall not employ anyone under the age of twenty-one (21). Access to the dispensary shall be limited exclusively to dispensary staff and those specifically authorized under the Cannabis Regulation and Tax Act (P.A. 101-0027).***

The Applicant will only allow qualifying purchasers and qualifying medical patients over 18 years of age into the dispensary. The dispensary's employees will escort any medical patients 18-20 years of age into a medical consultation room for their transaction to take place. After, employees will escort the medical patient back out of the dispensary through the main entrance to avoid the sales floor altogether.

- e. Additional Requirements. As part of the Special Use application requirements, Petitioner shall submit plans regarding installation of building enhancements, such as security cameras, security systems, lighting or other improvements to ensure the safety of employees and customers of the adult-use cannabis dispensary, as well as its environs. Said improvements shall be determined based on the specific characteristics of the dispensary and of the floor plan for an adult-use cannabis dispensary and the site on which it is located, consistent with the requirements of the Act.***

The Applicant has submitted plans for the building enhancement and build-out at 830-840 N. Milwaukee Ave. with adult-use dispensing in mind. These enhancements and changes will create a safe and compliant environment for all qualifying purchasers and patients.

- i. The Special Use Applicant shall submit a complete copy of their license application and all plans submitted to the State of Illinois, or any agency thereof, as part of their special use application. Before issuance of a certificate of occupancy or otherwise opening to the public, Adult-Use Cannabis Business Organizations must provide a copy of their state license to operate as an adult-use cannabis dispensary issued by the Illinois Department of Financial and Professional Regulation.***

The Applicant has submitted a complete copy of their license application and all plans submitted to the State of Illinois as a part of its special use application. The Applicant will submit a copy of their state license to operate as an adult-use cannabis dispensary issued by the Illinois Department of Financial and Professional Regulation.

- ii. Petitioner shall file an affidavit with the Village affirming compliance with Section 17.28.80-c as provided herein and all other requirements of the Act.***

The Applicant will file an affidavit affirming compliance with Section 17.28.80-c affirming compliance with all regulations provided in the Cannabis Regulation and Tax Act. The Applicant understands that if the Act is amended, the more restrictive of the state or local regulation will apply.

***iii. The Special Use Applicant shall submit additional information as required by the Village during the Special Use process.***

The Applicant will comply with the Village's requests for additional information with the Village's understanding that some information may be proprietary and confidential and should be treated as such.

## 9. Floor Plan and Interior Renderings

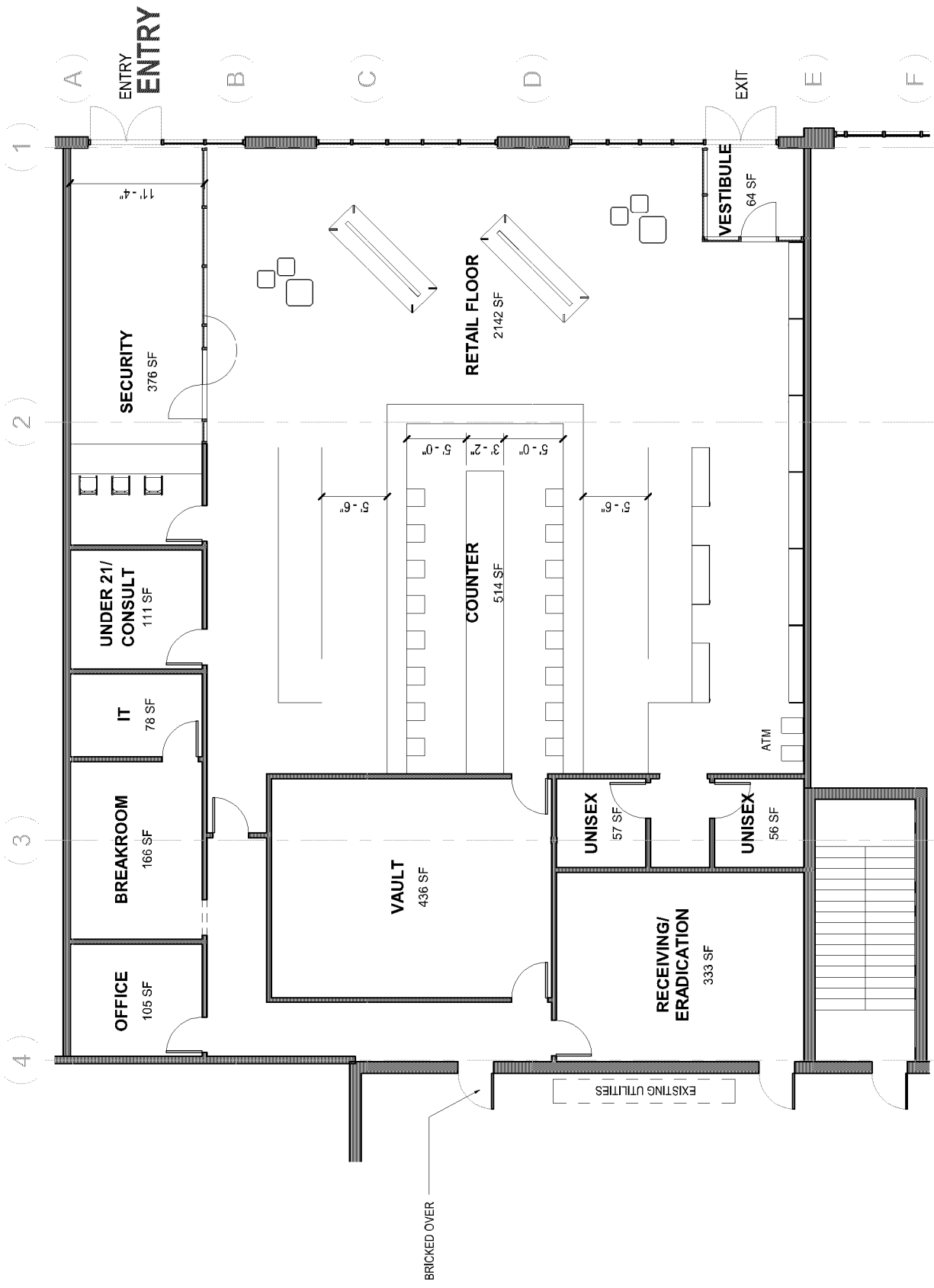
**Lamar Johnson  
Collaborative** ↗

**CRESCO LABS**

**830 N MILWAUKEE TEST FITS  
AUGUST 26, 2019**



OPTION B









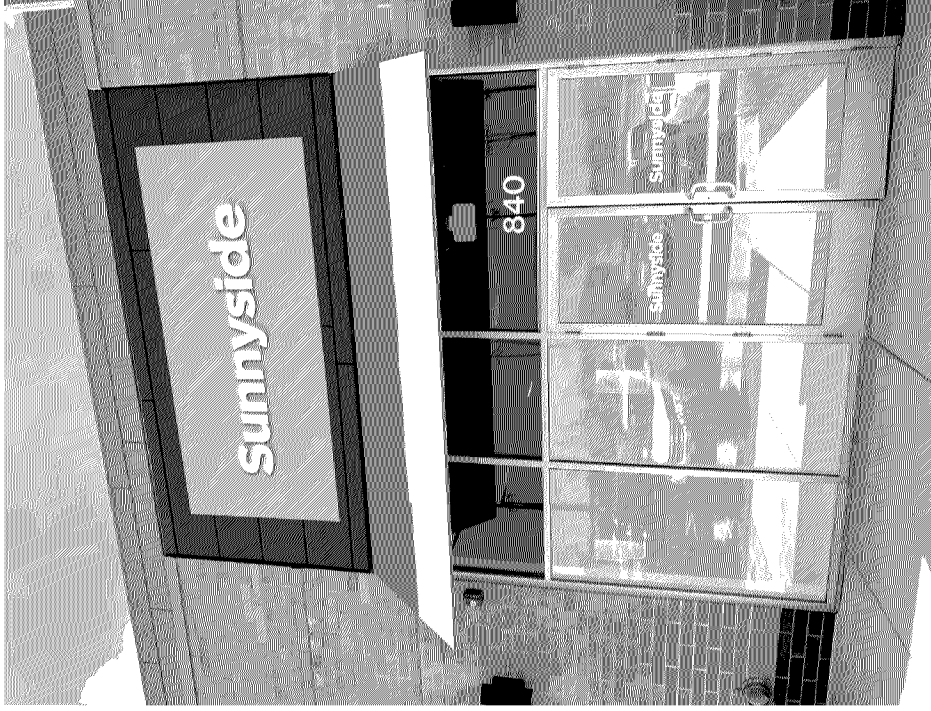


## 10. Updated Exterior Renderings

# **C R E S C O L A B S**

# BUFFALO GROVE EXTERIOR

CREATIVE MOCK-UPS | 12.10.2019



# **11. Same-Site Operations and Management**

## **Practices**

# OPERATION AND MANAGEMENT PRACTICES PLAN FOR ILLINOIS MEDICAL CANNABIS, OAPP PROGRAM, AND ADULT-USE

Updated October 8, 2019

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## TRADE SECRET – CONFIDENTIAL

### General Provisions

These Standard Operating Procedures (“SOPs”) include guidelines for PDI Medical’s (“PDI”) dispensary operations including sales to medical patients (“patients”), patient caregivers (“caregivers”), and purchasers (defined below).

PDI reviewed its current policies and procedures to establish requirements to maintain and comply with written policies and procedures as submitted in the Business, Financial, and Operating Plan as required by Section 15-65 (a) of the Cannabis Regulation and Tax Act (“the Act”) or by rules established by the Illinois Department of Financial and Professional Regulation (“IDFPR”).

*Employee Manual:* A detailed employee policy and benefit manual will be distributed to all employees. The manual will be attached to this operations plan.

*Operating Hours:* The operating hours to purchase cannabis and/or cannabis products for medical or adult use purposes will be between the dispensary's normal operating hours; ensuring that the transactions will occur between 6 a.m. and 10 p.m. The dispensary’s normal operating hours will be 9 a.m. to 10 p.m., seven (7) days a week.

*Definition of “purchasers”:* A “purchaser” is defined as a person 21 years of age or older who acquires cannabis for adult use. “Purchaser” does not include a cardholder under the under the Compassionate Use of Medical Cannabis Pilot Program Act.

*Limited Access Area:* “Limited Access Areas” for all of the Dispensary’s policies and procedures will be defined as a building, room, or other area under the control of a cannabis dispensing organization licensed under this Act and upon the licensed premises with access limited to patients, purchasers, dispensing organization principal officers and other dispensing organization agents, or service professionals conducting business with the dispensing organization.

*Restricted Access Areas:* “Restricted Access Areas” for all of PDI’s policies and procedures will be defined as areas limited to dispensary agents and service professionals while escorted by a dispensary agent. All employees with access to the restricted access area will undergo a comprehensive background check and criminal history check. All employees will undergo an extensive initial security training and semi-annual enhanced security training and emergency drills.

Any employee attempts to enter the restricted access area will need to scan their security badge and their entrance to the restricted access area will be monitored and overseen by security personnel. The security door scanner will record the date and time of access. The video surveillance system will record the employee entering the restricted access area and all activity inside. Each day, inventory reconciliation will be performed by the Agent-In-Charge (“AIC”). All cannabis and cannabis infused product will be counted. Daily inventory counts are recorded into PDI’s BioTrack system.

*Signage:* All signage required by Sections 15-65 (h), (i) of the Act will be posted in a conspicuous location of the dispensary accessible to purchasers and will follow all rules and regulations referenced in Section 15-65 (h)(3).



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- Section 15-65 (h) Signage that shall be posted inside the premises.
  - (1) All dispensing organizations must display a placard that states the following: “Cannabis consumption can impair cognition and driving, is for adult use only, may be habit forming, and should not be used by pregnant or breastfeeding women.”
  - (2) Any dispensing organization that sells edible cannabis-infused products must display a placard that states the following:
    - (A) “Edible cannabis-infused products were produced in a kitchen that may also process common food allergens.”; and
    - (B) “The effects of cannabis products can vary from person to person, and it can take as long as two hours to feel the effects of some cannabis-infused products. Carefully review the portion size information and warnings contained on the product packaging before consuming.”
  - (3) All of the required signage in this subsection (h) shall be no smaller than 24 inches tall by 36 inches wide, with typed letters no smaller than 2 inches. The signage shall be clearly visible and readable by customers. The signage shall be placed in the area where cannabis and cannabis-infused products are sold and may be translated into additional languages as needed. The Department may require a dispensary to display the required signage in a different language, other than English, if the Secretary deems it necessary.
- Section 15-65 (i) A dispensing organization shall prominently post notices inside the dispensing organization that list activities that are strictly prohibited and punishable by law, including, but not limited to:
  - (1) no minors permitted on the premises unless a minor is a minor qualifying patient under the Compassionate Use of Medical Cannabis Pilot Program Act;
  - (2) distribution to persons under the age of 21 is prohibited;
  - (3) transportation of cannabis or cannabis products across state lines is prohibited.

**Employee Training**

The dispensing organization shall maintain evidence of all training provided for every agent in its files and subject to inspection and audit by the Division. At a minimum, agents shall receive eight hours of training annually, and the dispensary will maintain evidence of all training for every agent in its files for inspection by the Division.

*Training for Adult Use Procedures*

The Dispensary will provide agent training pursuant to Section 15-40 (i)(3) including continuing training with over two hours of instruction time approved by the Department including:

- a. Health and safety concerns of cannabis use, including the responsible use of cannabis, its physical effects, onset of physiological effects, recognizing the signs of impairment, and appropriate responses in the event of overconsumption;
- b. Laws and regulations on driving while under the influence;
- c. Prohibitions on sales to minors;
- d. All relevant Illinois laws and rules;

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- e. Acceptable forms of identification, including how to check identification and common mistakes made during verification;
- f. Safe storage of cannabis;
- g. Compliance with all inventory tracking regulations;
- h. Waste handling, management, and disposal;
- i. Health and safety standards at the dispensary;
- j. Maintenance of records;
- k. Security and surveillance requirements;
- l. Permitting inspections by State and local licensing and enforcement authorities;
- m. Privacy issues; and
- n. Packaging and labeling requirements.

The Dispensary may use methods including, but not limited to, reading materials, written assessments, classroom training, online training programs, skill demonstrations, certifications, and on-the-job training as applicable for the task's complexity. Training materials will be created, revised, reviewed, and approved via Cresco Labs' document change management policy. Training will be assigned and documented within the Company's learning management system (LMS).

The above is in addition to all training performed by PDI for new and renewing dispensary agents.

#### *Training for OAPP Procedures*

Pursuant to the Act and governing regulations, a Dispensing Organization shall ensure agents receive a minimum of eight (8) hours of training annually, unless otherwise approved by IDFPR. Staff will be educated that for the purposes of the ("Opioid Alternative Pilot Program") OAPP, "Opioid" means a narcotic drug or substance that is a Schedule II controlled substance under paragraph (1), (2), (3), or (5) of the subsection (b) or under subsection (c) of Section 206 of the Illinois Controlled Substances Act, and that an "Opioid Alternative Pilot Program participant" means an individual who has received a valid written certification to participate in the OAPP for a medical condition for which an opioid has been or could be prescribed by a physician based on generally accepted standards of care.

Staff training shall, at a minimum, include:

- a. Education into the provisions of the OAPP and applicable rules;
- b. How to effectively operate PDI's BioTrack POS system and to utilize the State's OAPP verification and tracking system;
- c. The requirements for registration of OAPP patients and verification of their identity and ability to acquire cannabis pursuant to the OAPP;
- d. Proper inventory tracking for sales of cannabis products to MCPP, OAPP, provisional patients and adult use purchasers; and
- e. The methods and importance of preserving confidentiality and patient privacy rights for all dispensary patients.

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The Dispensary may use methods including, but not limited to, reading materials, written assessments, classroom training, online training programs, skill demonstrations, certifications, and on-the-job training as applicable for the task's complexity. Training materials will be created, revised, reviewed, and approved via Cresco Labs' document change management policy. Training will be assigned and documented within the Company's learning management system (LMS).

The above is in addition to all training performed by PDI for new and renewing dispensary agents.

**Patient, Caregiver, and Adult Use Education**

The first services to be provided by the Company will be the education of its patients, caregivers, and purchasers in the use of cannabis. The Company will always have dispensary agents with vast experience to ensure that its educational services are second to none. The Company will further train its employees about the strains of cannabis and their effect on the various qualifying conditions under Illinois law. Agents will also be trained to adhere to confidentiality requirements, specific uses of cannabis or cannabis-infused products, instruction regarding regulatory inspection preparedness and law-enforcement interaction; awareness of the legal requirements for maintaining status as an agent and other topics as specified by the dispensing organization or the Division.

*OAPP Patient Education*

The OAPP patient education plan shall:

- a. Detail the benefits or drawbacks of cannabis strains or products in connection with medical conditions for which opioids can be/are prescribed for;
- b. Include updated information about the purported effectiveness of strains of medical cannabis on specific conditions;
- c. Include current educational information issued by DPH about the health risks associated with the use or abuse of cannabis;
- d. Include whether possession of cannabis is illegal under federal law;
- e. Include information about possible side effects;
- f. Include prohibition on smoking medical cannabis in public places; and
- g. Include any other appropriate patient or participant education or support materials.

All dispensary agents shall be trained and shall be knowledgeable in regard to all of these subjects, so they can converse with and educate all medical cannabis patients, including OAPP participants, regarding the risks and benefits of medical cannabis.

Participant educational materials shall be updated with current science, regulations, and shall be consistent with other educational materials provided by DPH, IDFPR, or other authoritative sources of information regarding medical cannabis.

**TRADE SECRET – CONFIDENTIAL****Staffing***Managing Increased Dispensary Traffic*

The Dispensary will adhere to the rules and regulations outlined by IDFPR on maximum capacity restrictions. The AIC will be responsible for employees and security staff to ensure that maximum capacity is never exceeded in any facility area. Additionally, to prepare for increased traffic, the Dispensary will increase staffing including, but not limited to the public access area, dispensing counter, and security to reduce wait time. The dispensary will encourage online ordering, using an express checkout for expedited service.

*Staffing*

The dispensary will be staffed at all times with a minimum of two dispensary employees, including one security officer. The dispensary exterior door will not be opened unless both the security officer and agent are present. At all times, the dispensary will keep an appropriate amount of staff for all patients, caregivers, and purchasers in the limited access dispensing area. No patient, caregiver, or purchaser will be allowed into the limited access area unless there is appropriate staffing on the sales floor.

*Entering the Facility*

At the dispensary, only patients, caregivers, and purchasers will have access to specific areas where cannabis is dispensed or handled. All persons intending to obtain cannabis will enter the facility through a security vestibule, which will be monitored by video surveillance that captures the face of each person entering the facility. No person shall be allowed to enter the limited access area until that person is verified by the dispensary agent.

Designated employees will be charged with greeting each person that enters the waiting area and checking identification. They will verify the patient, caregiver, or purchaser information as stated above before allowing admittance into the limited access area. After verification, the security officer will allow the patient, caregiver, or purchaser through the door to the sales floor.

Once a patient, caregiver, or purchaser is inside the limited access area, they will be greeted and directed to the appropriate area depending on their needs. After the patient, caregiver, or purchaser chooses his or her cannabis product, they will have assistance processing their transaction through the steps outlined in the Inventory Control section of this document.

*Electronic Identification Scanners*

PDI will use an approved electronic scanner to retrieve and to verify the validity of an individual's identification and the purchaser's age upon arrival. Any information obtained by the scanner will not be retained, used, shared, or disclosed.

**TRADE SECRET – CONFIDENTIAL***Adult Use Cannabis Limits for Illinois and Non-Illinois Residents*

If an individual is an Illinois resident, the dispensary will not sell more than 30 grams of cannabis flower, 500 mg of THC contained in cannabis-infused product, and/or five (5) grams of cannabis concentrate per transaction.

If the individual is a non-Illinois resident the dispensary will not sell more than 15 grams of cannabis flower, 250 mg of THC contained in cannabis-infused product, and/or two and a half (2.5) grams of cannabis concentrate per transaction.

**ADULT USE ACCEPTABLE IDENTIFICATION:** For adult use purposes, the individual must be over 21 years of age to enter the dispensary. Upon an individual's entry into the dispensary, an employee will immediately inspect the individual's proof of identification, state of residence, and determine if the individual is 21 years of age or older.

If the individual is younger than 21 years old, he or she will not be admitted unless they produce an active medical registration card issued by the Medical Use of Marijuana Program – and is accompanied by a personal caregiver with an active medical registration card for those under 18 years old.

Acceptable forms of identification shall include, but are not limited to a driver's license, state ID, or military ID. The identification must be valid and unexpired. The identification must also contain a photograph and the person's date of birth. The company will refuse to sell marijuana to any consumer who is unable to produce valid proof of identification.

**ADULT USE EXAMPLES OF ACCEPTABLE IDENTIFICATION:**For proof of ILLINOIS residence, 21+ age verification, and full allocation:

Will Illinois drivers' licenses be allowed? Yes.

Will Illinois state IDs be allowed? Yes.

For proof of 21+ age verification:

Will passports be allowed? Yes.

Will military IDs be allowed? Yes.

Will passport cards be allowed? No.

Identification that will not be allowed:

Will a non-Illinois drivers' license and lease (or other document) be allowed? No.

Will a non-Illinois state ID and lease (or other document) be allowed? No.

Will a school ID be allowed? No.

Will an FOID card be allowed? No.

Will a AAA card be allowed? No.

Will a credit card be allowed? No.

Will a lease be allowed? No.

Will a bill be allowed? No.

**TRADE SECRET – CONFIDENTIAL***Medical Identification and Purchasing Limits*

If a medical patient is above 21 years old, the same limits as Adult Use apply. (If an individual is an Illinois resident, the dispensary will not sell more than 30 grams of marijuana, 500 mg of THC in a cannabis-infused product, and/or five (5) grams of cannabis concentrate per transaction.)

For medical patients under 21 years old, the dispensary will not sell more than 2.5 ounces of usable cannabis during a period of 14 days unless a patient has a waiver from a physician approved by the Department for a higher limit. This is subject to change in 2020, with the repeal of this section in the Compassionate Use of Medical Cannabis Pilot Program Act scheduled to be repealed on July 1, 2020.

Medical patients, caregivers, and OAPP patients must provide their medical card and state ID or drivers' license to enter the facility.

**Supply Plan**

PDI will be able to keep a continuous supply of medical cannabis through previously developed relationships with cultivators. PDI currently purchases cannabis from most cultivators in the state and will be able to maintain an extensive supply of cannabis for both medical and adult use. PDI continues to work closely with many cultivators on a daily basis, including Cresco Labs, Ataraxia, Revolution Cannabis, GTI, Pharmacannis, and several others. PDI typically orders every other week from these suppliers and intends to keep a regular and fresh supply of medical and adult use cannabis.

PDI will also work with craft growers, infusers, transporters, and other dispensaries to accept product and ensure a wide variety of products at its dispensary.

The AIC will ensure that an assortment of products from various cannabis establishment licensees are available; providing that no single licensee's product makes up more than 40 percent of the total inventory available for sale.

*Managing Adult Use and Medical Supply*

PDI's priority is providing patients the care they need and has created a plan to maintain supply for a seamless integration to Adult Use, in which current patients will have the same care and service they do with the current dispensary experience. Using Cresco Labs' data analytics for patient demand, the Dispensary is able to keep track of orders making it simple to keep a supply of cannabis products comparable to what patients currently require. Cresco Labs will utilize the sales data from December 25, 2018 to June 25, 2019 (six months prior to the effective date of the Act) as a benchmark to mark and reserve a quantity and variety of medical cannabis products to be specifically allocated to patients, caregivers, provisional patients, and OAPP participants upon the addition of the Adult Use market at PDI. Thereafter, Cresco Labs will continue to analyze the preceding six months' data to regularly adjust stock reserved for medical patients in accordance with patient demand. Products reserved for registered patients will be stored on-site and be clearly marked using a color-coding system to differentiate from the products marked for adult use.

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## **Inventory Control**

PDI will track its inventory from its order from the cultivation through the sale to the patient, caregiver, or purchaser. PDI will ensure its records are accurate and accessible at any time through BioTrackTHC (“BioTrack”), the State’s automatic data processing/point-of-sales system (“ADP/POS”) in real time. PDI will conduct its inventory tracking using the following process, which will be under constant video surveillance:

- a. The complete order record sent to the cultivation center, processor, craft grower, or infuser will be entered into BioTrack.
- b. Upon arrival at the dispensary, a dispensary security officer and an Agent-In-Charge (“AIC”)/dispensary agent will meet the delivery vehicle and take them into the secure vestibule where staff will verify the strain, variety, and batch number of the delivery. The employee will also check the registry identification number of the registered cultivation center, processor, craft grower, or infuser providing the medical and/or adult use cannabis and the cultivation agent delivering the cannabis.
- c. All delivery items will then be put into the secure product vault and clearly marked using a color-coding system to differentiate products marked for medical or adult use.
- d. When necessary, product will be taken from the vault and placed in secured mobile storage containers in restricted access areas.
- e. The dispensary will have two separate queueing lines – one for patients and caregivers, and one for purchasers. The queue for patients and caregivers will be assisted before the queue for purchasers.
- f. At the time of sale, the dispensary agent will remove the correct product according to patient, caregiver, or purchaser status from the locked mobile storage container.
- g. BioTrack will record the patient, caregiver, or purchaser and specific product given to the patient, caregiver, or purchaser and mark which product allocation the product came from.
- h. **FOR MEDICAL ONLY:** The ADP/POS will be able to mark sales from registered patients, ensuring that those sales receipts are separate. In the event a medical patient receives inventory allocated for adult use, the Dispensary will ensure that the product is re-allocated correctly in the ADP/POS system. Dispensary agents will check to be sure products are labeled correctly for sale, as medical patients are not prohibited from purchasing as “Purchasers” as defined by the Cannabis Regulation and Tax Act (“the Act”).
- i. **FOR ADULT USE ONLY:** The ADP/POS will be able to mark sales from adult use, ensuring that those sales receipts are separate. Agents will check to ensure products are labeled correctly for sale and that adult use product comes from the accurate allocation, as there must be a reserved quantity and variety of medical marijuana products available for patients, caregivers, provisional patients, and OAPP participants not available for adult use purchasers.
- j. **PRODUCT SHORTAGE PLAN:** In the unlikely event the dispensary ever experiences a shortage of cannabis or cannabis-infused products, qualifying patients, caregivers, provisional patients, and OAPP participants would be served before purchasers from the stock intended for adult use.
- k. **SALES TO EMPLOYEES:**
  - a. Employee adult use and patient purchases may only be made at the end of a shift when the employee is leaving for the day.

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- b. Employee sales must be made by an AIC (employees cannot conduct their own purchase)
- c. Employee purchases must be placed in a sealed bag at the POS
- d. The Agent that sold the product must then walk the employee out of the dispensary with their purchase.
- e. The employee cannot return to the dispensary with their purchase.
- l. Each day, an inventory reconciliation will be performed by an AIC and the staff necessary to complete a full count. All cannabis and cannabis infused products sold, and remaining inventory, will be counted.
- m. The daily beginning and ending inventory counts, including any new deliveries, will be recorded.

*Registration of OAPP Patients*

PDI fully complies with the requirements of OAPP and implements regulations adopted by the IDFPR's Notice of Emergency Amendments, implementing and authorized by the Compassionate Use of Medical Cannabis Pilot Program Act.

PDI has the ability to take the required passport-style photographs and will work with the prospective OAPP patients (at computers and scanners to be located in public access area) to fill out the registration and upload the documents necessary to complete a patient's registration application for the OAPP if the patient is not already registered and meets OAPP requirements.

Once a patient receives a written physician certification ("PC") from a duly authorized medical doctor, the process for registering with the Illinois Department of Public Health ("DPH") is completed online. Registration requires the OAPP patient to provide an Illinois driver's license or state ID, verification of the OAPP patient's address; a passport-style photograph and payment of a \$10 registration fee for the 90-day OAPP registration.

*Notifications to IDFPR*

PDI shall notify the Division in writing within 48 hours in the event it dispenses in excess of a patient's usable amount permitted under the Compassionate Use of Medical Cannabis Act, or the OAPP. The notification shall be reviewed and/or submitted by an AIC, and shall include:

- a. The date and time of the transaction which caused the overage;
- b. The name of the AIC on duty;
- c. The amount of the overage;
- d. The patient or provisional patient's registry identification number; and
- e. A detailed narrative of the circumstances surrounding the overage.

Whenever an incident occurs which requires PDI to submit a notification to IDFPR, or any other agency of the State, PDI shall include a description of the methods PDI will use to self-correct and prevent such type of over-dispensing or other incident from reoccurring.



**TRADE SECRET – CONFIDENTIAL***Dispensing Cannabis to OAPP Patients*

PDI has established an SOP for dispensing cannabis products to patients registered under the OAPP, which provides that the following procedures will be followed:

Before dispensing medical cannabis to an OAPP participant, the dispensary agent shall:

- a. Confirm the OAPP participant is in the Illinois Cannabis Tracking System and is authorized by DPH to purchase medical cannabis;
- b. Verify the OAPP participant's identity by confirming the following:
  1. The patient's name, phone number, and identity from a state or federally-issued identification card;
  2. The OAPP patient's date of birth (must be over 21 years of age);
  3. That original written certification was submitted in the application and includes the name of the issuing physician;
  4. That the certification was issued within 90 days of registering in the OAPP; and
  5. The start and expiration date of the OAPP participant can purchase medical cannabis.
- c. Confirm the OAPP participant is not a registered qualifying patient or provisional patient;
- d. Verify the amount of medical cannabis of the OAPP participant is requesting would not cause the participant to exceed the limit of obtaining more than two and one-half ounces of medical cannabis during any 14-calendar day period.
- e. Enter the following information into the Illinois Cannabis Tracking System for the OAPP participant:
  1. The dispensing organization's registry identification number;
  2. The dispensing organization agent's registry identification ID number.
  3. Identity of the individual to whom medical cannabis was dispensed;
  4. The amount, type, strain, weight and usable weight of medical cannabis dispensed;
  5. The date and time the medical cannabis was dispensed

A PDI AIC will immediately notify the Division (and in no circumstances more than forty- eight (48) hours after) if the Dispensary determines or reasonably believes that a person is attempting to submit or did submit a fraudulent written certification in an OAPP application.

*Dispensing Cannabis to Provisional Patients*

PDI has established a standard operating procedure for dispensing cannabis to provisional patients in accordance with OAPP, providing the following:

- a. Before allowing a provisional patient into the limited access area, staff must verify the person's identity by comparing the provisional patient's provisional registration along with state or federally-issued identification.
- b. Before dispensing medical cannabis to a patient, provisional patient, or a caregiver, the agent shall:
  1. Verify the validity of the patient or caregiver's patient registry identification card or verify the validity of the provisional patient's provisional registration.

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2. Confirm the patient, provisional patient, or designated caregiver's registry identification number is in the State's electronic verification system.
  3. Verify that the patient or caregiver has a current authorization by DPH to purchase medical cannabis.
  4. Verify that the provisional patient's provisional registration has not expired and is authorized by DPH to purchase medical cannabis.
  5. Verify that the amount of medical cannabis the patient, provisional patient, or caregiver is requesting would not cause them to exceed the limit on obtaining no more than two and one-half ounces of medical cannabis during any 14-calendar-day period, unless approved by IDFPR.
- c. Before dispensing medical cannabis to a patient, provisional patient, or a designated caregiver, the agent shall enter the following information into the state's verification system:
1. The dispensing organization agent's registry identification number;
  2. The dispensing organization's identification number;
  3. The amount, type, strain, weight, and usable weight of medical cannabis dispensed;
  4. Identity of the individual to whom medical cannabis was dispensed, whether the patient, provisional patient, or caregiver; and
  5. The date and time the medical cannabis was dispensed.

A PDI AIC will immediately notify IDFPR (and in no circumstances after more than 48 hours) if PDI determines or reasonably believes that a person is attempting to submit or did submit a fraudulent written certification in any application submitted to the state.

*Security Procedures for the Delivery of Cannabis*

When a cultivator, processor, craft grower, or infuser delivers and the products are accepted and logged into BioTrack, the AIC or inventory manager records each product's expiration date into an expiration date log to ensure the product does not expire at the dispensary. Once each week, the AIC or inventory manager will reference the expiration logs to see if a product is due to expire in the next month and to ensure that "first in products are the first sold." Products will be placed in the secure sales cabinets with the oldest products at the front and the newest in the back to guarantee that the first in are the first out. Any product set to expire in a month will be identified and tracked separately to ensure the product is sold before expiration. If the product expires, it will be destroyed in accordance with state law (outlined in the waste section of this plan).

**TRADE SECRET – CONFIDENTIAL***Delivery Confirmation*

The dispensary will confirm receipt of all products through the use of the BioTrackTHC inventory system. The precise amount, type, strain and batch will be ordered from the cultivation center, processor, craft grower. Upon delivery, the dispensary will have two employees present, including the AIC, plus a security officer, to verify that the count is accurate, and all products were received. Both employees will be responsible for ensuring an accurate count. Once visual confirmation is made that all products have been delivered matching both the shipping manifest and the BioTrackTHC order form, the dispensary employee and AIC will enter the confirmation of delivery in BioTrack. No delivery will be complete until it is verified by at least two dispensary employees including the AIC and the BioTrackTHC computer system.

**Security Procedures:** Upon arrival at the dispensary, the cultivation delivery team will be met by the AIC, a dispensary agent, and the security officer. No delivery shall take place unless two employees including the AIC are present to accept the delivery. The security officer, dispensary agent, and AIC shall escort the delivery team into the secure delivery area. The entire process will be recorded on video surveillance. Inside the secure delivery room, the dispensary employee and AIC will verify that each item from the cultivation center, processor, craft grower, or infuser has been delivered per the shipping manifest sent the prior day from the cultivation center and verified by the BioTrack dispensary order manifest. The dispensary employee and AIC will check each item off on the shipping manifest. The manifest will detail the specific type of product, strain, variety and batch number. The dispensary employee and AIC will verify that each of these matches the initial order in the BioTrack system. Once all items are verified, the AIC will sign off on the cultivation center, processor, craft grower, or infuser manifest. Two employees, including the AIC, will verify that every item ordered from the cultivation center, processor, craft grower, or infuser has been delivered.

If the dispensary employee, AIC, and security officer determine that any item is missing from the manifest or has been tampered with or has a broken seal or any other irregularity, the employee, AIC, and security officer will refuse acceptance of the disputed item. The dispensary employee, AIC, and security guard shall immediately list the incomplete or corrupted delivery report listing the batch number, type, strain and variety of the missing or corrupted item. The AIC and security officer will then make the appropriate notifications, when necessary, to the Department, Illinois State Police or local police department as required. Two dispensary employees, including the AIC will observe as the cultivation center, processor, craft grower, or infuser delivery person removes all of the items brought. Then, the security officer, the AIC, and dispensary employee will escort the delivery employee out of the dispensary.

Should both employees determine that the delivery is complete, and all items listed on the BioTrack manifest are present and correct, they will begin the login process. Once all of the items are entered into the system and all items are verified, the employee and AIC will sign off on the dispensary center manifest verifying all items delivered and received. Finally, all items will be moved out of the secure delivery room and into the vault/safe room and the cultivation center delivery personnel will be escorted out of the building. Again, the deposit into the vault will be recorded on video surveillance. All shipping manifests, as well as the names of the cultivation center and delivery agent delivering the cannabis, dispensary agent receiving, and security officer present will be kept in paper form and stored for a minimum of five years. Additionally, the shipping manifest and BioTrack order manifest will be scanned into the BioTrack system and

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stored both off-site and on-site on dispensary servers.

All deliveries to the dispensary will be monitored with multiple layers of security before, during and after the delivery. The security officer will be notified by the cultivation center delivery team at least fifteen minutes prior to the delivery. Upon notification, the security guard will monitor the dispensary site and all neighboring areas for individuals conducting surveillance, suspicious vehicles or any other irregularity inside or outside the dispensary.

If the security officer perceives a threat and believes the dispensary to be in imminent danger, the officer will initiate a lock down of the dispensary and immediately notify the local police of the perceived threat. The security officer will also notify the cultivation center, processor, craft grower, delivery team and instruct them to abort the delivery.

### **Recordkeeping System**

The AIC will be responsible for ensuring that all records are maintained, updated, and stored properly. The AIC will set in place best practices for keeping documents and uncovering irregularities. The AIC will oversee the day-to-day recordkeeping procedures, including:

- a. **Management Plans:** The AIC will review and revise the management plan on a regular basis. PDI has developed a management plan that utilizes best practices with expert knowledge in the medical and adult use cannabis industry. All historic versions of the management plan will be kept on both local and remote servers. In addition, hard copies will be kept by the AIC's office at the dispensary.
- b. **Business Records:** The AIC will be charged with ensuring the proper procedures exist to maintain PDI's business records. All business records, including budgets, maintenance costs, and profit and loss will be kept both in electronic form and hard copy. All hard copy records will be scanned and saved to PDI's server. Budgets and costs will be under constant evaluation by the AIC and Principal Officers.
- c. **Sales Records:** BioTrack will store point of sales records electronically and in real time. PDI will track its inventory from the cultivation center through the sale to the patient. Through BioTrack, PDI will ensure its records are accurate and accessible to law enforcement. The AIC will have real-time access to these records through firewall

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protected internet service. Any paper records will be scanned and saved into the system. Any hard copies that pertain to destruction, delivery, and sale of cannabis will also be kept in a fireproof safe/vault at the dispensary.

- d. Operating Procedure Records: PDI's operating procedures will be kept in the operations manual that will be distributed to all employees and officers of PDI.
- e. Security Records: The AIC and Security Director will regularly review the security manual to ensure that all security procedures are effective in protecting patients, caregivers, purchasers, and employees. The AIC will also keep all video surveillance, alarm, and other facility security specifications. All records will be kept both electronically and in paper form both at the facility and in a secure, remote location.

***MEDICAL ONLY: Qualified Patient and Designated Caregiver Recordkeeping System***

PDI will have an integrated patient tracking system that allows for complete patient verification, history, and sales tracking at the point of sale via BioTrack. This system will be web-based and accessible 24 hours a day and seven days a week. Through an identification card and patient number, BioTrack will verify the patient in the state database at the time of purchase. The system allows for the scanning of all patient paperwork and identification and compiles a real-time record of patient activities. Once a sale to a patient is initiated, the system will record the cannabis quantity, name, and strain to ensure that the verified patient never receives an amount in excess of that allowed by law. Each time the patient returns to the facility, the complete history of the patient will be immediately available to the patient counselor at the point of sale.

Confidential Patient Records: BioTrack allows for the confidential collection of all patient information. BioTrack tracks all patient intake information and background data. PDI, at a minimum, will review its patient confidentiality procedures semi-annually. All electronic patient records will be protected by the most advanced encryption and firewalls available. Moreover, any paper patient record will be kept in a restricted access area.

***ADULT USE ONLY: Purchaser's Personal Information***

Purchaser's personal information shall not be obtained and recorded without the purchaser's consent. PDI's employees having custody of, or access to personal information and records shall not divulge its contents or provide copies to anyone except where a purchaser has given consent for such disclosure in writing.

**Audits**

***Security Audits and Incident Reports***

The AIC will conduct monthly security audits. The security audits will include a complete inspection of all security systems. The record of these audits will be kept in paper form for inspection by IDFPR at the dispensary.

All incident reports, including but not limited to missing or lost cannabis, suspected diversion of cannabis, and theft will be kept at the facility. These documents will also be kept on a password-

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protected computer and accessible remotely via password. After any incident where theft or diversion is shown or suspected, the AIC will carefully document the incident. In addition, the AIC and Security Director will meet and review all security procedures, manuals, and equipment specification after each incident. Moreover, they will revise and update any, or all, of those manuals and specifications subsequent to that incident.

*Company Audit Records*

The AIC will be responsible for maintaining and storing all audit records. Each morning, the AIC will review the inventory record. The AIC will print out a complete inventory record and distribute it to dispensary agents to conduct a complete inventory count. Once the count is complete (preferably prior to opening for the day), the AIC/Inventory Manager will verify the count and ensure there are no inventory discrepancies. If there is a discrepancy, the AIC/Inventory Manager shall conduct an immediate investigation to determine the circumstances surrounding the missing product and shall notify the Security Director about the discrepancy. Inventory Discrepancies will be reported to IDFPD via Division-provided inventory adjustment forms. Inventory adjustment information, including approval emails, will be kept for a minimum of 2 years. The inventory record will be kept electronically and in hard copy in the AIC's office. The AIC shall review this record on a daily basis and update procedures if needed.

The AIC will also conduct a full audit of product and sales every thirty days. The full audit record will be generated by the AIC and reviewed by Cresco Labs' internal retail and/or compliance teams. The Audit will be verified by the appropriate parties and will be kept electronically on site and through a secure network for off-site storage. Paper records will be scanned onto back-up servers with hard copies stored in the onsite vault.

*State Audits and Inspection Records*

The AIC will ensure all records are kept readily available for State Inspectors. PDI will establish a training and protocol system that explains to all staff that State Inspectors should be given all deference and access to documents. Staff will be trained to immediately notify the AIC and Security Director when an inspection occurs.

To ensure access for State Inspectors, PDI will institute a policy that requires all relevant pieces of paper that come into the dispensary be scanned and filed electronically. This system will include all paper delivery documents from cultivation centers, service/work orders, and other miscellaneous documents. All other dispensary information, including patient records, sales, income, and expense information will be kept electronically. The AIC will have access to these records through remote access and on-site at the dispensary. Upon request, access will be given to State Inspectors.

PDI is prepared to accommodate for random and unannounced dispensary inspections by the Division, the Illinois State Police, and local law enforcement. All employees responsible for preparation, obtaining or keeping records, logs, reports or other required documents shall, upon request by authorized officials, make the documents immediately available for inspection.

**TRADE SECRET – CONFIDENTIAL****Surveillance and Security System Overview***Security System Specification**Physical Access Control System – Restricted Access, Delivery Area, and Employee Areas**Video Surveillance System*

**TRADE SECRET – CONFIDENTIAL***Video Storage and Access Capabilities*

The video management system will provide 24-hour recordings from all video cameras available for immediate viewing by the State Police and IDFPR upon request. The video management system will have the capacity to retain digital recording data for a minimum of 90 days and the policies in place will ensure this data will not be destroyed or altered during that 90-day period. In addition, all video surveillance captured will be stored both on site and off site to provide redundancy. PDI will provide additional storage to ensure capacity to hold investigation data indefinitely in the event of a loss or theft of cannabis, or a pending criminal, civil, or administrative investigation, or legal proceeding for which the recording may contain relevant information. The system will authenticate and guarantee no alteration to its video. PDI will use a web-based portal, March Networks Cloud, which is a remote viewing solution that delivers hassle-free live or recorded video access via personal computer or mobile device. The system has virtual servers that provide redundancy required for uninterrupted service. While the video is encrypted and protected by authentication, the State Police and IDFPR will have unlimited access and be able to observe the dispensary from their office or from outside the dispensary with the access code. The State Police and IDFPR will not need additional servers, maintenance, or installation of software to access PDI's security system.

*Exterior Dispensary Security*



**TRADE SECRET – CONFIDENTIAL***Anti-Loitering Policy*

The Company will also establish procedures to deter loitering and unwanted activity around the exterior of the dispensary. Should an incident arise in one of the public areas surrounding the facility, such as a suspicious car or a group loitering around the outside of the facility, the security officer will summon the AIC to the security area. The officer will then inform the AIC that the facility is on “lockdown” and that no one should be allowed to enter or exit the facility until the security officer has returned to their designated area. The officer will then leave to address the incident while the AIC monitors it on the video surveillance feed. Should the need arise, both the officer and AIC will have panic buttons on their person to immediately notify local law enforcement.

*Restricted Access Areas and Vault Access*

Only authorized credential holders who have been granted access to the restricted access area can enter the area through a locked door. The door will be marked with a sign that reads “DO NOT ENTER. RESTRICTED ACCESS AREA. ACCESS RESTRICTED TO AUTHORIZED PERSONNEL ONLY.” The restricted access area will be behind the POS counter and through a security door. Video surveillance, monitored by the security officer, will capture anyone attempting to enter the restricted access area. Any attempt to enter the restricted access area other than with an authorized credential will trigger an immediate intrusion alarm. Any failure indication from any alarm from the restricted access area will trigger an audible alarm, notify the security company, and alert the AIC and Security Director.

*Safe and Vault Protection*

The vault/cannabis storage area will contain its own HVAC system that will remove stale air and recirculate fresh air into the facility. The system will include carbon filters to minimize odor.

**TRADE SECRET – CONFIDENTIAL****Security Procedures for Cannabis Loss and Destruction***Cannabis Loss*

Should inventory not balance out at any given audit, daily check point, or any cannabis or cannabis product is detected as lost or missing, the AIC and security officer will be notified immediately and will assume responsibility for the investigation. If the missing items can be traced back to an error in location or placement, the AIC will close out the investigation.

If the situation is not resolved via normal tracking, the AIC will immediately report inventory discrepancies to IDFPR via Division-provided inventory adjustment forms. When necessary, the AIC will notify the State Police and local law enforcement of the discrepancy. The AIC will conduct a full investigation reviewing surveillance data and conducting employee interviews. The AIC will ensure the preservation of all surveillance data and computer records from the relevant time period and present it to IDFPR. The AIC and Security Director will consult with State Police and/or local law enforcement before the dispensary resumes normal operations and the distribution of medical cannabis.

*Cannabis Recall*

PDI will track all medical cannabis sold, through the BioTrack system. Should the need arise for a product recall, PDI will immediately notify IDFPR and will take action to remove defective or potentially defective cannabis from the market to promote public health and safety. These mechanisms include:

- Contacting patients, caregivers, and purchasers who have, or likely have, obtained the product from the dispensary, including information on the policy for return of the recalled product;
- Identifying and contacting the adult use cultivation center, craft grower, or infuser that manufactured the cannabis;
- Communicating with the Department, the Department of Agriculture, and the Department of Public Health within 24 hours of discovering defective or potentially defective cannabis; and,
- Destruction of any recalled cannabis product.

*Destruction of Cannabis*

1. Once product has been found as unusable, broken seal, expired etc. Product must be moved in BioTrack to quarantine and physically moved to the quarantine container in the vault.
2. Items shall be scheduled for destruction with the state within seven days of being found.
3. The state police must be notified of destruction before destruction occurs.
4. On day of destruction the items must be scheduled for destruction in BioTrack
5. On day of destruction, there must be two people present for the destruction at all times.

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6. All products that are to be destroyed must be brought into the room at the same time. Once all products are in the room, the two individuals handling the destruction must remain in the room until the destruction is complete.
7. All products that are being destroyed must be entered into the destruction log with the following information: the product name, the quantity, the product barcode, the reason why the product is being destroyed, and the weight of the product.
8. In order to get the weight of the product the items must be placed on the scale in the destruction room. If destroying flower, it needs to be removed from the packaging and placed on a barrier (ie. a napkin). Place barrier on the scale first and zero out the scale before adding the flower in order to get correct weight.
9. The date the product was found must be documented in the destruction log.
10. Once all products have been documented and weighed, product is to be placed into the food processor with soil and vinegar and blended until considered unusable.
11. Vape cartridges may have to be destroyed by placing in a bag and breaking with a hammer then adding the remains into the soil/vinegar blend.
12. Topical material will be emptied from its container using a plastic disposable knife when necessary to ensure that the entire product has been removed from the container. The product will then be blended with the soil/vinegar blend.
13. Transdermal patches are disposed of by the AIC. While wearing gloves, the AIC shall fold the patch in half with the adhesive side against itself. The patch is then cut with scissors into the smallest possible pieces. Finally, the remains of the patch are blended with the soil vinegar blend.
14. All edible products shall be removed from their package by the AIC. The edible shall be placed into the blender with soil and vinegar and mixed until the product is rendered unusable.
15. After product has been blended and considered unusable, the blended mixture is to be thrown into a garbage bag and placed in the dumpster for disposal.
16. Once the destruction is complete, the two employees must initial to verify they conducted the destruction properly.
17. The product should then be moved to “Destroyed” in BioTrack.

**Natural Disaster or Emergency**

During a crisis, such as a fire, flood or natural disaster, or other situation of local, state or national emergency during business hours that includes an immediate threat of loss of life or bodily injury, the employees will activate panic alarms at the facility and initiate an immediate law enforcement response to the dispensary. If the crisis is inside the facility, all employees, purchasers, patients, and caregivers will immediately vacate the facility. The security officer and dispensary agent shall remain in the nearest possible proximity to the dispensary during the crisis and immediately return to the facility once the crisis has abated.

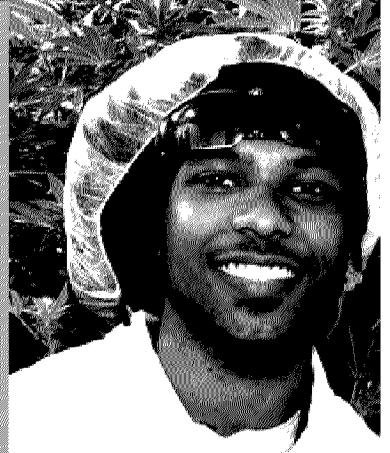
Upon return, the dispensary agent and security officer shall immediately assess the damage, if any, to the facility, conduct a complete inventory of all cannabis and determine the extent of loss if any. If the dispensary agent determines a loss of cannabis has occurred, the dispensary agent will immediately notify the Department and local law enforcement. If no cannabis is lost, the dispensary agent shall work to ensure that normal operations are resumed as soon as practicable

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or if the facility is destroyed or incapable of effectively securing the cannabis, the dispensary agent and security officer will immediately notify the Department and local law enforcement and, upon approval, transport it to the nearest police station or to a place designated by the Department. At all times, any cannabis recovered shall be accounted for by the dispensary agent. The dispensary agent will then access the all records and notify patients, caregivers, and purchasers of the closure and, if possible, of the timeline of restarting operations.

CRESCOLabs

JDRC MANA GED SERVICES



# EMPLOYEE HANDBOOK

V1-040120-18

Attachment: Exhibit A- Plan Set (O-2020-6 : Ordinance Approving a Special Use for an Adult Use Cannabis Dispensary at 830-840 Milwaukee

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# INTRODUCTION

JDRC Managed Services, LLC (the “Company”) is pleased to provide you with this Employee Handbook (this “Handbook”). Please use this as a general guidance piece about our current rules and operating procedures and the benefits currently offered to our employees.

We make changes to this Handbook (and its other policies) from time to time. While we will try to give you advance notice of changes, doing so may not always be possible. Note, however, that (a) our policy of employment at will may be revised only by a written contract or agreement signed by the Company’s CEO or CFO, and (b) our Dispute Resolution policy may be revised only by a written contract or agreement signed by the employee and the Company’s CEO or CFO.

If you are currently employed with us on the date this Handbook becomes effective, you may have received an earlier version. This Handbook supersedes all prior Company handbooks and policy statements that you may have seen or heard concerning the matters it describes. However, this Handbook doesn’t supersede applicable laws, regulations, or ordinances. Rather, any law, regulation, or ordinance that conflicts with any of our policies will be controlling.

Of course, nothing in this Handbook will be applied in a manner that limits employees’ rights to engage in protected concerted activity as defined by the National Labor Relations Act.

We want to ensure your rights and obligations as employees are clear. As such, we will include the occasional legal definition or example to illustrate the policy in question.

Above all, we want your employment with the Company to be fulfilling and enjoyable. If you have any questions regarding any of these policies or your employment with the Company, please contact Human Resources.

## KEY SECTIONS:

**Equal Opportunity Employment:** JDRC and Cresco Labs is an Equal Opportunity Employer. Please see page 4 for more details on this.

**Business Ethics & Conflicts of Interest:** Please remember all employees are ambassadors of the Cresco brand. If you are uncertain whether an activity, interest, or relationship poses a conflict of interest, it is best to contact one Human Resources before engaging in the activity, pursuing the interest, or becoming involved in the relationship. Please see page 8 for more information.

# WELCOME LETTER

Hello, thanks for being a part of the Cresco Labs family!

We are united in our pursuit to provide consistent, dependable, quality cannabis products to patients and people across the country. Our work contributes to far more than the growth of this company – we are authoring the new cannabis narrative. By joining us at Cresco Labs, you have joined champions of change.

Breaking down the walls in a highly regulated industry isn't easy. That's why we strive to provide an environment that supports goal-oriented individuals to rise to demanding challenges. We want your work day to be a time when you can think holistically, act with vision, and turn no's into yes's. The policies and procedures in this document help us to provide a workplace where you and the company grow together.

So please - bring your whole self to the table! We value the unique talents, abilities and intricacies of each employee. We encourage you to find ways to contribute to Cresco with all of your strengths. Cresco employees are selected for their dedication to hard work, ingenuity, and sense of ownership. As a company, we are setting an example for our peers and changing the minds of skeptics. It's exciting, history-making work, and we're thrilled to have you as a part of it.

Please take some time to review the policies, procedures, working conditions, and benefits described in this handbook. Cresco provides an open door policy in which employees are encouraged to take ideas or concerns problems to their supervisor, or next level of management. So, if you have questions on what is outlined in this document, please reach out.

I look forward to a long and rewarding time together.

THANK YOU!



Charlie Bachell  
CEO and Founder, Cresco Labs LLC





# GENERAL POLICIES

## AT-WILL EMPLOYMENT

This Handbook is not an employment contract. Compliance with the policies in this Handbook does not guarantee employment with the Company for any duration of time. Rather, you and the Company have an “employment at-will” relationship. This means your employment may be terminated by you or by the Company at any time, with or without advance notice, with or without cause. However, we ask that if you decide to leave your employment, you provide your manager and Human Resources with at least two weeks’ notice. At-will employment status cannot be changed by any representative of the Company except its CEO or CFO, who may do so only in a written, signed agreement.

## EQUAL EMPLOYMENT OPPORTUNITY, ANTI-DISCRIMINATION, AND ANTI-HARASSMENT

We are committed to providing equal employment opportunity for all qualified job candidates and employees and to maintaining a workplace free of discrimination and harassment on the basis of race, religion, color, gender (including gender identity, change of sex, and transgender status), sexual orientation, age, disability, pregnancy, ancestry, national origin, military or veteran status, marital status, genetic information, or any other characteristic protected by applicable law (each, a “Protected Characteristic”).

Employment discrimination occurs when an employee is materially adversely affected with respect to any term or condition of employment (including hiring, compensation, advancement, discipline, or termination) based on a Protected Characteristic.

We offer employment, training, compensation, and advancement on the basis of qualification and merit, regardless of Protected Characteristics.

Harassment is any conduct, whether verbal, non-verbal, or physical, that degrades, insults, or offends a person or group on the basis of a Protected Characteristic when: (1) submission to such conduct is made an explicit or implicit term or condition of employment; (2) submission to or rejection of such conduct is used as a basis for any employment decision; or (3) such conduct has the purpose or effect of interfering with an employee’s work performance or creating an intimidating, offensive, or hostile working environment.

Sexual harassment in violation of this policy includes, but is not limited to:

- Sexually suggestive or vulgar comments or jokes, inappropriate comments about another person’s sexual behavior or body;
- Improper or intrusive questions or comments about an employee’s romantic or sexual experiences or preferences, or unwelcome or offensive sexual flirtations, propositions, advances, or requests;
- Use, display, or communication of sexually suggestive or offensive words, objects, pictures, calendars, cartoons, articles, letters, email or text messages, computer programs, or material from the Internet;
- Making or threatening undesired physical contact (such as touching, embracing, or pinching) or impeding another’s movements in a deliberate manner; and
- Offering or providing employment benefits in return for sexual favors or an employee’s agreement to provide sexual favors, or taking or threatening to take adverse action against an employee because the employee rejects requests for sexual favors.

## GENERAL POLICIES

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Discriminatory harassment in violation of this policy includes, but is not limited to:

- Comments, jokes, or innuendo that disparage, insult, offend, or ridicule based on a Protected Characteristic;
- Singling out an individual for abusive conduct based on a Protected Characteristic; and
- Using, displaying, or communicating words, objects, pictures, calendars, cartoons, articles, letters, email or text messages, computer programs, or material from the Internet that disparage, insult, offend, or ridicule based on a Protected Characteristic.

We take allegations of harassment seriously. If you feel you are being subject to harassment by anyone (including, but not limited to, a supervisor, manager, coworker, subordinate, customer, or vendor), you should immediately do the following:

1. If you feel comfortable doing so, clearly and directly inform the person harassing you that his or her conduct is unwelcome and must stop; additionally, tell Human Resources about the allegations so they are documented.
2. If you don't feel comfortable confronting the person directly, or if the harassment does not stop after you do so, promptly report the harassment to Human Resources and provide any documentation you may have prepared regarding the harassment. If, for any reason, you don't feel comfortable reporting the harassment to Human Resources, you should report it to the CFO.

We value the unique talents, abilities and intricacies of each employee. We encourage you to find ways to contribute to Cresco with all of your strengths.

Likewise, if you believe that any other person has been subjected to harassment or that employment decisions (with respect to you or any other Company employee) are being made for discriminatory reasons, you have the responsibility to promptly report such conduct to Human Resources or the CFO.

All complaints will be investigated promptly and thoroughly. The investigation will be kept confidential to the extent possible. All employees are required to cooperate with an investigation.

If an investigation confirms that a violation of this policy has occurred, the Company will take prompt corrective action reasonably designed to end the violation and to prevent further violations. Such corrective action may include disciplinary action against anyone found to have violated this policy.

We will not tolerate retaliation against any employee who makes a good-faith report of discrimination or harassment or participates in an investigation, even if, after an investigation, it appears that there has been no violation of this policy. Any employee who is aware of any conduct that may violate this policy should promptly report the conduct to Human Resources or the CFO.

### REASONABLE ACCOMMODATION

We are committed to providing reasonable accommodation to enable qualified employees with disabilities, as well as medical conditions or other common conditions related to pregnancy or childbirth, to perform the essential functions of their jobs. We are also committed to providing reasonable accommodation of an employee's sincere religious observances and beliefs that conflict with job requirements.

If you believe you need accommodation based on disability, medical condition or other common condition related to pregnancy or childbirth, or religion, you are responsible for notifying Human Resources. In the case of disability or pregnancy-related or childbirth-related condition, you may be required to provide medical documentation establishing the existence of a disability or condition, any job-related restrictions, and the estimated length of time for which accommodation is needed. We will keep all medical information confidential to the extent possible.

Any employee who believes he or she has been denied reasonable accommodation should promptly notify Human Resources or the CFO.

## GENERAL POLICIES

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### LACTATION ACCOMMODATION

Each employee is entitled to a reasonable amount of break time to express breast milk for the employee's infant child, and the Company will provide an appropriate and private location for the employee to do so. Please contact Human Resources for additional information regarding lactation accommodation.

### WORKPLACE VIOLENCE

Your safety and security are important to us. We will not tolerate any workplace violence or threats of violence by or against our employees. As used in this policy, "workplace violence" includes conduct occurring on Company premises or during working time that is directed against or by any of our employees, customers, or vendors, whether committed by an employee or outsider, that involves physical acts of violence, oral or written threats of violence, or gestures or acts that are threatening or intended to convey actual or potential injury. It also includes acts and threats that are later claimed to have been made in jest.

Each of us must take any act or threat of workplace violence seriously. So that we can prevent or respond to any act or threat of workplace violence, any employee who is subject to, witnesses, or learns about any such act or threat or who fears or suspects that such an act may occur is required to report the act, threat, fear, or suspicion to Human Resources as soon as the act or threat occurs or as soon as the employee fears or suspects that such an act may occur. Naturally, if you are in fear of imminent harm, call 911 immediately.

When appropriate, we will refer acts or threats of workplace violence to the police or other authorities for possible criminal prosecution.

### WEAPONS

The Company forbids the possession of lethal weapons (such as guns, knives, and explosives) in any Company office or facility.

### WORKPLACE RELATIONSHIPS

Consensual romantic relationships between individuals at the Company are discouraged, because concerns may later arise regarding the actual freedom of choice of the individuals involved, conflicts of interest, or favoritism, particularly when relationships involve a superior and a subordinate.

The Company has discretion to implement staffing changes in order to avoid any real or perceived conflict of interest, positive or negative bias, disruption of the work environment, or decline in performance or productivity. The reason for any such change will be kept as discrete as possible in the discretion and judgment of the Company, and will not be considered punitive. In the event that a lateral move is not possible and a conflict of interest, positive or negative bias, disruption of the work environment, or a decline in performance or productivity exists, the Company reserves the right to ask one of the employees to resign. The determination of whether conduct constitutes or causes a "disruption of the work environment" is in the sole discretion and judgment of Company management. Such conduct may include, but is not limited to, displays of affection or emotional outbursts.



## GENERAL POLICIES

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### EMPLOYMENT OF FAMILY MEMBERS

The employment of members of the same family can cause various problems, including allegations of favoritism, conflicts of interest, family discord, and scheduling conflicts that work to the disadvantage of the Company and its employees.

This policy does not prohibit members of the same family from being employed by the Company, and an employee's family members will be considered for employment on the basis of their qualifications. However, an employee's family members may not be considered for employment if such employment will:

- Have a direct reporting relationship;
- Have the potential to create an adverse impact on work performance; or
- Create an actual or perceived conflict of interest.

Consistent with this policy, employees must avoid supervisory relationships that may be or appear to be inappropriately compromised. In this regard, an employee may not supervise or report to a family member without prior approval from Human Resources or be transferred or promoted into a position that creates any of the three circumstances set forth above. In addition, employees may not use their influence in job assignment, performance evaluations, promotions, compensation decisions, and hiring practices to favor their family members.

In certain circumstances, however, the Company, in its sole discretion, may waive the restrictions of this policy.

For purposes of this policy, "family member" includes a parent, spouse, civil union partner, domestic partner, child, sibling, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, father-in-law, mother-in-law, brother-in-law, sister-in-law, step-sibling or step-child, or any other person with whom the employee has a close personal relationship, such as a roommate.

A current employee who is or becomes a family member of another employee may continue employment as long as such employment does not involve any of the three circumstances set forth above.

To the extent you are aware of an existing employment relationship that violates this policy, please inform Human Resources immediately. The knowing failure to report such a relationship is a violation of this policy.

### AUDIO AND VIDEO RECORDING PROHIBITED

As you know, employees, customers, vendors, and others who conduct business with the Company may discuss Confidential Information (as defined in the Confidential Information policy) while doing business with the Company. Such Confidential Information may have economic value to our competitors, our customers, or our vendors. The Company believes that recording conversations without the consent of all parties will inhibit the free-flow of information and conversation vital to our business.

The Company therefore prohibits any employee, customer, vendor, and anyone else who conducts business with the Company from using any audio or video recording device of any kind to record a conversation, whether in the workplace or in any environment in which work-related issues are discussed, without the express consent of all parties to the conversation. If you violate this policy and that violation causes economic or irreparable harm to the Company, then it may seek appropriate legal remedies.

An exception to the rule concerning audio or video recordings would be activity protected by the National Labor Relations Act including, for example, making video recordings regarding concerns about health, safety, and/or other working conditions or other protected concerted activities.

## GENERAL POLICIES

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### BUSINESS ETHICS/CONFLICT OF INTEREST

Please remember that, as an employee, you are an ambassador of our brand in the world. As such, we hold integrity close as an important employee and company value. All employees must be able to carry out their job duties without impairment or the appearance of impairment by virtue of some other activity, interest, or relationship.

Each of us must avoid relationships with other employees that may conflict with effectively carrying out our job duties, affect our independence or judgment, or otherwise give rise to a conflict of interest or the appearance of one.

Avoid entering into any associations with any other person or business that might give the appearance of conflict with your job duties or that might tend to affect your independence or judgment with respect to transactions between the Company and any other person or business.

If you are uncertain whether an activity, interest, or relationship poses a conflict of interest, it is best to contact one Human Resources before engaging in the activity, pursuing the interest, or becoming involved in the relationship.

While employed with the Company, you may not work for any competitor of the Company.

Please report any actual or potential conflict of interest situation to Human Resources for resolution.

### SAFETY / CLEANLINESS

Your safety is important to us, and we aspire to provide and maintain a safe and healthy work environment. You are expected to exercise safe working practices at all times.

Posters addressing your obligations and rights under the Occupational Safety and Health Act are posted in the breakroom. In addition, please comply with the following guidelines at all times:

- Comply with all applicable codes and laws.
- Promptly report to Human Resources or the Direct of Compliance any unsafe condition and anything that needs repair or is a perceived safety hazard.
- Promptly report any accident, illness, or injury to Human Resources. Do not attempt to treat illness or injury yourself.
- Read and obey all safety warnings, bulletins, and signs.
- Fire doors must be kept clear and unlocked during working hours. Learn the location of all fire exits, alarm boxes, and fire extinguishers.
- Promptly clean up all spills.
- Use flammable liquids and materials, such as cleaning fluids, with extreme caution.
- Walk – don't run.
- Promptly report to Human Resources if you or a co-worker becomes ill or injured.
- Don't lift objects that are too heavy for you.
- Refrain from "horseplay" or practical jokes that affect safety.
- Maintain a clean, orderly work area.

### SECURITY

All individuals who enter the Company's premises must check in at the front desk. Except for cardholders, potential cardholders, and vendors who already are transacting business with the Company, all individuals must be escorted by a Company employee while on premises. All vendors who enter our premises must already be on the approved vendor list, sign in and out, and wear a vendor badge at all times while on premises.

## GENERAL POLICIES

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### VEHICLE USE

Your use of any vehicle in connection with performance of your job responsibilities is subject to the following requirements and limitations:

- Maintain a valid driver's license. You may not drive to or from any Company location (or between locations), drive during working time, or drive any vehicle in connection with performance of your job responsibilities, unless you have a valid driver's license. Driving on a suspended or revoked license is prohibited, regardless of the reason for the suspension or revocation.
- Remain knowledgeable of and comply with all federal, state, and local motor vehicle laws and regulations. Obey all posted street signs and signals.
- Do not engage in any activity that distracts you from driving or takes your eyes or attention off the road. For example, do not operate cell phones or other handheld devices (including talking, dialing, or sending or receiving text messages or emails) while your vehicle is in motion.
- Practice effective defensive driving techniques. Exercise special precautions when pedestrians are in the roadway, driving during inclement weather, or navigating around special equipment, busses, etc., and be sure to stop for school busses when children are boarding or disembarking.
- The driver and all passengers must wear seatbelts while the vehicle is in motion.
- No illegal drugs or open alcoholic beverages are allowed in vehicles.
- Do not operate a vehicle after having consumed alcohol and/or drugs, including prescription and non-prescription drugs that may impair your driving ability.
- Promptly report to Human Resources all moving citations received during working time. (However, please note that the Company will not be responsible for payment of any citation.)
- In the event of an accident:
  - » Do not move the vehicle unless it is obstructing a roadway or access route.
  - » If anyone is injured, immediately call 911 and then contact Human Resources.
  - » Obtain from all other drivers involved their name, address, phone number, license plate, and insurance information (and, if possible, take a photo of their driver's license and insurance card).
  - » Obtain from all witnesses their name, address, and phone number.
  - » Take photos of the scene, including the position of all vehicles involved, all damage to all vehicles involved, and any other relevant information.
  - » Promptly provide to Human Resources a copy of any police report completed for an accident involving a Company employee, regardless of whether there appears to be property damage or bodily injury. Note, however, that any traffic citation issued to any employee (whether or not related to an accident) will be the sole responsibility of the employee who received the citation and will not be reimbursed by the Company.
- If you use your own vehicle in connection with your performance of your job responsibilities, you must have liability insurance with at least the minimum coverage required by applicable state law, must always carry your insurance card in your vehicle, and must provide proof of insurance upon the Company's request.

Any violation of the above restrictions may result in a loss of driving privileges and or disciplinary action up to and including termination of employment.

## GENERAL POLICIES

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### DRUGS AND ALCOHOL

We value our employees, customers, and others who conduct business with us. While we recognize that we are in the medical cannabis business, we also recognize the need for a safe, productive, and healthy work environment. Therefore, we have adopted this policy to address permissible and impermissible conduct.

#### *Definitions*

"Drug" means a controlled substance, as defined in Schedules I – V of Section 202 of the Controlled Substances Act, 21 U.S.C. § 812, including, but not limited to, cocaine, marijuana, heroin, morphine, amphetamines, barbiturates, phencyclidine (PCP), or hallucinogens (or metabolites of any such drugs). The term "illegal drug" does not include a drug that is legal under federal, state, and local law and is obtained and taken under supervision by and in accordance with prescriptions or other instructions issued by a licensed health care professional, nor does

it include medical cannabis used by a cardholder (subject to all other terms and conditions of this Handbook), provided that use of any such drug does not impair your ability to perform your job duties or otherwise jeopardize your safety or the safety of our employees, customers, or others who do business with the Company.

"Under the influence of drugs" means behavior, appearance, speech, or other indications that lead any member of the management team to reasonably suspect that the individual is impaired by illegal drugs or is using illegal drugs.

"Impaired by alcohol" means behavior, appearance, speech, or other indications that lead a manager to reasonably suspect that the individual is impaired by alcohol.

"During working time" means time during which the individual is being paid to work for or represent the Company or the employee is in fact representing the Company's interests, whether on or off Company premises. The term also includes all paid break and meal periods.

#### *Prohibitions*

The following conduct violates this policy and is prohibited:

- Manufacturing, distributing or attempting to distribute, dispensing, possessing, selling, transporting, consuming, using, or being under the influence of illegal drugs during working time or while on Company premises (note that this prohibition does not include dispensing, possessing, or selling medical cannabis if required by your position);
- Consuming or being under the influence of alcohol or medical cannabis during working time or while on Company premises;
- Coming to work under the influence of drugs or alcohol;
- Medicating in any Company facility;
- Bringing or storing illegal drugs and/or drug paraphernalia on Company premises or any location off Company premises during working time (note that this prohibition does not include the storage of medical cannabis on Company premises if required by your position);
- Abuse of over-the-counter or prescription drugs, including, but not limited to, exceeding the recommended prescribed dosage or using drugs prescribed for another individual. All employees who take over-the-counter or prescribed medications are responsible for being aware of any effect(s) the medications may have on the performance of their duties and must promptly inform Human Resources if any medications may impair their ability to perform their job duties;
- Failing to consent to, participate in, or abide by the terms and recommendations of any rehabilitative program to which the Company makes a referral, including, but not limited to, failing to follow recommendations regarding behavior modification and abstinence.

At Cresco, we are united in our pursuit to provide consistent, dependable, quality cannabis products to patients and people across the country.

## GENERAL POLICIES

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We acknowledge that certain employees are permitted to consume alcohol in moderation in connection with Company marketing/business development activities and/or during social events. However, employees must keep in mind that their behavior at all such times (and at all events they attend as representatives of the Company) is a reflection on themselves as well as the Company, and employees who choose to drink alcoholic beverages must drink responsibly so that they are not under the influence of alcohol. In other words, employees must monitor their consumption so that they do not become impaired by alcohol.

### *Special Clarification Regarding Medical Cannabis*

For clarity, the Illinois Compassionate Use of Medical Cannabis Pilot Program Act (the "Act") does not permit any of the following conduct. Therefore, no employee may engage in any such conduct during the employee's working time or at any time that the employee is on Company premises or is performing job duties for or on behalf of the Company:

- Undertaking any task under the influence of cannabis when doing so would constitute negligence, professional malpractice, or professional misconduct;
- Possessing medical cannabis in a vehicle not open to the public unless it is in a reasonably secured, sealed, tamper-evident container and reasonably inaccessible while the vehicle is moving;
- Using cannabis in any motor vehicle;
- Using cannabis in any public place (i.e. any place where an individual could reasonably be expected to be observed by others);
- Possessing cannabis while knowingly in close physical proximity to anyone under the age of 18 years of age;
- Smoking medical cannabis in any public place where the employee could reasonably be expected to be observed by others, in a health care facility, or any other place where smoking is prohibited under the Smoke Free Illinois Act;
- Operating, navigating, or being in actual physical control of any motor vehicle, aircraft, or motorboat while using or under the influence of cannabis;
- Using or possessing cannabis if the employee does not have a debilitating medical condition and is not a registered qualifying customer or caregiver;
- Possessing cannabis if the employee is a caregiver;
- Allowing any person who is not allowed to use cannabis under the Act to use cannabis that a cardholder is allowed to possess under the Act; or
- Transferring cannabis to any person contrary to the provisions of the Act

Be aware that certain violations of this policy by an employee require the Company to notify the Illinois Department of Financial and Professional Regulation, which may result in revocation of the employee's customer ID card.

### *Consequences for Policy Violations*

Cresco has a ZERO TOLERANCE policy for employees who violate the alcohol and drug policies. These policies are set forth to protect Cresco and the employees, while continuing to give our customers the best product. Employees who violate this policy are subject to discipline, up to and including immediate termination of employment. Disciplinary action will depend on the circumstances, and the Company reserves the right to determine, in its sole and absolute discretion, the discipline imposed, subject to any limitations imposed by applicable law.



## GENERAL POLICIES

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### *Testing*

The Company reserves the right, subject to any limitations imposed by applicable law, to carry out reasonable searches of employees and all property brought or located on Company premises or in vehicles and equipment owned or leased by the Company and to examine and test for the presence of drugs and/or alcohol. Employees may be asked to submit to blood, hair, follicle, oral fluid, breath, or urine tests or to other diagnostic tests, at the Company's expense, to detect drugs and/or alcohol. Testing may include the following:

**Post-Accident Testing:** Employees involved in an on-the-job accident or injury may be asked to submit to drug and/or alcohol tests. An injured employee who refuses to submit to testing may be precluded from workers' compensation medical and indemnity benefits, as determined by the Company's workers' compensation insurance carrier in accordance with its policy and applicable law.

**Reasonable Suspicion Testing:** Employees may be asked to submit to drug and/or alcohol tests if reasonable suspicion exists to indicate that such employees are in violation of this policy. Facts and circumstances giving rise to reasonable suspicion may include, but are not limited to, the following: direct observation of drug or alcohol use or of the physical symptoms or manifestations of being under the influence of drugs or alcohol; abnormal conduct or erratic behavior during working time; a significant deterioration in work performance; a report of drug or alcohol use provided by a reliable and credible source; evidence that an individual has tampered with a drug or alcohol test during employment with the Company; information that an employee has caused, contributed, or been involved in an accident during working time, or evidence that an employee has used, possessed, sold, solicited, or transferred drugs or used alcohol during working time or while on the Company's premises or while operating Company equipment or a vehicle in connection with the employee's job duties for the Company. However, nothing in this policy requires the Company to administer testing when the Company has independent evidence that an employee has violated this policy.

### *Confirmation, Confidentiality, and Privacy*

If an initial screening test indicates a positive finding, a confirmation test will be conducted. All drug and alcohol test results will be reported to and reviewed by a medical review officer engaged by the Company. All results will be considered confidential. Results will be disclosed within the Company on a need-to-know basis and as allowed by law and will be retained in a secure location with controlled access. Information about an employee's medical history and condition obtained in connection with a drug and/or alcohol test will be kept in a confidential file separate from the employee's personnel file.

The Company will attempt to ensure that all aspects of the testing process, including specimen or sample collection, are as private and confidential as reasonably practical. Employees will not be observed while providing a urine specimen unless there is reason to believe that the employee or applicant has tampered with, adulterated, switched, or attempted to tamper with, adulterate, or switch a specimen.

An employee who receives a positive confirmed test result may request and receive from the Company a copy of the test report and may request and receive the opportunity, in a confidential setting, to explain a positive test result or contest the accuracy of such result.

### *Employee Assistance*

We encourage any employee with a drug or alcohol problem to contact Human Resources. The Company will, at the employee's request, refer the employee to professional assistance at the employee's expense. All such communications will be kept confidential and will be disclosed within the Company only on a need-to-know basis. Employees won't be subject to discipline under this policy for voluntarily acknowledging a drug or alcohol problem prior to detection. However, this won't thereafter excuse any violation of this policy, and employees may not escape discipline by first requesting treatment and/or leave after violating this policy. Acknowledgment of a drug or alcohol problem prior to detection won't guarantee continued employment.

### *Non-Discrimination*

The Company does not discriminate against any applicant or employee who is qualified for employment with us and has successfully completed or is participating in a supervised drug rehabilitation program and is no longer engaging in the use of illegal drugs, has otherwise been rehabilitated successfully and is no longer engaging in such use, or is mistakenly regarded as engaging in such use, but is not engaging in such use.

## GENERAL POLICIES

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### SEARCHES

Please be aware that the Company has the right (subject to any limitations imposed by applicable law), to carry out reasonable searches of employees and all property brought or located on Company premises to monitor compliance with rules and policies concerning health and safety of employees, security of the Company and our customers, and possession of prohibited items such as illegal drugs, weapons, and items of an obscene, harassing, demeaning, or violent nature. We have included this policy so that, in the unlikely event a search is requested or conducted, you are aware that we have the right to do so.

Please keep in mind that there is no expectation of privacy in our workplace. In general, employees should expect that what they do at work is not private. No employee may use their own lock or otherwise restrict or impede access to cabinets, drawers, or other storage areas located on Company premises.

Searches may be conducted with or without an employee being present. As a general rule, with the exception of items relating to personal hygiene or health, no employee should ever bring anything to work or store anything at work that the employee would not be prepared to show and possibly turn over to Human Resources and/or law enforcement authorities.

No employee will ever be physically forced to submit to a search. However, an employee who refuses to immediately submit to a search upon request from Human Resources may be subject to disciplinary action.



# DAY-TO-DAY MATTERS

## EMPLOYEE CLASSIFICATIONS

At the time of hire, each employee is classified as “full-time” or “part-time,” and also categorized as either “non-exempt” or “exempt.”

“Non-exempt” employees (including all hourly employees) are entitled to receive overtime pay under applicable provisions of federal and state wage and hour laws.

“Exempt” employees are excluded from the overtime provisions of federal and state wage and hour laws, as their regular wages provide compensation for all hours the work in a week, however few or many.

If you are unsure how you have been classified, please consult with Human Resources.

“Full-time” employees are employees who regularly work at least 40 hours each week and are not employed in a temporary status. Full-time employees generally are eligible for the Company’s full benefit package, subject to the specific terms and conditions of each benefit program or plan.

“Part-time” employees are employees who regularly work less than 30 hours per week.

“Temporary employees” work on a short-term or irregular basis, regardless of the number of hours worked in a week. Unless otherwise specifically stated in the applicable benefit policy or plan, temporary employees are not eligible for benefits.

## HOURS OF WORK

The Company’s regular business hours are determined to best meet the Company’s particular business needs. Normally, the Company’s office hours are 9:00 a.m. to 5:00 p.m., and its facilities’ hours are 8:00 a.m. to 4:30 p.m. Employees should work only their scheduled hours unless otherwise instructed by their manager.

All non-exempt employees are required to record their time by clocking in and out of the Company’s timekeeping system (presently ADP). All employees must clock in at the beginning of their shift, clock in and out for meal and rest breaks, and clock out at the end of their shifts. Do not clock in before your scheduled start time, never start working before you clock in, and never continue working after you have clocked out.

## MEALS AND BREAKS

Every employee who is to work for 7 1/2 continuous hours or longer is entitled to take at least a 30-minute meal break beginning no later than five hours after the start of the work period (or as otherwise required by applicable law). When no work is performed by non-exempt employees during the meal break, it is unpaid, and their meal break must be recorded as non-working time in the timekeeping system. If non-exempt employees perform work during their meal break, they should record all time spent working so that they are properly paid for their time.

Employees also are entitled to two paid 15-minute breaks. Employees must schedule their breaks with their managers. Employees are not allowed to schedule either or both of their 15-minute breaks at the beginning or end of their shift or lunch period, and employees may not use their breaks to arrive at work late or leave work early.

Cresco provides an Open Door Policy in which employees are encouraged to take ideas or concerns problems to their supervisor, or next level of management.

## DAY-TO-DAY MATTERS

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### OVERTIME

For purposes of calculating overtime and hours worked per week, our work week consists of a 7-day period beginning at 12:00 a.m. on Sunday morning and ending at 11:59 Saturday evening.

Non-exempt employees will be notified of the hours they are scheduled to work and are permitted to work only those hours they are scheduled to work, unless pre-approved by their manager. Non-exempt employees must not work more than 40 hours per work week, unless prior approval has been provided by their manager. Non-exempt employees are not expected to engage in any work-related communication (such as email, text,) or listen or respond to work-related voicemails outside of their scheduled work hours.

Please note that because overtime pay is calculated based on hours worked, time off (such as a non-working holiday) is not counted toward the calculation of whether a non-exempt employee has worked more than 40 hours in a week.

Overtime compensation will be paid to non-exempt employees at a rate of time and one-half for all hours worked in excess of 40 per week (or as otherwise required by applicable law). If you have a question as to whether you are eligible for overtime compensation, please contact Human Resources.

### ABSENTEEISM/TARDINESS

Attendance and promptness are very important when you are scheduled to work. In those cases where you know in advance that you will arrive at work late, leave early, or must miss work altogether, you must find someone to cover your shift. If you are unable to do so, and in those cases where your late arrival, early departure, or absence from work is unexpected (for example, due to illness or other unexpected circumstance), you must call your manager at the earliest possible time in advance of your absence, but in no event later than your scheduled start time on the day of your absence (unless advance notice is impossible as a result of severe illness or emergency).

Excessive absenteeism or tardiness and/or dishonesty regarding absence from work, as well as excessive requests to arrive late, leave early, or for time off (other than time off to which you are entitled pursuant to this Handbook or applicable law), may subject you to discipline up to and including termination of employment.

If you fail to report for work and fail to communicate with a manager for three or more consecutive work days (other than in emergency situations or other unusual circumstances where such contact is impossible), you will be considered to have voluntarily abandoned your position.

### PAY DAYS / PAYROLL DEDUCTIONS

For exempt employees, pay days are the 15th and last day of each month. For non-exempt employees, pay days are every other Friday. Your pay will be deposited into your account on pay day if you have elected direct deposit (or available for pickup at the Company if you have not elected direct deposit).

If pay day falls on a holiday, paychecks may be deposited or distributed the prior day. If you do not have direct deposit and are absent on a pay day, you may pick up your check when you return to work.

Applicable law requires that we make certain deductions from your paycheck for such items as income taxes, Social Security, and Medicare. Your wages and the number of exemptions you claim on your W-4 forms determine the amount of income taxes deducted.

The Company also will make deductions from your paycheck for other amounts authorized by you, as well as deductions required by wage assignment, garnishment, court order or levy. We do not make illegal deductions. If you believe that a deduction has been made from your paycheck in violation of this policy or applicable federal or state law, please contact Human Resources.

## DAY-TO-DAY MATTERS

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### EXPENSE REIMBURSEMENT

The Company will reimburse you for legitimate business expenses incurred in connection with your performance of your job responsibilities, subject to the terms and conditions of this policy.

For an expense to be eligible for reimbursement, you must submit to your manager a completed expense reimbursement form as soon as possible, but no later than 30 days following the date on which the expense was incurred. Each expense must be submitted with an itemized original or digital receipt evidencing the expense. All approved expense reports, along with such receipts, must then be submitted to the accounting department for payment.

If your employment terminates for any reason (voluntarily or involuntarily), expenses must be submitted within seven days following your separation date in order to be eligible for reimbursement.

The Company expects that employees will exercise their best judgment in booking travel. The following are some guidelines that will assist you:

#### *Air Transportation:*

- Book airfare as far in advance as possible to take advantage of discounted rates.
- Employees are expected to book "coach" or economy class. If there are extenuating circumstances, such as a longer than usual flight, please discuss them in advance with your manager. First class and business class airfare (including upgrades) will not be reimbursed unless approved in advance by your manager.
- Generally, the Company will reimburse employees for the cost of one checked bag if that cost is not already included in the price of the ticket. Employees will be reimbursed for the cost of two or more checked bags only upon pre-approval of their manager, or in extenuating circumstances.
- Employees will be responsible for any expenses incurred as a result of transportation changes of the employee's fault (for example, missing a flight because you were running late).
- The Company understands that employees may be loyal to a particular airline, hotel chain, or rental car operator for a number of reasons, such as participation in a loyalty or rewards programs, and while employees are not required to book the least expensive flight option if that means deviating from an employee's preferred airline, employees are still expected to exercise reasonable judgment on price when selecting flight options.
- The Company appreciates the inconvenience of traveling for business. Therefore, if an employee books airline travel with their preferred airline and receives miles for that travel, the miles are retained by the employee. If an employee charges expenses to their personal credit card for which the employee receives rewards of any kind, the rewards are retained by the employee.

#### *Ground Transportation:*

- Fuel: Fuel purchases are reimbursable only for a rental vehicle, not your personal vehicle (even if use of your personal vehicle is used for Company-related travel). Instead, mileage reimbursement (discussed below) is intended to cover fuel expenses for Company-related travel in your personal vehicle.
- Vehicle Rental: Although the Company understands that employees may have preferred rental agencies, employees are expected to book rental vehicles through Hertz whenever possible. Employees also are expected to select the size of car appropriate for the situation (e.g., taking into account the number of passengers, baggage, and safety concerns due to inclement weather), and reimbursement for vehicles larger than a mid-size car will be at the discretion of the employee's manager.
- Mileage: Mileage for Company-related travel in your personal vehicle will be reimbursed at the rate established by the IRS. To be eligible for reimbursement, you must record on your expense report the total miles driven. Mileage is calculated based on your total round-trip miles. Regular home-to-office and office-to-home mileage is not reimbursable.
- Tolls: Tolls incurred while traveling on Company-related business (except traveling to and from work) are eligible for reimbursement, provided that employees provide receipts documenting the travel and an explanation of the need for travel.

## DAY-TO-DAY MATTERS

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### *Lodging:*

- Only lodging for out-of-town travel is eligible for reimbursement. You are expected to exercise reasonable judgment in booking lodging.
- Whenever possible, lodging should be booked as early as possible to take advantage of discounted rates.
- Reasonable room service charges are eligible for reimbursement.
- In-room charges, such as phone charges, movies, mini-bar purchases, etc., are not eligible for reimbursement.

### *Meals:*

- While traveling out of town for Company-related business, reasonable food and beverage purchases are eligible for reimbursement provided that a detailed receipt is submitted for each purchase.

### *Miscellaneous:*

- The cost of wi-fi for business purposes on airplanes and in hotels is eligible for reimbursement.

## PERFORMANCE REVIEWS / COMPENSATION REVIEWS

We understand that receiving feedback regarding your performance is important to you. Throughout your employment with the Company, it's our intention to keep you apprised of your performance. The Company conducts annual performance reviews. Two-way communication is encouraged as we mutually review performance and establish new goals and objectives for the following year. In addition to their annual reviews, employees will have monthly check-ins with their managers.

Your compensation will be reviewed in connection with your performance review. The Company prides itself on compensating its employees fairly based on their individual performance and the Company's performance. However, raises are not guaranteed; rather, all compensation changes are in the discretion of the Company's management team.

## ATTIRE / APPEARANCE

The Company has a business casual dress policy Monday through Friday for all office employees. While jeans are allowed, employees are expected to use common sense at all times in selecting attire for a work day. Basic standards of appropriate dress include the need for clothing to be neat and clean and preclude extremes in attire, accessories, or hairstyle. Employees also are expected to observe basic standards of personal hygiene.

Employees at certain locations and in certain positions may be required to wear a uniform. Specifically, in all of the Company's facilities except its corporate office, all employees must wear Company-issued uniforms and appropriate footwear as designated by the Company. (Currently, the Company recommends employees purchase Crocs, or shoe brands that offer aeration comparable to Crocs.)

Note that your attire should suit the type of work required. For example, if you are going to be lifting or moving product, then dress in a manner that will allow you to do so comfortably (without violating this policy).

If a manager or Human Resources determines that you have violated this policy, you may be required to leave work to remedy the violation. For non-exempt employees, any such time away from work will be unpaid.

When in doubt whether a particular style or type of dress is appropriate, ask your manager or Human Resources.

Please note that this dress code is not intended to supersede or prohibit any religious or ethnic practices or supersede our policy regarding reasonable accommodation. If you have any questions or concerns in this regard, please contact Human Resources.

## DAY-TO-DAY MATTERS

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### HYGIENE / CLEANLINESS

Hygiene is very important in our business. Therefore, all employees must wash their hands and exposed portions of their arms with warm water and soap:

- When starting a shift or upon returning to work after a break
- After using the restroom
- After eating
- Before handling medical cannabis, including working with food, equipment, and utensils
- During handling of medical cannabis, as often as necessary to maintain clean hands and prevent contamination when changing tasks
- After handling soiled equipment or utensils
- After touching bare human body parts other than the employee's clean hands and exposed portions of arms

### REFERENCES

All requests for information about current or former employees, including any requests for references, must be directed to Human Resources. You may not give any information to any third party regarding a coworker, whether that information is favorable or unfavorable. Similarly, please don't ask any other employee to provide you with a reference, as this is against Company policy and puts the employee in an awkward position. As a general rule, the Company will respond to any request for information regarding a former employee by confirming only his or her dates of employment and position(s) held.

### SMOKING/TOBACCO PRODUCTS

The Company operates no-smoking facilities. Smoking (including use of electronic cigarettes and vapes), as well as use of smokeless tobacco products, is prohibited at all times in all areas, including restrooms. If you choose to smoke, you must do so outside the building and at least 15 feet away from building entrances, exits, windows that open, and ventilation intakes.

Leaving cigarette butts, cigar butts, or tobacco on the ground, in bushes, etc. is littering. If littering occurs, smoking privileges will be suspended. It is the smoker's responsibility to dispose of his or her cigarette and cigar butts in an appropriate manner.

### TELEPHONES

The Company's telephone system is intended to be used primarily for business purposes. Personal use of Company telephones, as well as personal cell phones (whether texting, talking, or for other use) must be kept to a minimum and must not interfere with your job responsibilities.

Company telephones are the property of the Company. All messages created, sent, or received on Company telephones are also property of the Company and should not be considered private. The Company has the right (but not the obligation) to monitor its telephone and voice mail system, including reviewing voice mail messages sent and received by employees.

### CELL PHONES/SMARTPHONES

The company has moved to a "Bring Your Own Device" plan. Exempt employees are expected to use their cell phone for business purposes regularly, therefore JDRC will reimburse employees based on the below tiers:

- Officers & Remote Sales Associates: \$100.00 a month
- Vice Presidents and Directors: \$50 a month
- Managers and Professionals: \$25 a month

## DAY-TO-DAY MATTERS

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Company employees who interface their personal cell phone or smartphone with the Company's communications systems such that emails to and from an employee's Company email address are accessible on the employee's device are expected to follow the following terms and conditions relating to their use of their devices:

- The employee is responsible for working with the Company's IT vendor to interface their Company email with their device. Please contact Human Resources for information on contacting the Company's IT vendor.
- The device used by the employee will be purchased by the employee and will, at all times, remain the sole property of the employee.
- All Confidential Information downloaded onto or maintained on an employee's device will, at all times, remain the Company's property.
- Maintenance of an employee's device, including, but not limited to, repair or replacement, is the sole responsibility of the employee who owns the device. In the event that an employee's device is damaged, lost, or stolen, the employee is responsible for repairing or replacing the device. Further, in the event an employee's device is lost or stolen, the employee must promptly email Human Resources so that security measures may be taken with respect to Company email communications.
- Cell and data service for the device (including obtaining such service, the cost of such service, and all service interruptions) is the sole responsibility of the employee who owns the device.
- Non-exempt employees must generally refrain from responding to business calls, emails, or texts outside of their regular working hours, and they are not expected to spend more than a minimal amount of time checking emails and voicemails outside of these hours without prior approval of their manager.



### *Using a Cell Phone for Miles-Related Business*

As a representative of the Company, each employee who uses a cell phone to conduct Company business is reminded that the regular business etiquette employed when speaking from office phones or in meetings applies equally to conversations conducted over a cell phone.

Employees who have access to a cell phone while in their cars should remember that their primary responsibility is driving safely and obeying the rules of the road. Do not engage in any activity that distracts you from driving or takes your eyes or attention off the road. For example, do not operate cell phones or other handheld devices (including talking, dialing, or sending or receiving text messages or emails) unless your vehicle is parked.



## DAY-TO-DAY MATTERS

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### COMPUTER, EMAIL, AND INTERNET USE

The Company's computer and telecommunications systems are the property of the Company and are intended primarily for business purposes. Our systems may be used for limited personal reasons as long as such use does not interfere with your work and otherwise complies with all policies in this Handbook. Please also note the following requirements, which apply whether use is business-related or personal:

- Sending, receiving, displaying, printing, or otherwise disseminating material that is fraudulent, harassing, illegal, embarrassing, sexually explicit, obscene, intimidating, or defamatory is prohibited. Employees encountering such material should report it to Human Resources immediately.
- Employees may not use the Company's email resources for commercial or personal advertisements, solicitations, promotions, destructive programs (e.g., viruses and/or self-replicating code), or political material, or any other damaging use. Internet and email resources may be used for limited personal reasons provided such use does not interfere with your work and otherwise complies with all policies in this Handbook.
- The Company will not be responsible for any direct or indirect damages arising out of the use of Internet resources on its computers. Employees are responsible for the material they review and download from the Internet. Damages to Company computers or software caused by material downloaded from the Internet or other non-Company sources are the responsibility of the person who loaded the program.
- The Company has the right, but not the duty, to monitor any and all aspects of its computer system, including, but not limited to, monitoring sites employees visit on the Internet, reviewing material downloaded or uploaded by employees, and reviewing email sent and received by employees. Employees waive any right to privacy in anything they create, store, send, or receive on Company computers or the Internet.
- Employees must use any passwords and access codes provided by the Company solely to perform their job responsibilities for the Company and to promote the Company's business and are prohibited from disclosing any such passwords or access codes to anyone, including, but not limited to, other persons employed or engaged by the Company.
- Employees must comply with all software licenses, copyrights, and all other federal and state laws governing intellectual property and online activity.

### SOCIAL MEDIA

As used in this policy, "Social media" includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with the Company. Because your use of social media can lead to personal and professional legal ramifications for you and the Company, we expect you to follow these guidelines with respect to any other form of electronic communication as well.

The same principles and guidelines found in other policies set forth in this Handbook (as more fully described below) apply equally to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Avoid engaging in conduct that adversely affects your job performance or the performance of fellow employees, or otherwise adversely affects the protection of confidential and/or proprietary information belonging to the Company, our customers, our vendors, or our legitimate business interests.

#### *Know and Follow the Rules*

Carefully read the Company's policies regarding Computer, Email, and Internet Use; Protection of Confidential Information; Workplace Violence; and Anti-Discrimination, and Anti-Harassment, and ensure your postings are consistent with these policies. Inappropriate postings that include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct won't be tolerated.

## DAY-TO-DAY MATTERS

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### *Be Respectful*

Strive to be respectful to the Company, your co-workers, customers, vendors, and other organizations and individuals who work on behalf of the Company. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers and/or Human Resources, or utilizing the Company's Complaint procedure, than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that defame employees, customers, or vendors, or that might constitute harassment or bullying.

### *Be Honest and Accurate*

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post information or rumors that you know to be false about the Company, your co-workers, customers, vendors, other organizations or individuals working on behalf of the Company, or competitors. Whenever promoting the Company, make sure to disclose that you are an employee of the Company. This is important to comply with truth in advertising and other related laws.

### *Post only Appropriate Content*

- Maintain the confidentiality of Company trade secrets and Confidential Information (as defined in the Company's Confidential Information policy). Do not post or refer to Confidential Information on-line. This includes, but is not limited to, pictures of the Company's plants and seeds.
- Do not create a link from your own blog website, or other social networking site to a Company website without identifying yourself as a Company employee.
- Express only your personal opinions. Never represent yourself as a spokesperson for the Company. If the Company is a subject of the content you are creating, be clear and open about the fact that you are an employee and that your views don't represent those of the Company, fellow employees, customers, vendors, or other organizations or individuals working on behalf of the Company. If you do publish a blog or post online related to the work you do or subjects associated with the Company, make it clear that you are not speaking on behalf of the Company. It is best to include a disclaimer such as, "The postings on this site are my own and don't necessarily reflect the views of JDRC Managed Services, LLC."
- Of course, nothing in this policy will be applied in a manner that limits employees' rights to engage in protected concerted activity as defined by the National Labor Relations Act.

### *Using Social Media at Work*

We expect our employees to use social media in reasonable amounts during working time or on equipment we provide. Should your use of social media become an issue, this will be brought to your attention and your time may be limited, and/or you may be subject to disciplinary action. Use may be work-related as authorized by your manager, or consistent with the Company's other policies. You may not use Company email addresses to register on social networks, blogs, or other online tools for personal use. Remember, too, that you should not have an expectation of privacy in your use of any Company equipment. While the Company would never intentionally capture and keep your passwords to any of your social media accounts, information displayed on any Company computer or other equipment may be viewed and/or recorded by the Company.

### *Company Social Media Accounts*

You may, as part of your responsibilities for and on behalf of the Company, create and/or utilize social media accounts for the benefit of the Company ("Company Social Media Accounts"). Company Social Media Accounts may be created only with preapproval of Director of Communications & Marketing, and all account names you create and/or utilize for Company Social Media Accounts must be preapproved by Director of Communications & Marketing.

Company Social Media Accounts, as well as all passwords, data posted and obtained, and the goodwill associated with such accounts are owned by the Company. You must disclose to Director of Communications & Marketing all passwords utilized for Company Social Media Accounts, and you may not, without preapproval of one of Director of Communications & Marketing, change any password or take any other action to restrict Director of Communications & Marketing's access to Company Social Media Accounts.

## DAY-TO-DAY MATTERS

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Director of Communications & Marketing (or their designee) may edit or remove content (including text, pictures, and links) posted to Company Social Media Accounts, or modify, close, transfer to another individual, and/or terminate your access to Company Social Media Accounts.

You are expected to use Company Social Media Accounts solely to conduct Company -related business, including promoting the Company, creating goodwill for the Company, and furthering the Company's business relationships. You may not post links to your personal account in any Company Social Media Account without preapproval from Director of Communications & Marketing.

Nothing in this policy is intended to prohibit you from maintaining your own personal social media accounts, identifying yourself as an employee of the Company, or discussing the Company, provided that such activity does not result in the disclosure of Confidential Information or otherwise violate the Company's policies. If you maintain your own personal social media account, you must maintain it separately from any and all Company Social Media Accounts.

### *Retaliation is Prohibited*

The Company prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action.

### USE OF EMPLOYEE IMAGES

The Company occasionally uses photographs or other likenesses of its employees in marketing materials, brochures, holiday cards, and on Web sites (including social media sites). Employees therefore understand and agree that the Company may occasionally acquire and use such images, during and after employment, for these and any other lawful purposes (unless otherwise required by applicable law). The Company also may ask employees to sign forms related to the use of their images. Employees who do not want their images to be included in these materials, brochures, holiday cards, and Web sites should email Human Resources.

### MAINTENANCE/USE OF COMPANY PROPERTY

The Company invests in furnishings, decorations, and personal convenience equipment to make each of us comfortable and productive. Please exercise reasonable care in using our equipment. Exercise common courtesy by cleaning up after yourself and keeping your workspace neat and clean.

### NO RESPONSIBILITY FOR PERSONAL PROPERTY

The Company is not responsible for personal property that is lost, stolen or damaged. Please make sure that your personal belongings are in a safe place during the day and that you take your belongings with you after work.

### PERSONAL VISITORS

No personal visitors are allowed at the Company's production facilities. Visitors to the Company's corporate office must be escorted at all times.

### OUTSIDE EMPLOYMENT

If you are employed by the Company on a full-time basis, we expect that your position with us is your primary employment. Any outside activity must not interfere with your ability to perform your job duties for the Company. Under no circumstances may any employee work for a competitor of the Company while employed with the Company.

If you are considering accepting a job outside the Company, you must notify Human Resources prior to accepting such employment/engagement. Human Resources will discuss the job with you to make sure that it won't interfere with your job duties for the Company or pose a conflict of interest.

### PERSONNEL RECORDS

It is important that our records are complete and up to date. Please notify Human Resources of any change in your legal name, home address or telephone number, marital status, or number of dependents, change of beneficiary, or emergency contact information. We need this information for insurance purposes, to comply with laws and regulations, and to notify your family in the event of an emergency.

## DAY-TO-DAY MATTERS

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### PROTECTION OF CONFIDENTIAL INFORMATION

Protection of the Company's Confidential Information and trade secrets is vital to our business' interests and success. "Confidential Information" is any and all information disclosed to or known by you as a consequence of your employment with the Company that is not generally known to people outside the Company about its business, its marketing and sales strategies and plans, its finances, operations, employees, methods, processes, computer software, customers, vendors, accounts, billing methods, pricing, data, business methods, and any and all information entrusted to the Company in confidence by third parties, and any and all information defined as "trade secrets" under applicable law.

Confidential Information may be contained in written materials, verbal communication, your unwritten knowledge, and in the unwritten knowledge of other employees, and/or any other tangible method of expression, including external storage devices. Examples of Confidential Information include, but are not limited to, the following:

- Operating procedures
- The identity of, personal information, and contact information of customers
- Product formulations
- Data submitted by or on behalf of the Company to government authorities
- Marketing and promotional strategies
- Financial and accounting information
- Price/costing lists, structures, and formulas
- Purchase orders and invoices
- Passwords and access codes
- Training information and materials
- Proprietary computer programs, databases, and software
- Computer network and security information
- Business plans

Due to the proximity in which employee's work, any information about the Company or its customers that is overheard or seen while in the course of your duties should be considered confidential and not revealed or discussed with family, friends, or anyone else without prior written approval from the Company's CEO or CFO.

### CONFIDENTIALITY OF CUSTOMER MATTERS

Please recognize the necessity for discretion in this business. All employees must maintain confidentiality when handling customer matters. No employee may disclose customer information to outsiders, including other customers, vendors, third parties, or members of the customer's family or the employee's family. Customers trust us to maintain their confidentiality and care.

The Company has adopted policies and procedures regarding HIPAA confidentiality compliance, and you are expected to become familiar with them and follow them. In needed, please ask Human Resources for information regarding the HIPAA code.

Any disclosure of confidential information or failure to follow HIPAA confidentiality obligations may result in disciplinary action, up to and including termination of employment.

## DAY-TO-DAY MATTERS

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### SOLICITATION, DISTRIBUTION, AND COLLECTION

The Company prohibits any employee from soliciting, collecting from, or selling to any other employee during the working time of the soliciting employee or of the employee being solicited. "Working time" means the time during which either the soliciting or solicited employee should be working but does not include meal times, break periods, or other periods when employees are not actively at work.

The Company also prohibits any employee from distributing literature, pamphlets, or other materials to any other employee in work areas. "Work areas" means all areas in which employees normally work, confer, or conduct business but does not include break rooms, washrooms, or any other area specifically designated for non-work purposes.

Persons not employed by the Company are not allowed to solicit or distribute pamphlets or other materials on Company property for any purpose at any time unless authorized by the Company's CEO or CFO. Please notify Human Resources if you observe any violation of this policy.

### STANDARDS OF CONDUCT

Employees are expected to act in a professional and responsible manner while on Company property, conducting Company business off property, traveling in connection with Company business, and at all other times where our employees, customers, vendors, or other persons having business relationships with the Company are present. A list of basic guidelines follows. It is not all-inclusive. Violation of any of these guidelines (or any other policy in this Handbook) may subject you to disciplinary action, up to and including immediate termination of employment. Of course, nothing in this policy will be applied in a manner that limits employees' rights to engage in protected concerted activity as defined by the National Labor Relations Act.

- Theft or attempted theft of Company property or property of any customer, employee, vendor, or visitor.
- Dishonesty, embezzlement, falsification of records (including employment application materials), falsification of time records or expense reimbursement requests.
- Committing or threatening to commit injury or damage to Company property, employees, customers, or visitors.
- Insubordination or refusal to accept work assignments.
- Failure to complete work assignments, incompetence, or poor performance of work assignments.
- Fighting.
- Involvement in illegal activities on Company property, during working time, or in connection with Company business.
- Instigating, encouraging, or Company in any illegal work stoppage, slowdown, strike, or other interference with Company operations.
- Defaming the Company or its customers, employees, vendors, or products.
- Unauthorized use of Company funds, property, or products.
- Violation of any other Company policy.

### DISCIPLINARY ACTION

Disciplinary action for violation of any policy in this Handbook may include, but is not limited to, suspension or termination of employment. In cases involving less serious violations, disciplinary action may consist of a warning or reprimand. Remedial action may also include counseling, changes in work assignments, changes in level of responsibility of tasks assigned, changes in compensation, or other measures designed to prevent future misconduct.

We will try to handle disciplinary matters so that the measure of discipline corresponds to the seriousness of the offense as weighed by its potential effect on our business, our employees, and our customers. However, nothing in this policy obligates us to employ a progressive disciplinary policy or modifies our policy of employment at-will.

## COMPLAINT PROCEDURE

We strive to provide a work environment that is free of conflict or disagreements. However, we know that on occasion, misunderstandings occur. We encourage all employees to bring these matters to light for resolution. If you are unable to resolve the issue directly with the other person(s) involved, you are encouraged to review your concerns with Human Resources. If, for any reason, you don't feel comfortable reporting the harassment to Human Resources, you should report it to the CFO. In all cases we will seek resolutions to problems in a positive manner.

## DISPUTE RESOLUTION

Except as provided in this policy, all disputes regarding your employment with the Company or termination of your employment that are not resolved through the Complaint Procedure policy located above (including any dispute relating to the validity, scope, or applicability of this Dispute Resolution policy) must be determined by arbitration before one neutral arbitrator in Chicago, Illinois. The arbitration, including procedures for selection of the arbitrator (if an arbitrator cannot be agreed upon by you and the Company), must be administered by JAMS pursuant to its Employment Arbitration Rules & Procedures. However, the arbitration will provide for (a) discovery adequate to give you and the Company access to documents and witnesses that are essential to the dispute, and (b) the arbitrator's written decision that includes the essential findings and conclusions on which the decision is based. Judgment on the arbitration award may be entered in any court having jurisdiction.

Unless otherwise required by applicable law, the prevailing party in the arbitration will be entitled to reimbursement of his/her/its reasonable attorneys' fees and costs (including experts' fees) from the non-prevailing party. If neither party prevails entirely, the arbitrator will award attorneys' fees in accordance with the disposition of the dispute.

All arbitration proceedings regarding wages or compensation, including claims regarding overtime or minimum wage, must be conducted solely on an individual basis in accordance with this policy, and you may not seek to have any dispute heard as a class action, a representative action, a collective action, or institute or participate in any proceeding against the Company in which you act or propose to act in a representative capacity. Similarly, no arbitration proceeding will be joined, consolidated, or combined with another arbitration proceeding without the prior written consent of the Company's CEO or CFO.

Please note that this Dispute Resolution policy does not apply to (a) any claims which you cannot be legally required to arbitrate, which must be litigated in the Circuit Court of Cook County in Chicago, Illinois, or in the United States District Court for the Northern District of Illinois, (b) your filing of a claim or charge against the Company with an administrative agency, such as the National Labor Relations Board or the Equal Employment Opportunity Commission, or (c) any claim to workers' compensation or unemployment benefits. Further, this Dispute Resolution policy does not prohibit or limit the Company's or your right to seek equitable relief from a court, including but not limited to injunctive relief, which must be brought in the Circuit Court of Cook County in Chicago, Illinois, or in the United States District Court for the Northern District of Illinois.

Your agreement to and compliance with this policy are conditions of employment.

We strive to provide  
a work environment  
that is free of conflict  
or disagreements.

However, we know  
that on occasion,  
misunderstandings  
occur. We encourage  
all employees to bring  
these matters to light  
for resolution.

# BENEFITS AND LEAVE

We believe it is important that you take the time you need for rest, relaxation, and personal needs that may arise that require time away from work. At the same time, we need to ensure that our business continues to operate and that we can meet the needs of our customers even when our personnel are absent. Accordingly, we have implemented time-off and leave policies that allow you to get the time you want and need – when you want it and need it – without disrupting the service we provide to our customers. Please note, however, that we expect that you won't engage in outside employment or work for others while on a leave of absence.

All benefits offered by the Company are subject to the terms and conditions of the applicable plans or programs, as well as the employee's eligibility for benefits under such plans or programs. If any provision of this Handbook or any benefit booklet or summary plan description conflicts with the actual plan documents, the actual plan documents govern. Benefits may change or be eliminated with or without advance notice, subject to applicable legal requirements.

If applicable law (including state or local law) entitles an employee to a leave of absence or paid time off that is not specifically set forth in this Handbook (or time off – paid or unpaid – that exceeds the amount of time off set forth in the policies in this Handbook), the Company will comply with such law.

Unless otherwise stated in in this Handbook, a written agreement signed by the Company's CEO or CFO, or a benefit plan (or required by applicable law) all paid time off to which an employee is entitled will be calculated based on the employee's regular base pay rate multiplied by the number of hours the employee would otherwise have worked on each day of absence (up to a maximum of eight hours).

If applicable law entitles you to time off or benefits in addition to or more favorable than those described in this Handbook, the Company will comply with such laws.

## INSURANCE BENEFITS

As of the date of this Handbook, the Company offers full-time, non-temporary employees the following benefits, subject to all applicable terms and conditions:

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Basic Life Insurance
- Voluntary Life Insurance
- Accidental Death & Dismemberment Insurance
- 401(k) Plan
- Flexible Spending Account
- Short-Term Disability Insurance
- Long-Term Disability Insurance

Please see Human Resources for additional information regarding benefit plans, including eligibility information (such as applicable waiting periods), coverage details, and whether benefits are company-paid, employee-paid, or employee-contributory.

## BENEFITS AND LEAVE

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### CIVIL UNIONS

The Illinois Religious Freedom Protection and Civil Union Act (the “Civil Union Law”) provides that both same-sex and opposite sex couples who enter into a civil union will have all of the obligations, protections, and rights that are afforded under Illinois law to married heterosexual couples.

As used in the Civil Union Law, a “civil union” means (a) a legal relationship between two persons, of either the same or opposite sex, as to which the county clerk has issued a license and certificate of civil union, or (b) a marriage between persons of the same sex, a civil union, or a substantially similar legal relationship other than common law marriage, legally entered into in another jurisdiction.

An Illinois-based employee who desires the protections of the Civil Union Law must provide to Human Resources a copy of the state- or county-issued certificate of the civil union. Once such certificate is provided, the Company will provide health and welfare benefits to employees, their civil union spouses, and their families, that are identical to such benefits offered to married couple and their families, if the applicable insurance contract is written in the State of Illinois.

Any coverages provided to the civil union spouse and/or dependent(s) will not be taxable for Illinois state income tax purposes, but may be taxable under federal tax laws if the covered individual does not qualify as either a qualifying child or qualifying relative. Accordingly, please obtain from Human Resources and complete an affidavit to indicate the tax status of each such individual. If this information is not provided, the covered civil union spouse and/or dependent(s) will have imputed income for the coverages provided.

A civil union spouse will not be eligible for continuation coverage under the Consolidated Omnibus Reconciliation Act of 1985 (“COBRA”), but may be eligible for continued medical coverage under Illinois’ continuation law, if otherwise eligible. The dependents of a civil union spouse may be eligible for continuation coverage under COBRA and Illinois’ continuation law, if otherwise eligible.

If the state laws of non-Illinois employees provide the same or similar types of protections, the Company will comply with such laws.

### DISCRETIONARY TIME OFF (EXEMPT EMPLOYEES)

The Company’s exempt employees are not awarded a specific amount of vacation time. Rather, each exempt employee is encouraged to take a reasonable amount of time off for such purposes as vacation, travel, time with family and/or friends, relaxation, and personal business (collectively, “discretionary time off”), as long as they timely complete all work assignments and are responsive to the needs of clients and colleagues. That said, to ensure continuity of the Company’s operations and avoid compromising client service, discretionary time off remains subject to pre-approval (unless otherwise explained in this Handbook), should be scheduled in advance whenever possible, and employees will remain accountable for the reasonableness of their discretionary time off – in terms of quantity, duration, and timing.

Exempt employees are eligible to use discretionary leave after completing 90 days of employment with the Company. For discretionary time that is foreseeable, you must obtain approval from your manager and enter the request in ADP Workforce Now as early as possible. The Company will make an effort to accommodate every request for discretionary time off,

but your manager has the discretion to grant or deny requests, taking into account operating requirements as well as requests previously submitted by other employees and your employment record. During the Company’s busy periods, it reserves the right to impose “black out” periods during which employees will not be able to use discretionary time, or will be able to use discretionary time only in limited amounts.

Conflicting requests to take time off will be assessed based on a variety of factors, including length of service, your employment record, and the reason for time off (for example, an employee’s request to take time off for his/her wedding and honeymoon or a family reunion may take priority over another employee’s request to go on a trip for which scheduling can be more flexible). Employees are encouraged to work together to resolve conflicting requests.

Cresco is excited to introduce the Discretionary Time Off policy. This will help employees to get the time off they need and not having to wait until they accrue.



## BENEFITS AND LEAVE

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For discretionary time off that is unforeseeable, you must notify your manager as early as possible, but in no event later than the beginning of the scheduled workday on which you will take time off, unless doing so is impossible (for example, in the event of a family crisis), in which case you should contact your manager as soon as possible.

If you fail to report for work and fail to follow the notification procedure outlined above or otherwise communicate with your manager for three or more consecutive work days (other than in emergency situations or other unusual circumstances where such contact is impossible), you will be considered to have voluntarily abandoned your position.

Because no particular amount of discretionary time off is promised, guaranteed, vested, or accrued, there is no “accrual” or “carryover” of time off for those who elect not to take time off. Likewise, because discretionary time off does not accrue, employees who elect not to take time off are not paid for “unused” time off upon separation from employment.

Discretionary time off may not be used for absences that are covered under another Company policy regarding time off or leave (whether paid or unpaid), and/or for which employees are entitled to income replacement under another Company policy or the Company’s benefit plans. These include policies in this Handbook regarding Paid Sick Leave, Holidays, Jury Duty, Witness Leave, Bereavement Leave, Domestic or Sexual Violence Leave, Military Leave, Family and Medical Leave, and Parental Leave, as well as benefit plans in respect of workers’ compensation, short-term disability, long-term disability, and accidental death & dismemberment insurance coverage.

Also, employees may not use discretionary time off immediately before or immediately following a leave of absence, when the request has the intent or effect of extending the leave, or the reason for time off is the same as or similar to the reason for leave. Rather, if you need time off that exceeds the length of leave to which you are entitled pursuant to this Handbook or applicable law, contact Human Resources, and your situation will be considered.

Please note: Your use of discretionary time off must be reasonable and must allow you to continue to attain the performance excellence expected of you. Excessive requests for time off (other than leave permitted by this Handbook or required by applicable law), may subject you to discipline up to and including termination of employment, and/or will be factored into your performance and/or compensation review.

### PAID TIME OFF (NON-EXEMPT EMPLOYEES)

The Company grants paid time off (“PTO”) to all full-time, non-exempt employees. Part-time and temporary employees are not eligible for PTO. Exempt employees receive paid time off pursuant to the Discretionary Time Off policy.

#### *Accrual of PTO*

PTO begins accruing on an eligible employee’s date of hire, and the employee may begin using PTO following completion of 90 days of service.

Each eligible employee is entitled to five days of PTO each calendar year for their first four years of employment with the Company. Beginning on an eligible employee’s fifth anniversary of employment, the employee is entitled to 10 days of PTO each calendar year.

PTO accrues each pay period and is credited to an employee’s PTO bank each pay day.

#### *Use and Payment of PTO*

You must contact your manager to request to use PTO with as much advance notice as possible (particularly when use of multiple consecutive days of PTO is desired), but in no event later than one week before the beginning of the scheduled workday on which you will take time off, unless doing so is impossible (for example, in the event of a family crisis). If providing at least one week’s notice is impossible, you should contact your manager as soon as possible. If your request to use PTO is approved, you must enter the request in ADP Workforce Now. All PTO hours must be logged into the Company’s time tracking software.

The Company will make an effort to accommodate every PTO request, but managers have discretion to grant or deny PTO requests, taking into account the Company’s operating requirements as well as requests for time off previously submitted by other employees. Please note that during the Company’s busy periods, it reserves the right to impose “black out” periods during which employees will not be able to use PTO, or will be able to use PTO only in limited amounts.

## BENEFITS AND LEAVE

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PTO for eligible employees is also subject to the following parameters:

- Employees may use PTO in half-day (i.e. four-hour) or full-day (i.e., eight-hour) increments.
- PTO is paid based on the employee's regular base rate of pay.
- The Company encourages its employees to use their accrued PTO, and therefore PTO must be used in the calendar year in which it accrues. If accrued PTO is not used within the calendar year in which it accrues, all unused PTO is forfeited on December 31st (unless otherwise required by applicable law).
- PTO may not be cashed out for any reason. However, if required by applicable state law, accrued but unused PTO will be paid out upon separation from employment.
- Employees may not use PTO before it accrues.

### PAID SICK LEAVE (NON-EXEMPT EMPLOYEES)

The Company grants paid sick leave to all full-time, non-exempt employees. Part-time and temporary employees are not eligible for paid sick leave. Each non-exempt employee will receive 40 hours of paid sick leave at the beginning of each year.

Sick leave is available beginning with the first hour away from the job due to illness or injury. Sick leave must be used in a minimum of four-hour increments.

Employees may use sick leave for themselves or their children, legal guardians or wards, spouse, domestic partners (including parties in a civil union), parents, parents of a spouse or domestic partner, grandparents, grandchildren, siblings, or any other individual related by blood or whose close association with the employee is the equivalent of a family relationship, for the diagnosis, care, or treatment of an existing health condition or preventative care. Sick leave also may be used for employees and family members who are victims of domestic violence, sexual assault, or stalking. Employees may also use sick leave when work or a child's school/place of care has been closed by the public health officials for a public health emergency.

Sick leave is not a vested benefit; therefore, employees will not receive pay for unused sick leave upon separation from employment.

Upon oral or written request to their manager, employees may use accrued but unused sick leave. In requesting sick leave, if the need to use paid leave is foreseeable, an employee must provide reasonable advance notice (preferably as soon as the employee is aware of the need for leave). If the use of sick leave is not foreseeable, the employee must provide notice as soon as practical.

If an employee is rehired by the Company within 12 months following separation from employment with the Company, upon rehire all previously accrued but unused sick leave (if any) will be reinstated.

Retaliation or discrimination against an employee who requests sick leave or uses sick leave or both is prohibited

### HOLIDAYS

The Corporate Office & Facilities generally observes the following holidays:

|                  |                  |
|------------------|------------------|
| New Year's Day   | Labor Day        |
| Memorial Day     | Thanksgiving Day |
| Independence Day | Christmas Day    |

For hourly, non-exempt employees Paid Sick Leave policy will be front loaded to help employees take time off at the beginning of the year and not wait for the accrual of the PTO policy.

## BENEFITS AND LEAVE

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If a recognized holiday falls during an eligible employee's paid absence (such as PTO), the absence for the day will be counted only as holiday pay and will not be counted against the employee's PTO entitlement. If a recognized holiday falls during an unpaid absence, the employee is not entitled to holiday pay.

We recognize that there may be religious or cultural holidays (other than those already designated) that employees would like to observe. Provided that you send an email to Human Resources in advance, then subject to the requirements of our PTO policy, you may take PTO to observe such holidays.

### FAMILY AND MEDICAL LEAVE

The Family & Medical Leave Act ("FMLA") requires employers with 50 or more employees to provide eligible employees with unpaid leave in certain circumstances. There are two types of leave available, including a basic 12-week leave entitlement ("Basic FMLA Leave"), as well as military family leave entitlements ("Military Family Leave") each described below.

#### *Eligibility for FMLA Leave*

Employees are eligible to apply and be considered for FMLA leave if they:

1. Have worked for the Company for at least twelve months in the seven-year period immediately preceding the request for leave;
2. Have worked at least 1,250 hours for the Company during the twelve calendar months immediately preceding the request for leave; **and**
3. Are employed at a work site that has 50 or more employees within a 75-mile radius.
4. Employees with any questions about their eligibility for FMLA leave should contact Human Resources.

#### *Basic FMLA Leave*

Employees who meet the eligibility requirements described above are eligible to take up to a total of 12 weeks of unpaid leave during any 12-month period for any of the following reasons:

1. To care for the employee's child during the first twelve months following birth;
2. To care for a child during the first twelve months following placement with the employee for adoption or foster care;
3. To care for the employee's spouse, child, or parent (each, a "Covered Relation") with a serious health condition;
4. For incapacity due to the employee's pregnancy, prenatal medical condition, or child birth; **or**
5. Because of the employee's own serious health condition that renders the employee unable to perform an essential function or functions of his or her position.

In cases where married spouses are both employed by the Company, the two spouses together may take a *combined total* of twelve weeks of leave during any 12-month period for reasons (1) and (2), above, or to care for the same individual pursuant to reason (3), above.

Any leave taken under the Victims' Economic Security and Safety Act ("VESSA") (described below) will count against an employee's Basic FMLA leave entitlement if the reason for the VESSA leave is also covered by the FMLA.

The 12-week entitlement for Basic FMLA Leave is based on a "rolling" 12-month period. As used in this policy, a "rolling 12-month period" means the 12-month period immediately preceding (a) the date that an employee begins FMLA leave, or (b) the date that an employee uses VESSA leave if the reason for the VESSA leave is also covered by the FMLA.

## BENEFITS AND LEAVE

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### *Military Family Leave*

There are two types of Military Family Leave available:

1. Qualifying exigency leave. Employees meeting the FMLA leave eligibility requirements, described above, may be entitled to use up to twelve weeks of their Basic FMLA Leave entitlement to address certain “qualifying exigencies.” Leave may be used if the employee’s spouse, child, or parent is on active duty or called to active duty status in the Armed Forces (including the National Guard or Reserves) and is deployed to a foreign country. Qualifying exigencies may include:

- Short-notice deployment (up to seven days of leave)
- Arranging for alternative childcare
- Addressing certain financial and legal arrangements
- Periods of rest and recuperation for the servicemember (up to five days of leave)
- Attending certain counseling sessions
- Attending post-deployment activities (available for up to 90 days after the termination of the covered servicemember’s active duty status)
- Other activities arising out of the servicemember’s active duty or call to active duty and agreed upon by the Company and the employee

2. Leave to care for a covered servicemember. There is also a special leave entitlement for any employee who (a) meets the eligibility requirements for FMLA leave and (b) is the spouse, child, or next of kin of a “covered servicemember,” that permits such employee to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is either (i) a current member of the Armed Forces (including the National Guard or Reserves), who incurred or aggravated a serious injury or illness in the line of duty while on active duty that may cause the servicemember to be medically unfit to perform the duties of his or her office, grade, rank, or rating, for which the servicemember is undergoing medical treatment, recuperation, or therapy, or (ii) a veteran who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness incurred or aggravated in the line of duty while on active duty and who was a member of the Armed Forces (including the National Guard or Reserves) at any time during the five years preceding the date of such medical treatment, recuperation, or therapy.

For leave to care for a covered servicemember, the 26-week entitlement is measured forward beginning from the day that an employee’s first FMLA leave to care for a covered servicemember begins. Leave already taken for other circumstances covered by the FMLA will be deducted from the total of 26 weeks available.

When married spouses both work for the Company, the aggregate amount of leave that can be taken to care for a covered servicemember is 26 weeks in a single 12-month period.

### *Intermittent and Reduced-Schedule Leave*

Leave because of a serious health condition, or either type of servicemember leave, may be taken intermittently (in separate blocks of time due to a single health condition) or on a reduced schedule leave (reducing the usual number of hours worked per workweek or workday) if medically necessary and supported with documentation from a health care provider. Military Family Leave due to qualifying exigencies may also be taken on an intermittent basis, subject to an employee’s submission of required certification.

Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the Company’s operations. Requests for intermittent or reduced-schedule leave for planned medical treatment must be accompanied by medical certification indicating the dates on which such treatment is expected to be given and the duration of such treatment.

If leave is unpaid, the employee’s base compensation will be reduced based on the amount of time actually worked. In addition, while an employee is on an intermittent or reduced-schedule leave, we may temporarily

## BENEFITS AND LEAVE

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transfer the employee to an available alternative position that better accommodates recurring periods of absence or a reduced schedule and which has equivalent pay and benefits.

Leave may not be taken on an intermittent or reduced-schedule basis to care for an employee's own child during the first year following birth, or to care for a child placed with the employee for foster care or adoption, unless the Company, in its sole discretion, agrees in advance.

### *Leave is unpaid.*

Leave pursuant to this policy is unpaid leave. However:

- If leave is taken in respect of the birth or adoption of a child, the employee may be eligible for paid leave pursuant to our Paid Parental Leave policy.
- If leave is taken because of an employee's own serious health condition or the serious health condition of the employee's spouse, child, or parent, the employee may apply any then accrued but unused paid sick leave toward the leave.
- If leave is taken because of an employee's own serious health condition, the employee may be eligible for workers' compensation benefits (if the condition is work-related) or salary continuation under applicable disability insurance policies. Benefit entitlements based upon length of service will be calculated as of the last paid work day prior to the start of the leave of absence.

### *Medical and other benefits*

During an approved FMLA leave, the Company will maintain an employee's coverage under insurance plans as if the employee continued to be actively employed, on the same policy terms as if the employee had continued to work, subject to the following:

- If leave is unpaid by the Company, the employee and the Company will agree on a method for payment of the employee's share of premiums incurred during leave.
- If leave is paid by the Company (e.g., the employee receives payments pursuant to our Paid Parental Leave policy), we will treat that portion of the leave as if the employee was on regular payroll and will continue to deduct the employee's portion of the monthly premiums otherwise required as a regular payroll deduction.

Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

### *Coordination with other policies*

The following explains the coordination between FMLA leave and other benefits to which an employee may be entitled while on leave:

- If the reason for your FMLA leave qualifies you for workers' compensation leave, disability leave, or any other leave of absence in addition to FMLA leave, such leaves of absence will run concurrently with your FMLA leave.
- If the reason for your FMLA leave allows you to use paid Paid Sick Leave, the Paid Sick Leave will run concurrently with your FMLA leave.
- If you qualify for workers' compensation or disability benefits, you must collect these benefits while on FMLA leave.

### *Return to job at end of FMLA leave*

Upon return from FMLA leave, most employees will be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

If your FMLA leave is for your own serious health condition, you may be required to present a Fitness for Duty Certification from your health care provider that releases you to return to work and attests that you can perform the essential functions of your job with or without a reasonable accommodation. We will provide you with the Fitness for Duty Certification for your health care provider to complete. If you have any questions regarding the Fitness for Duty Certification, please contact Human Resources.

## BENEFITS AND LEAVE

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### *Employee Responsibilities When Requesting FMLA Leave*

If the need to use FMLA leave is foreseeable, you must provide notice to Human Resources at least 30 days' prior notice of the need to take leave. When 30 days' notice is not feasible, you must provide such notice as soon as practical (within 1-2 business days of learning of the need for leave except in extraordinary circumstances). Failure to provide such notice may be grounds for delaying approval for and the start of your FMLA leave. JDRC uses Guardian to facilitate our FMLA leave.

Whenever possible, requests for FMLA leave should include the anticipated date of commencement of the leave, the duration of the leave, the reason for leave and, if known, the anticipated return date. Also, when submitting a request for leave, you must provide information sufficient to allow us to determine if the leave may qualify as FMLA leave. Examples of this include that you are unable to perform job functions; that a family member is unable to perform daily activities; that you or your family member needs hospitalization or continuing treatment by a healthcare provider; or the circumstances supporting the need for military family leave. You also must indicate if the requested leave is for a reason for which FMLA leave was previously taken or certified.

### *Medical Certification*

If you are requesting leave because of your own or a covered relation's serious health condition, you and the applicable healthcare provider must complete appropriate medical certification on a form to be provided to you by Human Resources. If we require Medical Certification, you must return it to Human Resources within 15 days after you request leave. If you provide at least 30 days' notice of medical leave, you should also provide the medical certification before your leave begins.

Failure to provide requested medical certification in a timely manner may result in the delay of FMLA leave until it is provided. In addition, we may, at no expense to the employee, require an examination by a second independent healthcare provider we designate if we reasonably doubt the medical certification initially provided. If the second healthcare provider's opinion conflicts with the original medical certification, we may, at no expense to the employee, require a third mutually agreeable independent healthcare provider to conduct an examination and provide a final and binding opinion.

We may also require subsequent medical recertification after initial approval of FMLA leave due to a serious health condition. Failure to provide requested certification within 15 days, except in extraordinary circumstances, may result in the delay of further leave until such certification is provided.

### *Reporting While on Leave*

If you take leave because of your own serious health condition or to care for a covered relation, we may require you to contact Human Resources regarding the status of your condition, your intention to return to work, and your anticipated return date. In addition, you must provide notice to Human Resources if the dates of your leave change, are extended, or were unknown initially.

### *If Discrepancy between the FMLA, State or Local Law and This Policy*

The purpose of this FMLA policy is to provide guidance to employees. Not every aspect of the FMLA or its regulations can be summarized in this policy. If there are any FMLA provisions or changes to the FMLA and its regulations not reflected in this policy, the Company will follow the FMLA and its regulations where applicable.

Likewise, if applicable state or local law provides more expanded leave protection than the FMLA, the Company will follow that law.



## BENEFITS AND LEAVE

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### JURY DUTY

Subject to the terms and conditions of this policy, each employee who receives a summons for jury duty will be granted time off in order to serve.

Full-time employees who serve on jury duty will be paid for up to five consecutive regularly scheduled work days. Non-exempt employees will be paid at their regular rate of pay for the number of hours they would have been scheduled to work if they were not serving jury duty, up to a maximum of eight hours per day. Any additional days off will be unpaid, unless otherwise required by applicable law.

For temporary and part-time employees, jury duty is unpaid (unless otherwise required by applicable law).

In order for your absence to be considered excused (and to receive any jury duty pay to which you are entitled under this policy), you must notify your manager, along with Human Resources, and enter your request in ADP Workforce Now at least two weeks prior to the first date on which you are to serve (or upon receipt of the legal notice if you are summoned on less than two weeks' notice). If you are excused from jury duty during regular business hours, you are required to return to work for the business hours remaining on that day, unless you otherwise obtain approval from your manager.

Please note that jury duty pay is available only for lost working time. If you serve on jury duty on a day when you are not scheduled to work, you will not receive jury duty pay. For example, if you serve on a jury during an unpaid leave of absence, you will not receive jury duty pay.

The Company will not discharge, discipline, or otherwise penalize an employee who complies with a jury summons.

### WITNESS LEAVE

Subject to the terms and conditions of this policy, each employee who is subpoenaed or otherwise required by legal notice to serve as a witness in a criminal or civil proceeding will be granted time off in order to serve. Unless otherwise required by applicable law, the time off will be unpaid.

In order for your absence to be considered excused, you must email Human Resources and enter the request in ADP Workforce Now at least two weeks prior to the first date on which you are to serve (or upon receipt of the legal notice if you receive it on less than two weeks' notice). If you are excused from your obligations as a witness during regular business hours, you are required to return to work for the business hours remaining on that day, unless you otherwise obtain approval from Human Resources.

The Company will not discharge, discipline, or otherwise penalize an employee who complies with a valid subpoena or other similar legal notice.

### BEREAVEMENT LEAVE

Employees are entitled to take off up to three consecutive regularly scheduled workdays in the event of the death of an employee's immediate family member, and one scheduled workday in the event of the death of someone who is not an immediate family member. Additional time off may be granted in the discretion of the Human Resources or CFO if warranted in the circumstances (for example, an out-of-town funeral of an immediate family member) or if required by applicable law.

For purposes of this policy, "immediate family member" means an employee's parent, child, sibling, spouse, domestic partner, civil union partner, mother-in-law, father-in-law, grandparent, or grandchild.

Employees who take leave authorized under this policy will be paid for up to three consecutive regularly scheduled work days. However, bereavement leave pay is available only for lost working time. For example, if you attend a funeral during an unpaid leave of absence or on a day you are not scheduled to work, you will not receive bereavement leave pay.

For temporary employees, bereavement leave is unpaid (unless otherwise required by applicable law).

Requests for bereavement leave should be made as soon as the employee becomes aware of the need for the leave. Email your manager to request leave, and enter the request in ADP Workforce Now. Please also include information regarding where donations can be made (if available).

## BENEFITS AND LEAVE

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### CHILD BEREAVEMENT LEAVE

Each eligible Illinois employee is entitled to unpaid leave in the event of the death of the employee's child so that the employee can attend the child's funeral, or alternative to a funeral, make arrangements necessitated by the child's death, or grieve. For purposes of this policy, "child" means an employee's biological child, adopted child, foster child, stepchild, legal ward, or child as to whom the employee stands in loco parentis.

An employee is eligible to take leave under this policy if he/she meets the eligibility requirements under the Company's FMLA policy. Specifically, an employee must: (1) Have worked for the Company for at least twelve months in the seven-year period immediately preceding the request for leave; and (2) Have worked at least 1,250 hours for the Company during the twelve calendar months immediately preceding the request for leave; and (3) Be employed at a work site that has 50 or more employees within a 75-mile radius.

Each eligible employee is entitled to two weeks (10 days) of unpaid leave in a 12-month period in the event of the death of the employee's child. This entitlement increases to six weeks of unpaid leave in that 12-month period in the event of the death of more than one child of the employee in that 12-month period. However, no employee is entitled to take more leave under this policy than the amount of leave to which the employee would be entitled under the FMLA. In other words, once an employee exhausts his/her 12 weeks of FMLA leave, no leave under this policy is available unless pre-approved by Human Resources. Also, any leave taken under this policy must be completed within 60 days after the employee receives notice of the child's death.

When taking leave under this policy, an employee may, at his/her election, apply available unused leave, such as paid leave under the Company's bereavement policy or accrued but unused PTO, toward the period of leave.

In the event that you require leave under this policy, provide notice to your manager and Human Resources and enter the request in ADP Workforce Now, unless providing such notice is not reasonable or possible. Please also provide the name of your child and any arrangements that have been made.

If you have any questions regarding this policy, your eligibility for leave, or the amount of leave available to you, please contact Human Resources.

### VOTING TIME

The Company encourages all employees to exercise their right to vote in federal, state, and local elections and primaries. Voting polls are generally open during hours that allow you time to vote without interfering with your normal work hours. However, if your working hours begin less than two hours after the opening of the polls and end less than two hours before the closing of the polls, you will be granted up to two paid hours off in order to vote (unless otherwise required by applicable law). To request time off for voting, email your manager. Proof of voting may be required if time off is granted.

### MILITARY LEAVE

Employees who are involved in reserve duty or who are participating in active duty for the U.S. military will be excused from work for the required periods of time. Leave is unpaid unless otherwise required by applicable law.

To request military leave, email your manager and Human Resources as soon as you become aware of the need for leave.

Employees who are re-employed following service will be reinstated with seniority and benefits they had accrued at the time they left for service, in addition to seniority and benefits they would have attained had they remained continuously employed.

The Company does not discriminate or retaliate against employees because of their request for military leave or performance of or obligation to perform military service.

The Company does not discriminate or retaliate against employees because of their request for military leave or performance of or obligation to perform military service.



## BENEFITS AND LEAVE

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### FAMILY MILITARY LEAVE

Illinois employees who have worked for the Company for at least 12 months, and have worked at least 1,250 hours during the immediately preceding 12-month period are eligible for family military leave. This leave is available to any spouse or parent of a person called to military service for more than 30 days. Employees who qualify for this leave are eligible for up to 30 days of leave during the time the federal or state deployment orders are in effect. Leave is unpaid unless otherwise required by applicable law.

To be excused for family military leave, email your manager and Human Resources at least 14 days in advance of the proposed leave, if the leave will consist of five or more consecutive workdays. If fewer than five consecutive workdays are needed, the request must be made as soon as possible.

Insurance benefits will continue during family military leave on the same terms and conditions as those applicable to employees not on leave. Employees who return to work from family military leave are generally entitled to return to their job or an equivalent position without loss of benefits or pay. However, employees are not entitled to reinstatement rights greater than those they would have if they did not take leave.

If the state laws of non-Illinois employees provide a similar type of leave, the Company will comply with such laws.

### PARENTAL LEAVE

Cresco recognizes the importance of family. Therefore, we have adopted our Primary and Secondary caregiver policies to help employees focus on what is important and not worry about the financial burden of being away from work.

#### *Eligibility for Leave*

All full-time employees who have completed at least one year of continuous service immediately preceding the commencement of leave ("Eligible Employees") are eligible for leave in accordance with the terms of this policy for any of the following reasons:

- Maternity or paternity leave, i.e. to care for the employee's child during the first twelve months following birth; or
- Adoption/foster care leave, i.e. to care for a child during the first twelve months following placement with the employee for adoption or foster care.

Part-Time and Temporary employees are not eligible for leave under this policy.

#### *Amount of Leave*

Subject to the terms and conditions of this policy, the Company will grant parental leave for Eligible Employees. The amount of leave depends on whether the Eligible Employee certifies that he/she is the primary caregiver of the child. Leave eligibility is as follows, based on length of service:

| Length of Service Completed as of the First Day of Leave | Amount of Leave for Primary Caregiver for Parental Leave | Amount of Leave for Non-Primary Caregiver for Parental Leave |
|----------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| Less than 12 consecutive months                          | None                                                     | None                                                         |
| At least 12 consecutive months                           | 6 Weeks                                                  | 1 Week*                                                      |
| 24 consecutive months                                    | 8 weeks                                                  | 1 week                                                       |
| 36 consecutive months                                    | 10 weeks                                                 | 1 week                                                       |
| 48 consecutive months                                    | 12 weeks                                                 | 1 week                                                       |

\*For clarity, an Eligible Employee seeking leave who does not certify that he/she is the primary caregiver is entitled to up to one week of parental leave (which may be used at any time during the first 12 weeks following the birth or adoption of the employee's child).

Cresco recognizes the importance of family.

Therefore, we have adopted our Primary and Secondary caregiver policies to help employees focus on what is important and not worry about the financial burden of being away from work.



Please note employees must apply for short-term disability (STD) through Guardian to be eligible for this benefit. JDRC will cover the portion that short term disability does not cover for the employee. Please contact Human Resources to begin the process of applying for STD. Please note that the leave provided under this policy is the maximum leave that an Eligible Employee will be granted in a rolling 12-month period. As used in this policy, a "rolling 12-month period" means the 12-month period immediately preceding the day the employee's leave under this policy begins.

The purpose of this policy is to provide guidance to employees. The Company will follow all applicable federal, state, and local laws and regulations.

#### DOMESTIC OR SEXUAL VIOLENCE LEAVE

The Illinois Victims' Economic Security and Safety Act ("VESSA") provides Illinois employees who are the victims of domestic or sexual violence, or who have family or household members who are the victims of domestic or sexual violence, with up to twelve weeks of unpaid leave within a 12-month period.

##### *Eligibility for Leave*

Eligible employees may take VESSA leave so that they or a member of their family or household may:

- Seek medical attention for, or to recover from, physical or psychological injuries caused by domestic or sexual violence;
- Obtain services from a victim services organization;
- Obtain psychological or other counseling;
- Participate in safety planning, temporarily or permanently relocating, or taking other actions to increase their physical safety or ensure economic security; or
- Seek legal assistance or remedies to ensure their health and safety, including preparing for or participating in any civil or criminal legal proceeding related to or derived from domestic or sexual violence.

The 12-week entitlement for leave under this policy is based on a "rolling" 12-month period. As used in this policy, a "rolling 12-month period" means the 12-month period immediately preceding the date that an employee begins VESSA leave.

Employees may take VESSA leave intermittently (in separate blocks of time) or on a reduced leave schedule (shorter hours per day or week).

## BENEFITS AND LEAVE

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### *Notice*

If you require leave under this policy you must email Human Resources at least 48 hours prior to the effective leave date, if possible. Otherwise, employees must provide such notice as soon as practical.

### *Certification*

We may require you to provide a sworn statement that you or your family or household member (as applicable) is a victim of domestic or sexual violence and that the leave is for one of the purposes set forth above. In addition, we may require you to provide the following supplemental information upon obtaining it: documentation from a victim's services organization, member of the clergy, or medical professional from whom you or your family or household member (as applicable) have sought assistance; police report or court record; and/or other corroborating information. You may be required to provide periodic reports regarding your status or the status of your family or household member (as applicable), and any change in your plans to return to work.

### *Reinstatement and Benefits*

Subject to certain exceptions provided by law, employees who are covered by VESSA are guaranteed reinstatement to either the same position or to one with equivalent responsibilities, pay, benefits and other terms and conditions of employment.

If the state laws of non-Illinois employees provide a similar type of leave, the Company will comply with such laws.

## SCHOOL VISITATION

Illinois employees who have completed at least six consecutive months of service and who, on average, work at least 15 hours each week are allowed up to eight hours off each school year to attend school conferences or classroom activities for their children if these events cannot be rescheduled during non-work hours. Leave is unpaid for hourly employees and temporary employees (unless otherwise required by applicable law).

Employees who wish to take time off under this policy must email their manager and enter the request in ADP Workforce Now at least seven days in advance and corporate in scheduling the time off to minimize disruption to the Company's operations. However, in an emergency situation, 24 hours' notice is sufficient. The Company may require verification by the school administrator of the requesting employee's exercise of school visitation rights.

## WORKER'S COMPENSATION

Work-related injuries and illnesses may be covered by the Company's workers' compensation insurance policy. If you are injured on the job, no matter how slightly, report the incident immediately to Human Resources. You will be taken to a nearby urgent care center or hospital if you can't be treated adequately on the Company's premises.

Please be aware that failure to promptly report a work-related injury or illness may jeopardize your claim. Please alert Human Resources to any condition which could lead or contribute to an employee accident.

We will abide by all requirements set forth in applicable workers' compensation laws. We will not take any adverse action against an employee in retaliation for filing a workers' compensation claim.

Your eligibility for workers' compensation benefits, the amount of benefits payable to you, and the duration of such benefits depend upon the nature of your injury or illness and is determined in the sole discretion of our workers' compensation insurance carrier and in accordance with applicable law.

The Company will make every effort to notify employees when an official change in policy or procedure has been made.

# RECEIPT AND ACKNOWLEDGMENT

I acknowledge receiving a copy of the MONTH DAY, 201\_ edition of the Employee Handbook (the "Handbook") for JDRC Managed Services, LLC (the "Company"). I understand it is my responsibility to review the Handbook and be familiar with all policies, and if there is any policy or provision in the Handbook that I do not understand, I should seek clarification from Human Resources.

I understand that the Handbook replaces and supersedes all previous employee manuals and other similar documents that I may have received from the Company regarding its subject matters (except for any written contract signed by me and the Company's CEO or CFO in respect of my employment with the Company). I also understand that the Handbook is distributed as a guide and summary of the Company's current policies, procedures, and guidelines, any of which may be changed or revoked by the Company at any time, with or without advance notice to employees; provided, however, that (a) the At-Will Employment policy may be revised only by a written contract or agreement signed by the Company's CEO or CFO, and (b) the Dispute Resolution policy may be revised only by a written contract or agreement signed by me and the Company's CEO or CFO.

I understand that the Handbook is not a contract. I also understand that I am employed at will, meaning that either the Company or I may terminate our employment relationship for any reason, at any time, with or without cause or advance notice. I also understand that the fact that I am employed at will cannot be changed by any representative of the Company except its CEO or CFO, who may do so only in a written contract signed by the CEO or CFO.

I acknowledge and understand all of the above. I also acknowledge and understand the Company's Dispute Resolution policy, located in this Handbook, and I will comply with it.

---

Employee's Signature

Date

---

Employee's Printed Name

## 12. Same-Site Application to State of Illinois

# CRESCOLABS®

400 W. Erie Street | Suite 110 | Chicago, IL 60654

312-929-0993

[www.crescolabs.com](http://www.crescolabs.com)

Bret Bender  
Medical Cannabis Deputy Director  
Illinois Department of Financial and Professional Regulation  
Medical Cannabis Unit  
100 W. Randolph - 9<sup>th</sup> Floor  
Chicago, IL 60601

Re: PDI Medical | Registry ID No. 27-002

Dear Mr. Bender,

Enclosed please find the following in support of PDI Medical's Request to Change Proposed Dispensary Location.

- PDI Medical's Request to Change Proposed Dispensary Location Application;
- PDI Medical's supporting documentation;
- A Cashier's Check in the amount of \$5,000 made payable to the IDFPR;

Please let me know if the Division requires any additional information regarding PDI Medical's Request to Change Proposed Dispensary Location Application. Please feel free to reach out to me directly with any questions.

Thank you,

[www.crescolabs.com](http://www.crescolabs.com)

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|                                                                                                                                                                                           |                                                                                  |                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------|
| <b>IMPORTANT NOTICE:</b><br>Completion of this form is necessary for consideration for licensure in connection with the Medical Cannabis Pilot Program Act, 410 ILCS 130 and 68 IAC 1290. | ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION                     | SUPPORTING DOCUMENT |
|                                                                                                                                                                                           | <b>MEDICAL CANNABIS</b><br><b>REQUEST TO CHANGE PROPOSED DISPENSARY LOCATION</b> | <b>MC-LOC</b>       |

|                                                                                                                                                                                                                                                                                                                                                                         |                                                    |                                                  |                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|------------------------------|
| 1. BUSINESS NAME<br><b>PDI Medical</b>                                                                                                                                                                                                                                                                                                                                  | 2. REGISTRY IDENTIFICATION NUMBER<br><b>27-002</b> | 3. MEDICAL CANNABIS DISTRICT NUMBER<br><b>27</b> |                              |
| 4. CURRENT PHYSICAL ADDRESS OF PROPOSED DISPENSARY<br><b>1623 Barclay Boulevard</b>                                                                                                                                                                                                                                                                                     | 5. CITY<br><b>Buffalo Grove</b>                    | 6. COUNTY<br><b>Lake</b>                         | 7. ZIP CODE<br><b>60089</b>  |
| 8. NEW PHYSICAL ADDRESS OF PROPOSED DISPENSARY<br><b>830-840 N. Milwaukee Avenue</b>                                                                                                                                                                                                                                                                                    | 9. CITY<br><b>Buffalo Grove</b>                    | 10. COUNTY<br><b>Lake</b>                        | 11. ZIP CODE<br><b>60089</b> |
| 12. Is the property line of the proposed dispensary a minimum of 1,000 feet from the line of a pre-existing public or private preschool or elementary or secondary school or a day care center, day care home, group day care or part day child care facility identified in Section 130 of the Act? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |                                                    |                                                  |                              |

**ATTACH THE FOLLOWING:**

1. Provide a cover letter stating the reason for the change of location of the dispensary, including a description of how the plans for the proposed dispensary deviate from those provided in your original application and a description of how the proposed location is the equal to, improved, or better suited than the dispensary location in your original application.
2. DFPR Property Ownership Form.
3. DFPR Zoning Form with signature from the local zoning office providing confirmation that the proposed dispensary location is in compliance with local zoning provisions and those identified in Section 130 of the Act.

**SUITABILITY FOR PUBLIC ACCESS:**

1. Provide a narrative explaining why the proposed location is suitable for public access, the size and layout promote safe dispensing of medical cannabis, product handling, and storage. Include detailed plans for handicapped accessible parking and ADA accessibility.
2. Provide a narrative statement describing specific elements in your plan that will favor the immediate community and why your operations will negate any detrimental impact.
3. Provide a narrative describing changes, if any, to the Suitability for Public Access Section provided in your original application.

**PLOT PLANS and PHOTOGRAPHS:** Plot map and drawings must be adequate in size to illustrate your plans. For this section, applicants must:

1. Provide a location area map of the area surrounding the proposed dispensary, extending a minimum of 1,000 feet from the proposed dispensary property line in all directions. Clearly identify the existing adjacent businesses or residences.
2. Demonstrate that the property line of the proposed dispensary is not located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home or part day child care facility identified in Section 130 of the Act.
3. Provide a drawing depicting the property that extends at least to the property line perimeter, defining exterior landscape and interior layout, including storage and delivery areas.
4. Provide color photographs of the proposed dispensary and immediately adjacent area.

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510 East Monroe  
Springfield, Illinois 62701

CASHIER'S CHECK

70-7345  
2711

No. 02332

\*\*\*FIVE THOUSAND and 00/100\*\*\*USDollars

1 06/24/19

AMOUNT

\*\*\*5,000.00\*\*\*

PAY TO THE ORDER OF  
ILLINOIS DEPARTMENT OF FINANCIAL  
AND PROFESSIONAL REGULATION

REMITTER: PDI MEDICAL

VOID AFTER 90 DAYS  
AUTHORIZED SIGNATURE  
*Quinn A. Howard*

SECURITY BANK  
510 EAST MONROE  
SPRINGFIELD, IL 62701

1 06/24/19

023321

\*\*\*FIVE THOUSAND and 00/100\*\*\*USDollars

\*\*\*5,000.00\*\*\*

ILLINOIS DEPARTMENT OF FINANCIAL  
AND PROFESSIONAL REGULATION

REMITTER: PDI MEDICAL

CASHIER'S CHECK

NOT-NEGOTIABLE

P

*1) Provide a cover letter stating the reason for the change of location of the dispensary, including a description of how the plans for the proposed dispensary deviate from those provided in your original application and a description of how the proposed location is the equal to, improved, or better suited than the dispensary location in your original application.*

PDI Medical III, LLC (“the Applicant”) is pleased to petition the Illinois Department of Financial and Professional Regulation (“the Department”) for a change of location. The Applicant intends to change its location from 1623 Barclay Blvd. (the “Existing Location”) to 830-840 N. Milwaukee Ave. (the “Proposed Location”), Buffalo Grove IL because it will allow the Applicant to better serve the patients of Buffalo Grove. The Proposed Location has more square footage, which will allow the Applicant to improve every aspect of its operational layout. Additionally, the Proposed Location is on a major intersection in Buffalo Grove and will provide patients with better public access. These changes will make the Applicant’s new site Illinois’ premier cannabis dispensary.

The Applicant’s first priority in changing locations is to better serve Illinois’ Medical Cannabis patients. The Applicant’s current footprint at the Existing Location is smaller than the footprint at the Proposed Location. As a result, the dispensary’s retail floor is small and hard to maneuver, where the Proposed Location will have a more open floor plan with more access for more patients. Moreover, the dispensary will have more space for point-of-sale stations (“POS stations”).

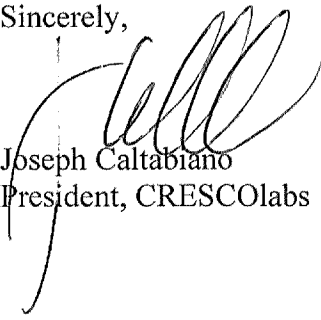
Second, the Proposed Location will allow for more efficient “back of the house operations” including storing and accessing inventory, quarantining unusable cannabis product (i.e., waste destruction), handling cash in secure areas, and training staff. The Applicant’s current vault has a limited capacity to expand, and the new vault will better ensure product availability. The current “back of house” has a variety of corridors, where the new “back of house” operations will allow for more streamlined receiving and eradication and vault procedures.

The Proposed Location will address all the issues above. It is close to a major intersection and has increased traffic. With more square footage, the Applicant will be able to both better serve Illinois patients and run its operation more efficiently. The Proposed Location will have a limited access sales floor that can accommodate many more patients than the Existing Location. As a result, the Applicant will have considerably more POS stations than the current location (up to 16), dramatically cutting patient wait times. This will allow patients to wait comfortably inside the building rather than queuing in lines or out the door. The Proposed Location will also have a vault totaling 600-700 square feet, including receiving and eradication, to ensure product supply for patients and allow for easier inventory audits by staff. Finally, there will be a dedicated staff office and break room to afford the staff more workspace, creating ease for meetings and storage of records.

The Applicant has been a reliable source of medical cannabis in Buffalo Grove for years and the Applicant wants to expand accessibility to affordable medical cannabis for Chicago’s growing number of registered patients. The Applicant’s move to a larger building just a few blocks away from its original location will allow it to better serve Illinois patients and conduct operations in a safer, more compliant matter. We look forward to discussing our plans with the Department at your earliest convenience.

CONFIDENTIAL

Sincerely,



Joseph Caltabiano  
President, CRESCOLabs

CONFIDENTIAL

**IMPORTANT NOTICE:**  
Completion of this form is necessary for consideration for licensure in connection with the Medical Cannabis Pilot Program Act, 410 ILCS 130 and 68 IAC 1290.

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

SUPPORTING DOCUMENT

## MEDICAL CANNABIS DOCUMENTATION OF PROPERTY OWNERSHIP

# MC- PROP

*To be completed by Property Owner*

|                                                                                                               |                          |                                                  |  |
|---------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------|--|
| 1. NAME OF ENTITY APPLYING FOR A DISPENSARY REGISTRATION<br><b>PDI Medical</b>                                |                          | 2. MEDICAL CANNABIS DISTRICT NUMBER<br><b>27</b> |  |
| 3. NAME OF OWNER OF THE PHYSICAL ADDRESS OF THE PROPOSED DISPENSARY<br><br>                                   |                          |                                                  |  |
| 4. PHYSICAL ADDRESS OF THE PROPOSED DISPENSARY<br><b>830 N. Milwaukee Avenue</b>                              |                          |                                                  |  |
| 5. CITY<br><b>Buffalo Grove</b>                                                                               | 6. COUNTY<br><b>Lake</b> | 7. ZIP CODE<br><b>60089</b>                      |  |
| 8. IS APPLICANT ALSO THE PROPERTY OWNER? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO  |                          |                                                  |  |
| 9. IS THE PROPERTY SUBJECT TO A MORTGAGE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |                          |                                                  |  |

### CERTIFICATION

By affixing your signature below, you certify you are the owner of the physical address of the property listed herein, and you know and understand that the above listed entity is applying for a medical cannabis dispensary with the Illinois Department of Financial and Professional Regulation. You also consent that the property at the listed address provided herein may be used as a dispensary if the applicant is awarded a registration by the Illinois Department of Financial and Professional Regulation.

Property Owner Name

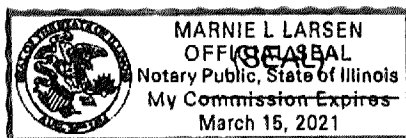
773 354 1730

Phone Number

Property Owner Signature

Date

Subscribed and sworn to before me this 24<sup>th</sup> day of June, 2019.



*Marnie L. Larsen*  
\_\_\_\_\_  
Notary Public



**Illinois Department of Financial and Professional Regulation**  
**Division of Professional Regulation - Medical Cannabis Unit**

**NOTICE OF PROPER ZONING FORM**

**SECTION 1: TO BE COMPLETED BY APPLICANT**

1. BUSINESS/LEGAL NAME OF APPLICANT:

PDI Medical

2. STREET ADDRESS OF THE PROPOSED DISPENSARY:

830-840 N. Milwaukee Avenue

3. DISPENSARY'S REGISTRY ID #:

27-002

4. CITY:

Buffalo Grove

5. COUNTY:

Lake

6. ZIP CODE:

60089

The applicant is solely responsible for ensuring the proposed location is within district boundaries, is compliant with Section 130(d) and 140 of the Act and is in a location that meets minimum zoning requirements. Applicants must not apply with a proposed dispensary address that needs to be re-zoned.

**NOTE: If a proposed location is not in a zoning classification that allows for operation of a medical cannabis dispensary, then the location is non-compliant and your application will be disqualified.**

**CHECK ALL THAT APPLY**

7. Are there local zoning restrictions specific to a medical cannabis dispensary at the proposed location? ☒ Yes ☐ No

8. If applicable, is the location of the proposed medical cannabis dispensary in compliance with minimum local zoning restrictions for medical cannabis dispensaries? ☒ Yes ☐ No

9. If applicable, has the proposed dispensing organization filed a request with the local zoning authority for a dispensary use permit/special use permit? ☒ Yes ☐ No

If a zoning request was filed but has not been approved, the zoning determination is expected to be issued in approximately 60 DAYS ☒ WEEKS ☐ MONTHS ☐ (check one)

10. Is the proposed location in compliance with Section 130(d) of the Act? ☒ Yes ☐ No

**SECTION 2: TO BE COMPLETED BY AN AUTHORIZED REPRESENTATIVE OF THE LOCAL ZONING OFFICE**

Please confirm the boxes 7 to 10 above are true and accurate under the local zoning ordinance.

Deputy Village Manager

Village of Buffalo Grove

Title of the Authorized Zoning Representative

Name of the Local Jurisdiction

Christopher Stilling

847-459-5530

Printed Name

Telephone Number

Signature / Date

11/5/19

**NOTE:** Section 130(d) of the Medical Cannabis Pilot Program Act states in pertinent part:

(d) A dispensing organization may not be located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, or part day child care facility. A registered dispensing organization may not be located in a house, apartment, condominium, or an area zoned for residential use.

*1. Provide a narrative explaining why the proposed location is suitable for public access, the size and layout promote safe dispensing of medical cannabis, product handling, and storage. Include detailed plans for handicapped accessible parking and ADA accessibility.*

### ***Suitability for Public Access***

PDI Medical III, LLC (“the Applicant”) is proposing to relocate its business to 830-840 N. Milwaukee Ave. (the “Proposed Location”) and ensures that it **is suitable for public access**. The Proposed Location’s proximity to a host of healthcare entities that service the same patient population as the dispensary, such as Northwest Community Medical Group, Presence Health Care, and several doctors’ offices, indicates many patients are already traveling to the area to receive medical care. These patients will be able to enjoy the convenience of visiting the Proposed Location to purchase medical cannabis while in the area visiting other healthcare entities.

### ***Safe Dispensing of Medical Cannabis***

The Proposed Location’s **size and layout promote safe dispensing of medical cannabis**, and is a one-story facility with a 2,142 sq. ft. main floor for dispensing operations. The Proposed Location will feature a 376 sq. ft. waiting room, a 2,142 sq. ft. sales area, 105 sq. ft. of office space, and 56 sq. ft. American Disabilities Act (“ADA”)-compliant restrooms. This amount of space allows more efficient transactions for a high number of patients and will allow staff to more easily monitor patients and caregivers within the limited access area – creating a comfortable and safe shopping experience for all patients.

The Proposed Location will include 24/7 video surveillance through the whole premises, the exterior will be well-lit, and security personnel will remain on premises to monitor foot traffic in-and-out of the building. Patients and the public will only have access to the building’s main entrance to ensure that all cannabis leaves the building through one area – allowing security personnel to pinpoint surveillance and safety procedures in those areas. Additionally, with the change to the amount of space at the Proposed Location in mind, the Applicant has created a comprehensive safety and security plan included in this application to ensure the care and well-being of every patient.

### ***Product Handling and Storage***

The size and the layout of the Proposed Location **promotes safe product handling and storage** while enhancing compliance, safety, and patient satisfaction. The Applicant will install physical barriers that will prevent public access to areas containing medical cannabis, restricting access to medical cannabis storage areas. Only staff responsible for controlling inventory will have access to safes and vaults.

Additionally, no cannabis will be visible to the public from the entry vestibule and/or waiting areas. Only patients, authorized staff, and authorized visitors (e.g., law enforcement and the Illinois Department of Financial and Professional Regulation’s [“the Department”] representatives) will have access to the sales area – which will be a separate room with additional security provisions.

***ADA Accessibility***

To enhance patient accessibility, the Applicant will maintain ADA compliance. The Applicant will achieve this by integrating a multitude of features that will not only benefit patients with physical limitations, but also staff, as they too will benefit from thoughtful building design and accessibility. For example, entrance and exit door hardware will include ADA-compliant automatic door openers. The building does not require an ADA ramp as there are no grade changes from the sidewalk to the interior floor. The exterior of the Proposed Location is a city sidewalk and no landscaping or other changes will be made.

Moreover, the Proposed Location is suitable for public access because it is easily accessible to patients by way of ADA accessible public transportation methods including bus, vehicle, or rideshare. The Proposed Location is close to two Pace bus stops, on Milwaukee Ave. and Deerfield Parkway. The Proposed location will have ample open parking spaces and meet ADA accessibility requirements for parking during business hours.

2. *Provide a narrative statement describing specific elements in your plan that will favor the immediate community and why your operations will negate any detrimental impact.*

***Security – Loitering, Graffiti, and Surveillance***

As a healthcare resource to residents, PDI Medical III, LLC (“the Applicant”) will ensure that its operations favor the immediate community through its professionalism and attentiveness to community concerns. Security personnel onsite will dissuade people from loitering outside the building, and the grounds will remain clean and free of trash. Security personnel will continually monitor the exterior of the building and pathways leading to 830-840 N. Milwaukee Ave. (the “Proposed Location”) for threats. This constant threat assessment helps guarantee patients’ and staff’s safety while on premises.

The Applicant will also employ stringent groundskeeping procedures in pursuit of keeping an attractive business and being a responsible neighbor. Because the Proposed Location is in a central business district in a heavily populated area, security personnel will be on alert for graffiti, with a plan to remain vigilant with a quick detection and immediate response plan for the Applicant’s building. Additionally, security personnel intend to hold a good rapport with neighbors and will report any discovery of new graffiti on neighboring buildings if necessary.

Exterior video surveillance will add security to both the Applicant’s building and the surrounding community. Because the Applicant intends to operate in a busy area, the Applicant expects high volumes of traffic outside and around the exterior of the building and is prepared to take extra security measures. Security personnel will carefully monitor surveillance footage of exterior sidewalks and adjacent roads. By installing cameras pointing towards the street and sidewalks, the Applicant can serve as a remote surveillance-depot for the Village and State – if a crime were to occur in the Proposed Location’s proximity, cameras could provide critical evidence to law enforcement in prosecuting perpetrators.

Finally, the Applicant is also prepared to address business transparency to help abate community concern. The Applicant will uphold its ongoing duty to provide Buffalo Grove and the Illinois Department of Financial and Professional Regulation (“the Department”) with up-to-date contact information and will report all business modifications to the Department within 10 calendar days, as required by Section 1290.130 of the Department’s Rules. Those notifications include:

- Any proposed remodeling, expansion, reduction or other physical, non-cosmetic alteration of the dispensary; and
- Any change to the principal place of business address.

***Philanthropy***

The Applicant will also give back to the community by continuing its legacy of philanthropic initiatives, volunteer campaigns, and other community sponsorship programs in and around Buffalo Grove. The Applicant has participated in the Lake County Canna Expo, has a partnership with Sedgebrook Retirement Community, and has participated in the Walk to End Alzheimers.

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***Advertising and Marketing***

The Applicant will comply with all Buffalo Grove ordinances and Illinois laws regulating advertising. The Applicant will comply with the following provisions, as set forth by Section 1290.455 of the Illinois Administrative Code:

1. Will not advertise within 1,000 feet of the perimeter of a school grounds, playground, recreation center or facility, childcare center, public park or library, or any game arcade admission to which is not restricted to persons age 21 years or older;
2. Will not advertise on or in a public transit vehicle or public transit shelter; or
3. On or in a publicly-owned-or-operated property.

***Odor Mitigation and Consumption on Property***

The Applicant will provide a sufficient odor absorbing ventilation and exhaust system so that any cannabis odor generated inside the business is not detected outside of the location, anywhere on adjacent property or public rights-of-way.

The Applicant will take measures to ensure that cannabis is never consumed at the Proposed Location and will enforce strict anti-loitering policies. The Applicant will expressly prohibit consuming cannabis on site as required by Section 1290.300 (m)(2) of the Illinois Department of Financial and Professional Regulation's ("the Department") Rules and will never sell cannabis to any individual that does not present clear, legible identification and registry documentation as required by 12900.300 (m)(4) of the Department's Rules. Additionally, security personnel will record suspicious behavior, log identities of suspicious individuals, and ban individuals, from accessing the building in the future (e.g., following suspicious activity, attempted theft, altercations, etc.) if applicable or necessary. By fostering a working relationship with Buffalo Grove police, residents, and local businesses, the Applicant intends to be a true participant in the community.

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3. *Provide a narrative describing changes, if any, to the Suitability for Public Access Section provided in your original application.*

***Security and Floor Plan***

PDI Medical III, LLC (“the Applicant”) intends to move from the current location at 1623 Barclay Blvd. (the “Existing Location”) one and a half miles southeast, to 830-840 N. Milwaukee Ave, Buffalo Grove. (the “Proposed Location”). The size of the Proposed Location distinguishes it from the Existing Location, which will improve patient access and experience, as well as product security and regulatory compliance.

The Proposed Location is considerably larger than the Existing Location – the dispensary will have many features that will enhance patient accessibility and shopping experience, including:

- A larger dispensary floor / retail showroom (2,142 sq. ft.);
- A dedicated door for patients to exit, allowing patients to leave in a timely manner; and
- More than 15 point-of-sales stations (“POS stations”).

The size of the retail showroom (where patients can select available products) will allow the Applicant to add over 10 additional POS stations to process patient transactions. The Existing Location accommodates less than five POS stations, and the Proposed Location will accommodate over 15 POS stations to prevent queueing outside and dramatically cut wait times.

The Proposed Location will provide patients with more availability for patient consultations. Currently, the Existing Location has a complicated floor plan that makes it difficult to serve patients efficiently. The Proposed Location will have a more open floor plan with a more streamlined process for patients to move through the facility.

The additional space will allow improvements to security in restricted access areas like the vault, cannabis handling areas, cashier and dispensing areas, and storage/operational areas. At the Existing Location, cannabis is stored in the vault for patient care specialists to pick up and hand to patients at the counter. At the Proposed Location, medical cannabis will be dispensed directly to employees at a door from the counter to the vault, creating a more streamlined inventory movement will provide greater accessibility because staff can spend more time with patients, rather than accessing or looking for inventory for sales.

***ADA changes***

Additionally, the dispensary will accommodate people with disabilities by having a design aimed at accessibility and compliance with the American Disabilities Act (“ADA”). The Proposed Location will have at least one ADA-compliant POS station and will have two 56 sq. ft. ADA-compliant bathrooms. The Applicant will first remove any barriers that may exist from the structure; then it will retrofit, or otherwise construct new facilities to provide access to customers with disabilities.

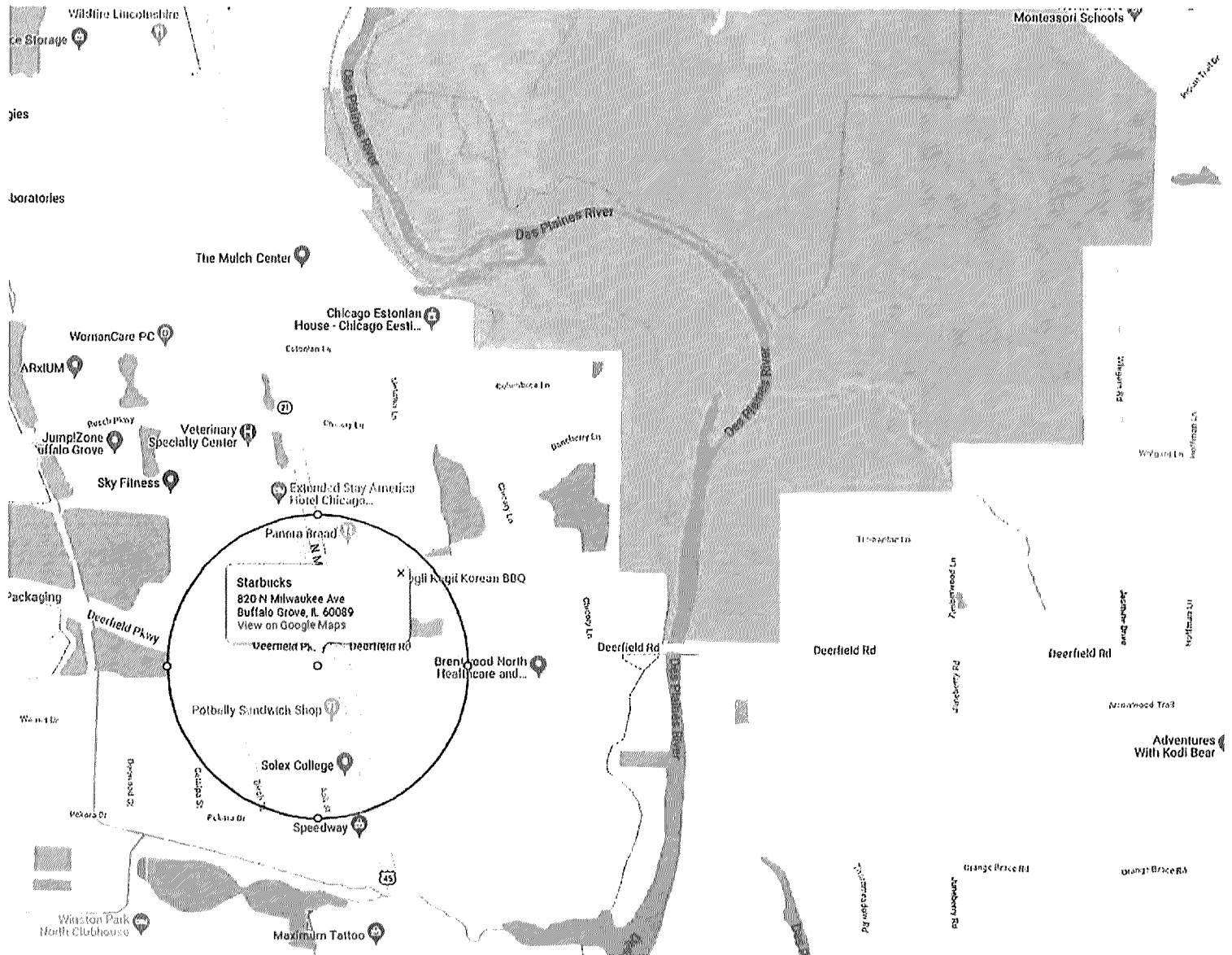
CONFIDENTIAL

***Public transportation***

The Proposed Location is on a more well-trafficked intersection and is more accessible to patients using Pace for transportation – multiple Pace stops are considerably closer to the Proposed Location which will cut the walking time.

**CONFIDENTIAL**

1. Provide a location area map of the area surrounding the proposed dispensary, extending a minimum of 1,000 feet from the proposed dispensary property line in all directions. Clearly identifying the existing adjacent businesses or residences.



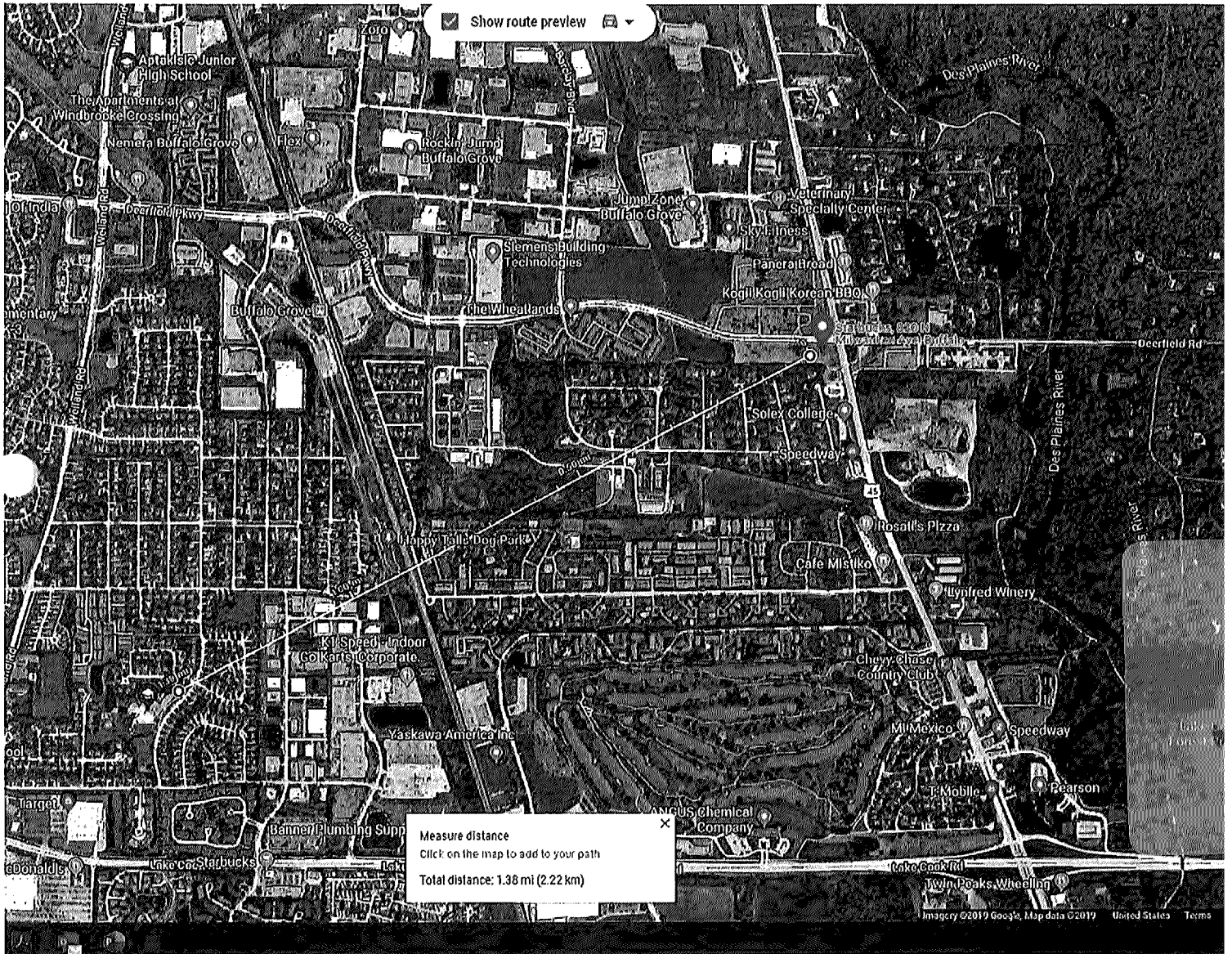
CONFIDENTIAL



## Deerfield Parkway and Milwaukee Avenue

Demonstrate that the property line of the proposed dispensary is not located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home or part day child care facility identified in Section 130 of the Act.

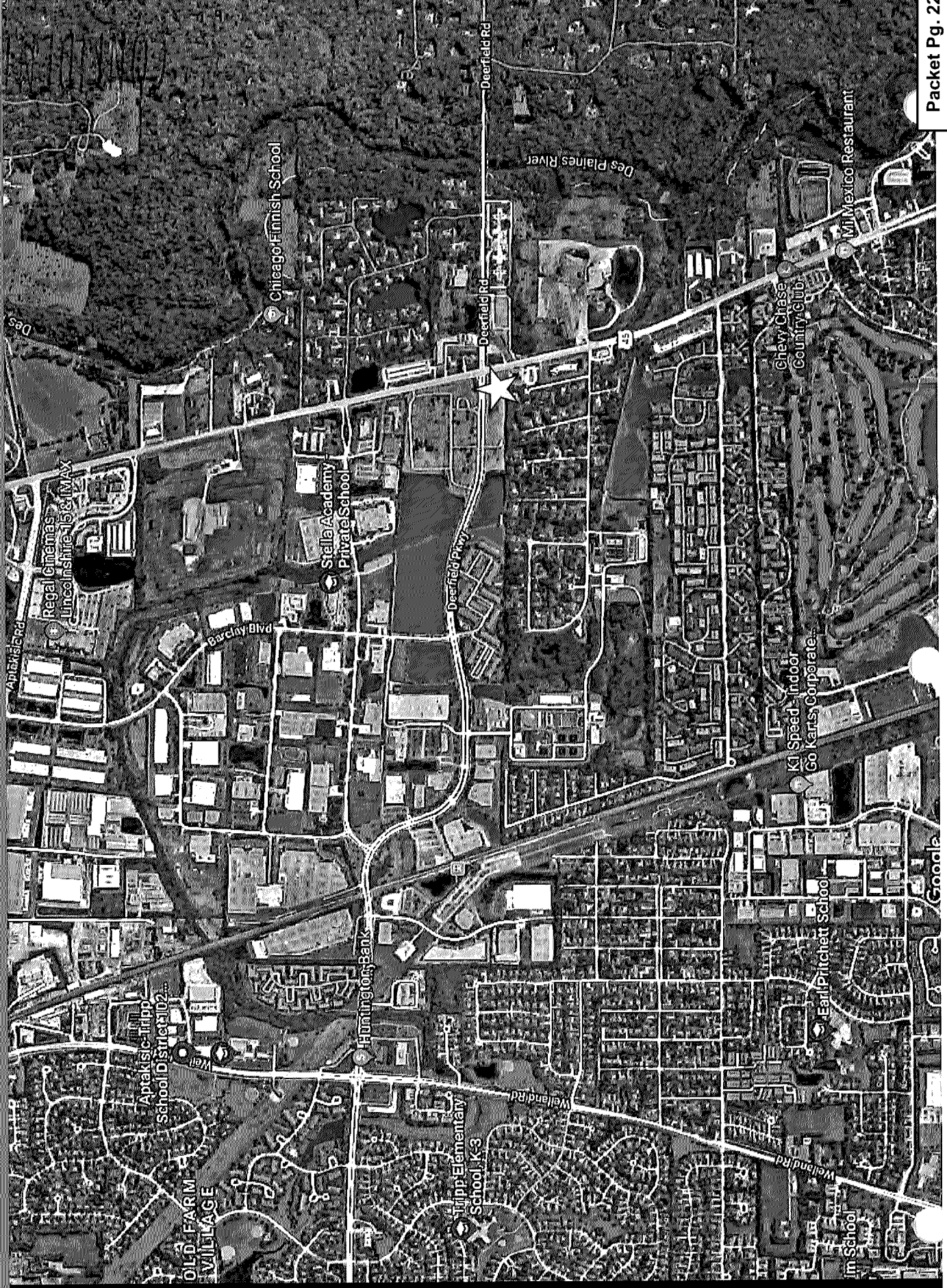
The closest school is located more than 1 mile from the proposed location.

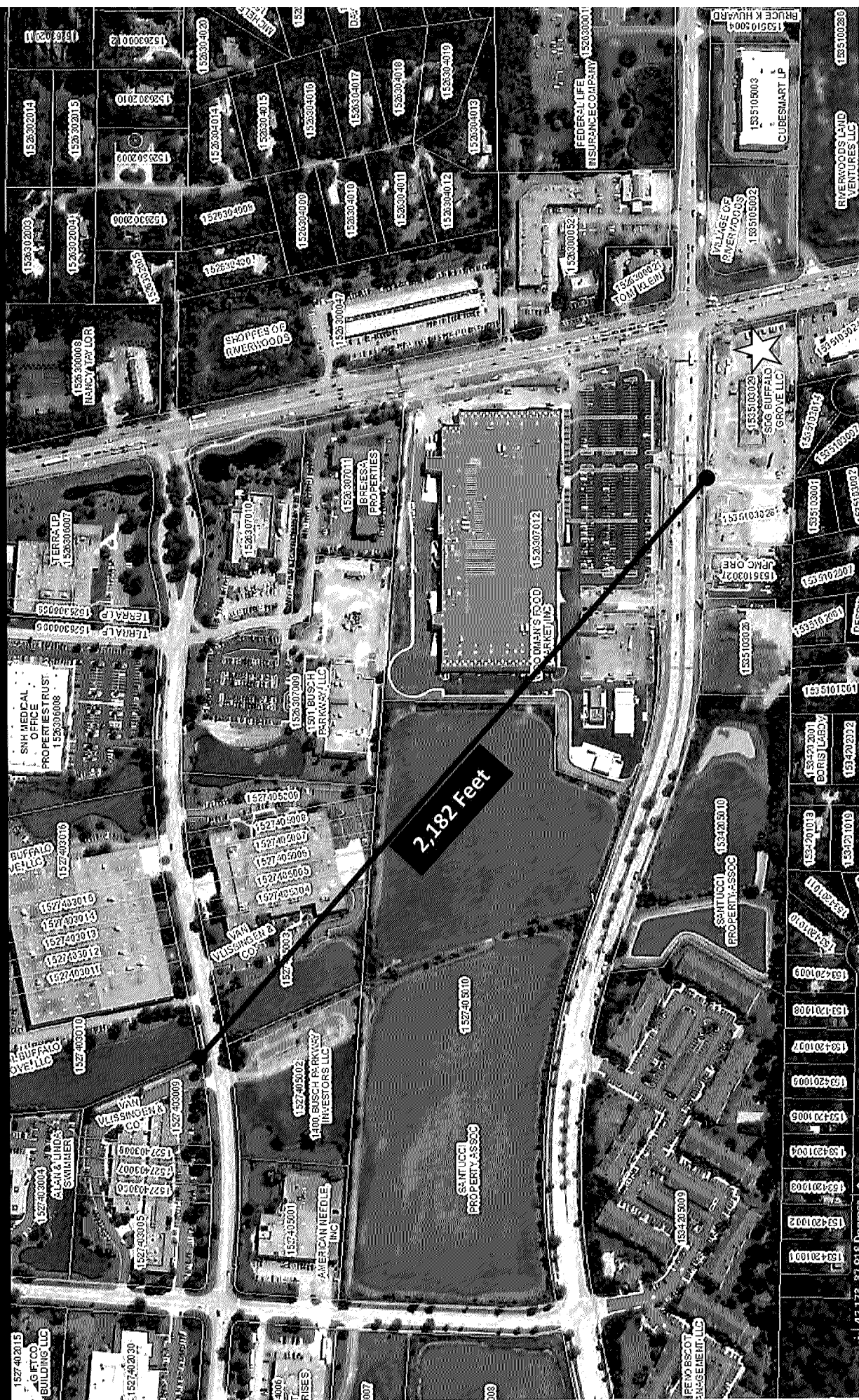


CONFIDENTIAL



# SWC Milwaukee Ave & Deerfield Pkwy – Buffalo Grove School - Zoomed Out

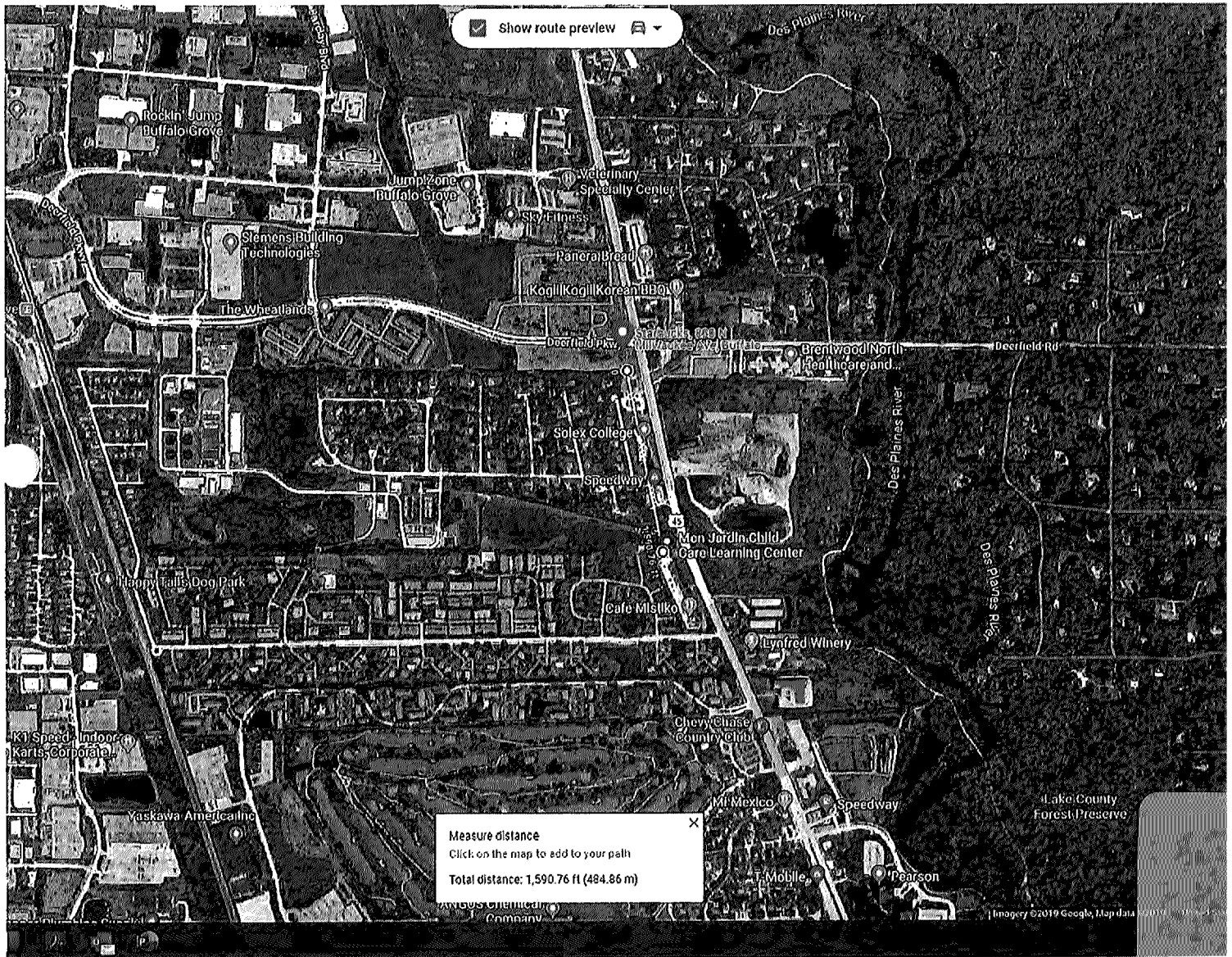






2. Demonstrate that the property line of the proposed dispensary is not located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home or part day child care facility identified in Section 130 of the Act.

The closest day care is located more than 1,500 feet from the proposed location.



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# SWC Milwaukee Ave & Deerfield Pkwy – Buffalo Grove Day Care - Zoomed Out











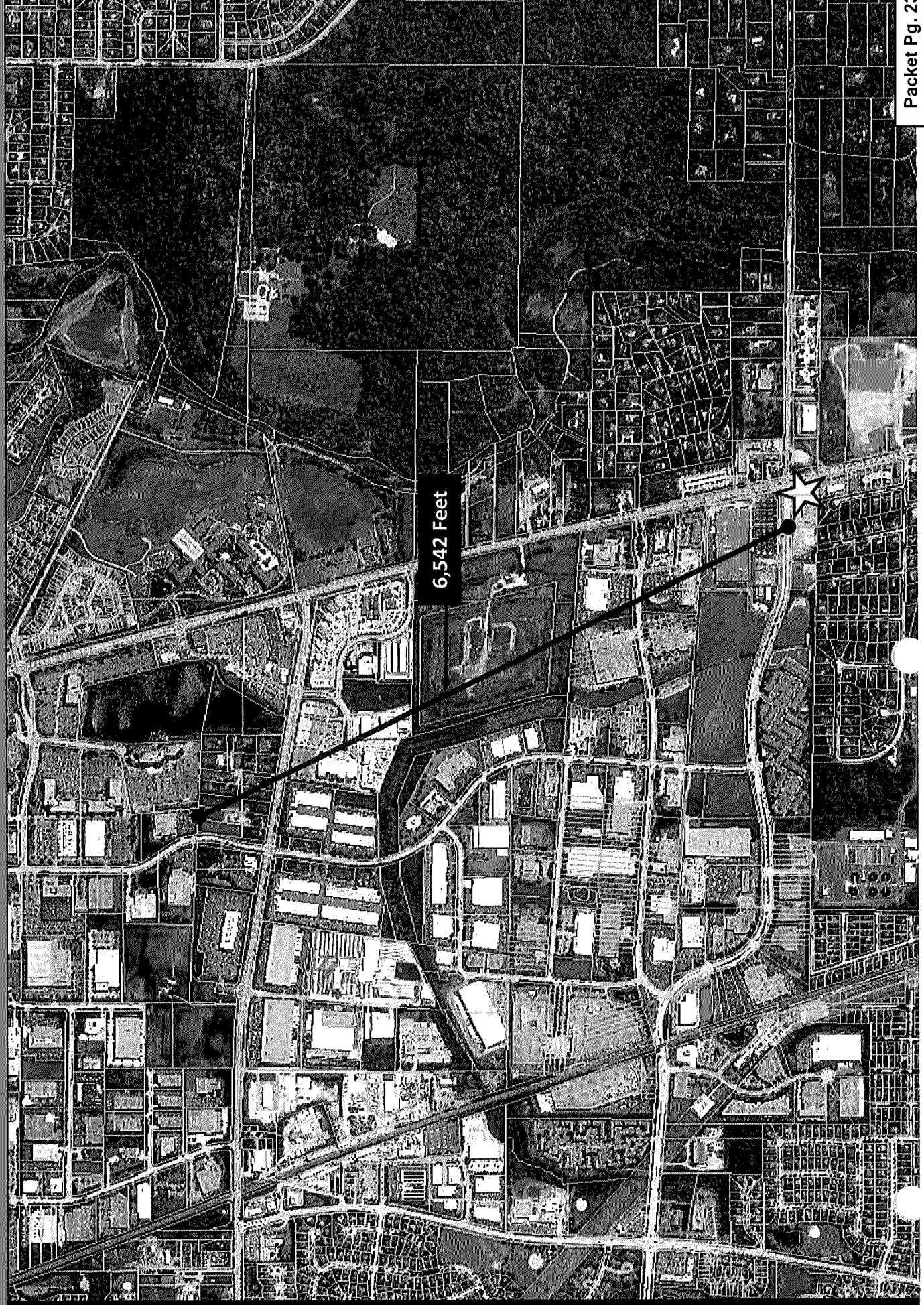
# SWC Milwaukee Ave & Deerfield Pkwy – Buffalo Grove Church - Zoomed Out





SWC Milwaukee Ave & Deerfield Pkwy – Buffalo Grove  
Church - Zoomed In w/ Measurement

9.A.c





1 ARCHITECTURAL SITE PLAN (FOR REFERENCE ONLY)



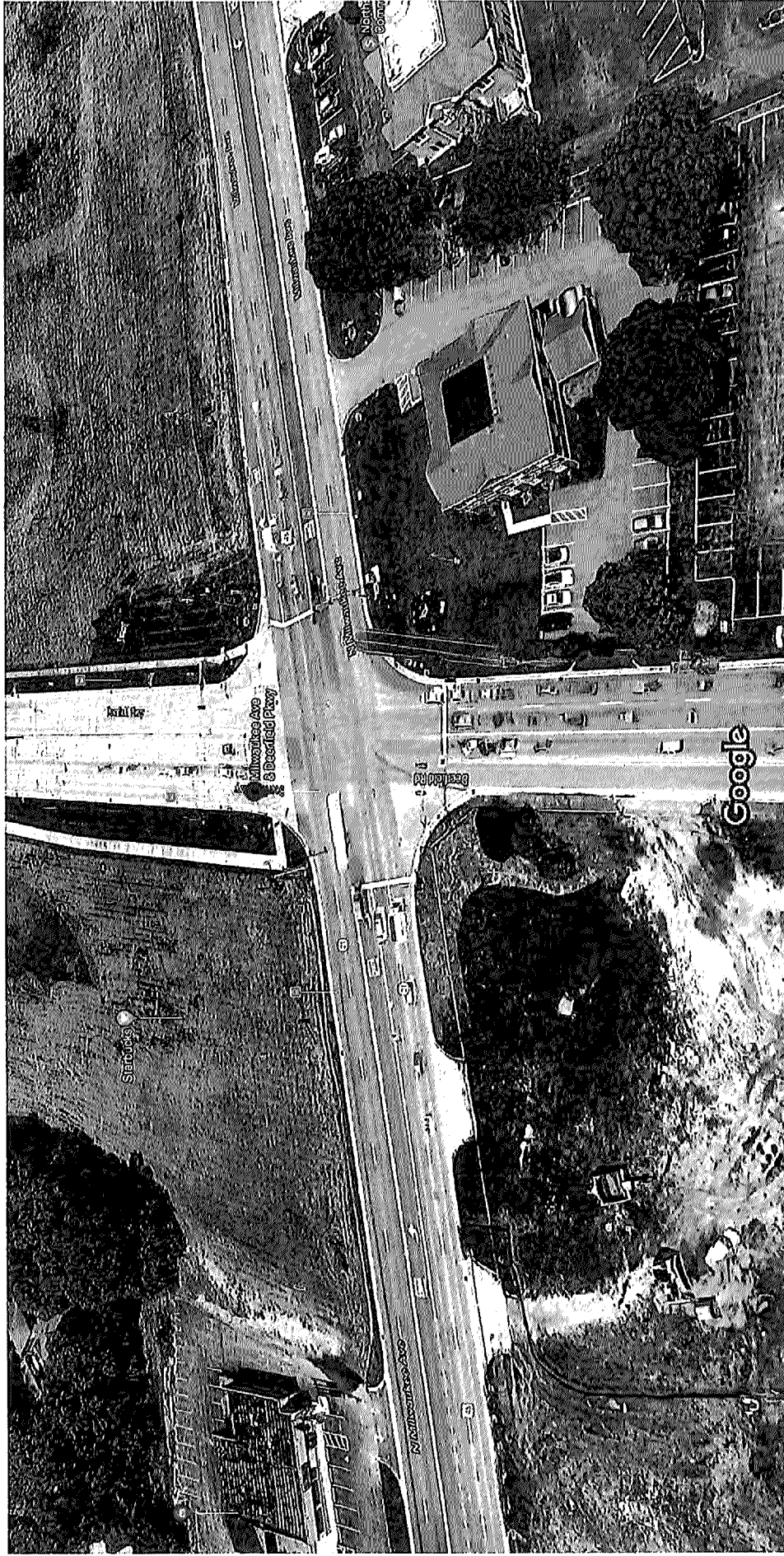


6/22/2019

Milwaukee Ave & Deerfield Pkwy - Google Maps

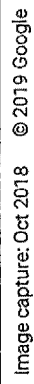
9.A.c

# Google Maps Milwaukee Ave & Deerfield Pkwy



Imagery ©2019 Google, Map data ©2019 20 ft

**Attachment: Exhibit A-Plan Set (O-2020-6 : Ordinance Approving a Special Use for an Adult Use**



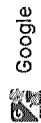
Street View - Oct 2018

# Google Maps Milwaukee Ave and Deerfield Pkwy



Image capture: Oct 2018 © 2019 Google

Riverwoods, Illinois



Street View - Oct 2018

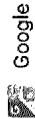


# Google Maps Milwaukee Ave and Deerfield Pkwy



Image capture: Oct 2018 © 2019 Google

Riverwoods, Illinois



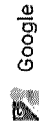
Street View - Oct 2018

# Google Maps Milwaukee Ave and Deerfield Pkwy



Image capture: Oct 2018 © 2019 Google

Riverwoods, Illinois



Street View - Oct 2018

6/22/2019

9.A.c

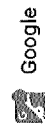
Milwaukee Ave and Deerfield Pkwy- Google Maps

## Google Maps Milwaukee Ave and Deerfield Pkwy



Image capture: Oct 2018 © 2019 Google

Riverwoods, Illinois



Street View - Oct 2018

Specialty Center

[https://www.google.com/maps/place/Milwaukee+Ave+%26+Deerfield+Pkwy,+Riverwoods,+IL+60015/@41.7590166,-87.9215506,3a,75y,90t/data=!3m6!1e1!3m4!1sVLlBN5qRwE\\_c5Yx6u5Pn](https://www.google.com/maps/place/Milwaukee+Ave+%26+Deerfield+Pkwy,+Riverwoods,+IL+60015/@41.7590166,-87.9215506,3a,75y,90t/data=!3m6!1e1!3m4!1sVLlBN5qRwE_c5Yx6u5Pn)

Packet Pg. 241

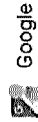


# Google Maps Milwaukee Ave and Deerfield Pkwy



Image capture: Oct 2018 © 2019 Google

Riverwoods, Illinois



Street View - Oct 2018



# Google Maps Milwaukee Ave and Deerfield Pkwy

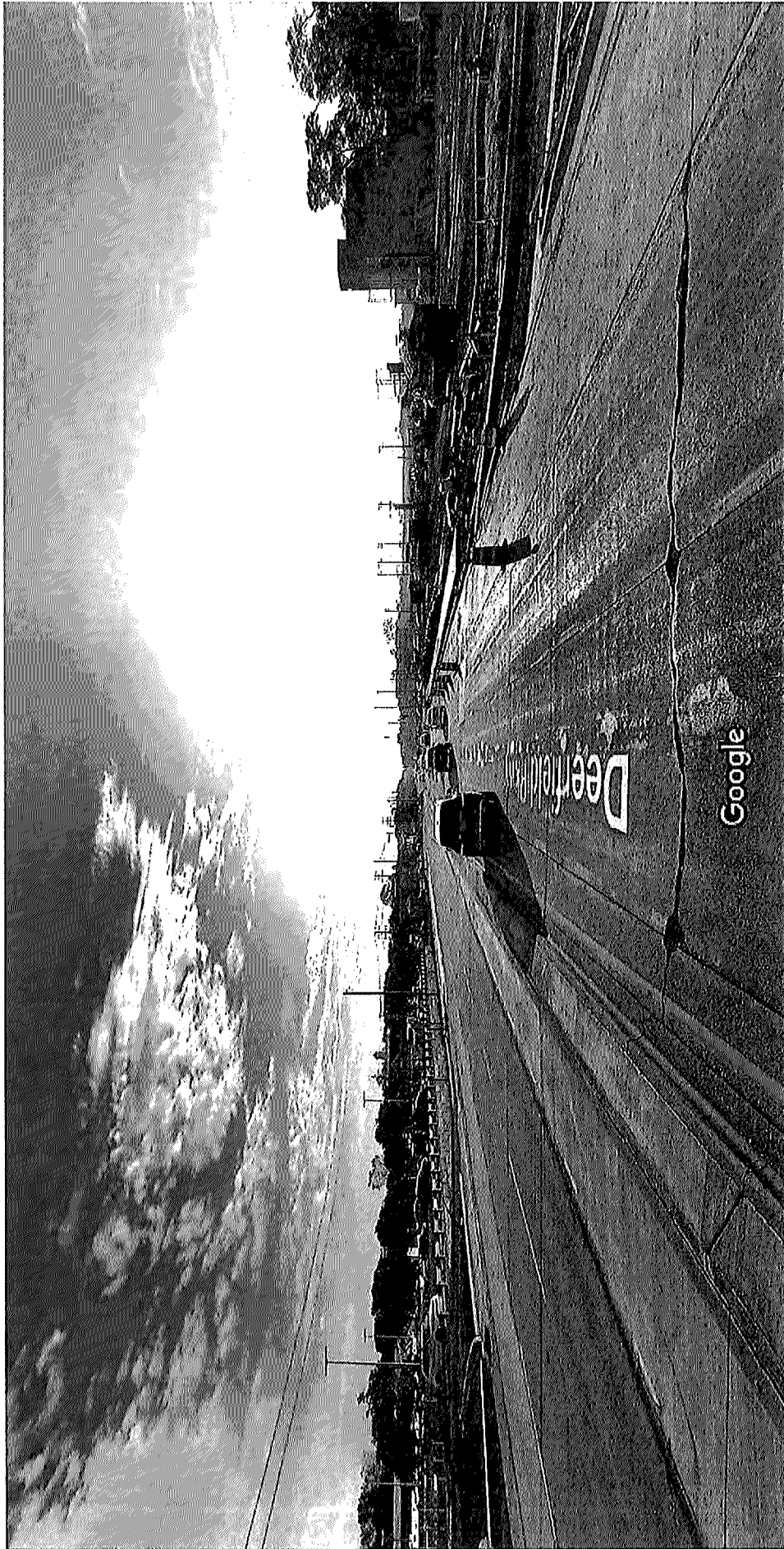
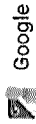


Image capture: Oct 2018 © 2019 Google

Deerfield, Illinois



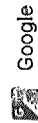
Street View - Oct 2018

# Google Maps Milwaukee Ave and Deerfield Pkwy



image capture: Oct 2018 © 2019 Google

Riverwoods, Illinois



Street View - Oct 2018



*1. Narrative of how the proposed dispensary location complies with the local zoning ordinance or rules.*

PDI Medical, LLC (“the Applicant”) is requesting the Illinois Department of Financial and Professional Regulation’s (the “Department”) permission to relocate its dispensary from 1162 Barclay Blvd. (the “Existing Location”) to 830-840 N. Milwaukee Ave., Buffalo Grove (the “Proposed Location”).

***Zoning***

The Proposed Location is zoned B3 (Planned Business Center District. Buffalo Grove’s Zoning Ordinance allows for a medical cannabis dispensary to operate in a B3 zone.

***Location Compliance***

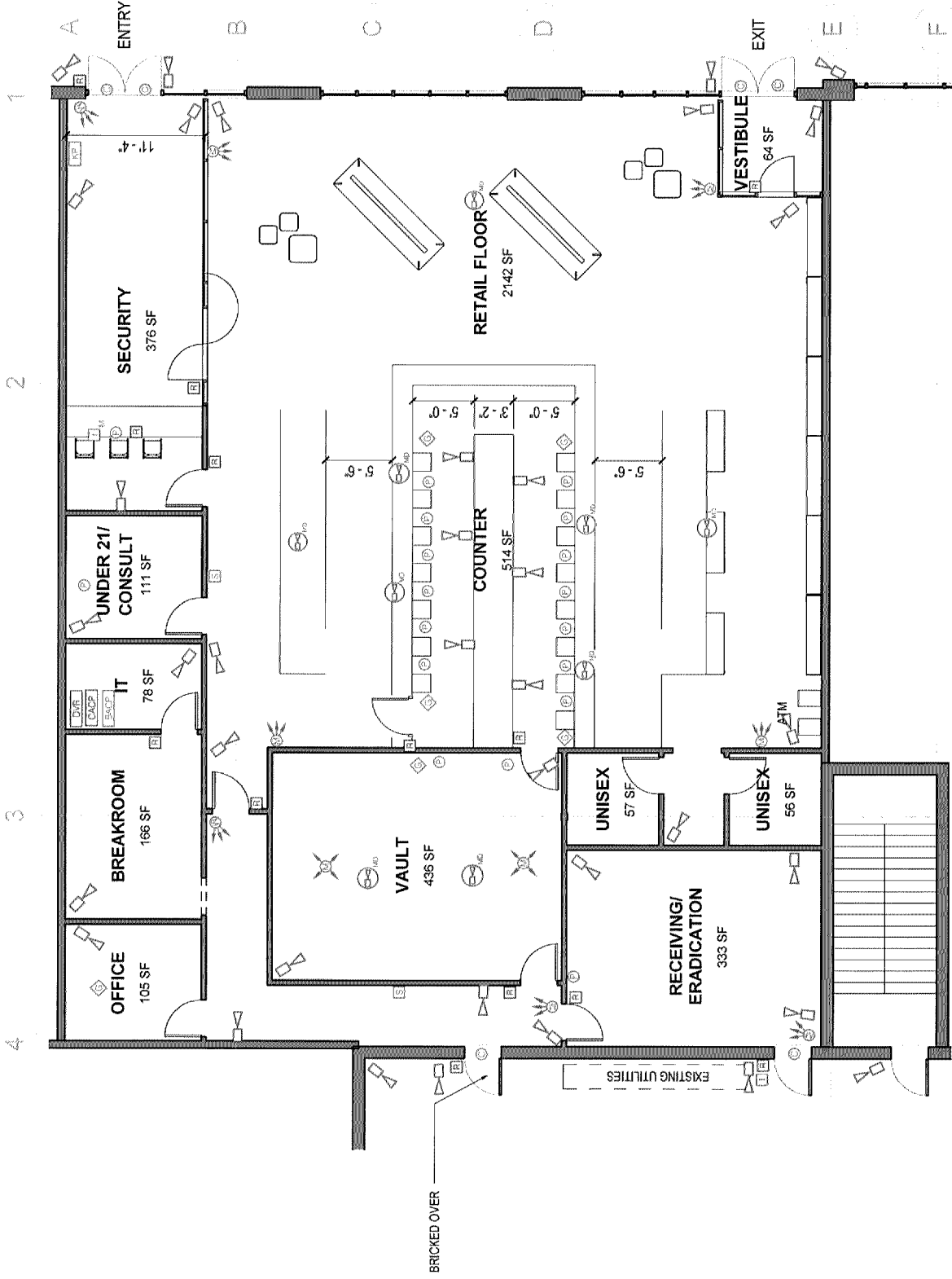
Additionally, this Proposed Location is compliant with Sections 130 (d) and 140 of the Medical Cannabis Pilot Program Act (the “Act”). In accordance with Section 130 (d) of the Act, the property is located more than 1,000 ft. from the property line of any pre-existing public or private preschool, elementary or secondary school, day care center, day care home, group day care home, or part day child care facility, as depicted on the attached maps. In order to ensure that the Proposed Location was compliant, the Applicant searched publicly available resources and utilized third-party services to determine distance from the applicable sites.

***Permitting***

The Applicant will apply for a special use permit with the Village of Buffalo Grove by November 4, 2019 and has engaged zoning counsel to assist with ensuring all zoning compliance.

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OPTION B

Lamar Johnson  
Collaborative

CRESO LAB  
BUFFALO GROV  
19,0115.00  
08/26/1

*1. Provide a narrative of changes, if any, to the type of surveillance system that will be installed, controls used to monitor and secure the premises, agents, patients, caregivers, currency and measures that will prevent the diversion, theft or loss of cannabis and currency previously provided in your original application.*

***Changes to Surveillance***

PDI Medical III, LLC (“the Applicant”) already employs robust security and surveillance systems at 1623 Barclay Blvd. (the “Existing Location”), and the procedures at 830-840 N. Milwaukee Ave., Buffalo Grove (the “Proposed Location”) will remain consistent with those policies and protocols. The primary change to the plan is the layout and the placement of security equipment. For details related to equipment placement, see the facility floor plan and the security equipment overlay, included with this application.

The Applicant will install the following new equipment to **enhance the surveillance system** at the Proposed Location:

The Proposed Location will be larger than the Existing Location, which means there are more surfaces and areas that require surveillance.

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***Diversion and Theft/Loss***

The Applicant understands that the area in which it intends to operate has a high volume of visitors every day. The Applicant has the experience to accommodate this type of traffic and has an excellent track record of preventing diversion through established policies and protocols. The Applicant will advance this legacy by ensuring the same standard is achieved at the Proposed Location. Several security features that the dispensary employs at the Existing Location will continue to assist in preventing crimes and unaccounted medical cannabis. Employees will continue to receive orders from cultivation centers in teams of at least two, and all inventory will remain traceable in the Applicant's inventory control system. Manual logs, which employees will store in a secure location, will create inventory tracking redundancy.

Additionally, by installing a combination of conspicuous and inconspicuous cameras throughout the interior and around the exterior of the building, the Applicant will help prevent theft and other crimes. Constant video surveillance of the exterior of the receiving area will further deter unauthorized individuals from loitering around the rear entrance of the building where shipment receiving will occur. Signs that notify individuals that the premises is under 24/7 video surveillance will help dissuade criminal activity.

***Controls used to Monitor and Secure the Premises, Agents, Patients, Caregivers, and Currency***

Consistent with the Existing Location, the Proposed Location will continue to feature restricted access areas, which onsite security personnel or designees will monitor during business hours. Door release buttons and keycard entry points will prevent unauthorized entry. An integral upgrade from the Existing Location is a streamlined layout that is conducive to keeping back-of-house operations away from patients. Limited access areas are designed so all areas that patients can access are connected and removed from inventory processing, office administration, and currency handling.

Additionally, moving to the Proposed Location will benefit the dispensary's receiving and transportation security because authorized employees will have streamlined access to secure storage areas, which will minimize the duration of delivery processing. This will result in more discrete operations than currently possible at the Existing Location through the utilization of a restricted access receiving area.

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*1. Provide a narrative describing changes, if any, to the Product Security Section provided in your original application.*

PDI Medical III, LLC's ("the Applicant") security plans will remain compliant with all applicable laws and regulations relating to medical cannabis dispensaries, including all applicable provisions of the Illinois Administrative Code, Title 68, Section 1290.410. The Applicant's security protocols reflect a combination of the Illinois Department of Financial and Professional Regulation's ("the Department") rules and the previous management experience of the Applicant.

***Exterior Changes***

The Proposed Location's security plan and its functionality will remain consistent with the Existing Location, specifically in the following areas:

***Interior Changes***

The Proposed Location's security plan and its functionality will remain consistent with the Existing Location, specifically in the following areas:

***Theft/Loss***

The Applicant will continue to strictly control shipment receiving procedures. The layout of the Proposed Location will greatly enhance these procedures. A larger space will allow employees to better organize shipments of medical cannabis and verify all manifests from cultivation centers out of view from patients. As is the policy at the Existing Location, before accepting medical cannabis products, a manager or designee will examine the following aspects of manifests to ensure compliance and accuracy:

- The estimated time of arrival of delivery;
- The route of the authorized delivery;

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- The type of product;
- The amount and/or weight of product being delivered; and
- The time the originating cultivation center submits the manifest to the Department.

The Applicant will continue to immediately review any instance of theft/loss and take appropriate actions to investigate the cause of all incidences. Security personnel will gather the following information during investigations and will use it to refine policies and procedures to prevent reoccurrence:

- The nature of the incident (time, location, date, parties affected);
- Amount and type of item/product lost or stolen;
- Circumstances surrounding the loss or theft;
- The date the loss or theft was discovered;
- The person who discovered the loss or theft;
- The person responsible for the loss or theft (if known); and
- Any other information that the reporter believes is helpful in establishing the cause of the loss or theft.

Additionally, the Applicant will report all instances of theft or loss to the Department in accordance with the Department's rules and regulations.

### *Visitors*

The Applicant will continue to strictly limit the amount and type of visitors to the Proposed Location. Currently, the Department must receive a 24-hour notice prior to a planned visit of any visitor other than employees, patients and caregivers. The request includes, and will continue to include until further notice from the Department:

- The name of the dispensing organization requesting the visit;
- Name of the visitor;
- Reason for the visit; and
- The date and time of the proposed visit.

The Applicant will continue to employ the strict access controls in place at the Existing Location, which includes only authorized individuals will have access to the Proposed Location, including:

- A person employed by the Applicant licensed to work in and/or visit the Proposed Location;
- A patient who holds a valid identification and registry card;
- The designated caregiver of a patient who holds a valid registry card;
- State inspectors; and
- Illinois State Police.

The Applicant will continue to retain visitor logs for five years and will keep surveillance recordings for 90 days. The Proposed Location will also have an electronic backup system for all electronic records. The Applicant will keep a current list of authorized employees and service employees or contractors who have access to any security and surveillance-storage areas. Access

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to rooms containing security and surveillance monitoring equipment will remain accessible only to essential persons maintaining security and surveillance operations.

***Chain-of-Custody***

The Applicant will enhance product security by relocating its dispensary from 1623 Barclay Blvd. ("the Existing Location") to 830-840 N. Milwaukee Ave., Buffalo Grove. ("the Proposed Location"). The Proposed Location provides great efficiency with respect to receipt of product. The Proposed Location will have a more streamlined layout to allow for faster, safer, more efficient, and discrete transfers of product. Procedures related to receipt-of-product will remain consistent with current operations at the Existing Location, but the new layout will enhance the effectiveness of these procedures – after receiving product from cultivation centers, dispensary employees can proceed efficiently to a locked, fully enclosed vault.

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*1. Provide a narrative of any changes in the receipt/delivery process described in the Shipping/Transportation Security Measures Section previously provided in your original application.*

***Product Delivery***

PDI Medical III's ("the Applicant") security plan for receipt/delivery of cannabis products will remain consistent with the Applicant's current procedures and protocols at 1623 Barclay Blvd. (the "Existing Location"). The primary change to the Applicant's security plan is its layout, which will enhance the Applicant's current operations and allow for greater security, product control, and surveillance. The 830-840 N. Milwaukee Ave., Buffalo Grove location (the "Proposed Location") is larger and has a streamlined layout for easy storage access. The Applicant will continue to process inventory consistent with current standard operating procedures ("SOPs"), which the Proposed Location's new layout will enhance.

Transportation security measures and shipping/receiving protocols reflect a combination of the Illinois Department of Financial and Professional Regulation's ("the Department") Rules and the previous management experience of the Applicant. The Applicant has an excellent track record of receipt/delivery process compliance at the Existing Location and the Proposed Location will advance compliance even further. Allowing the Applicant to move from the Existing Location to the Proposed Location will advance the security of receiving areas because there will be more space to operate and allow for greater discretion in accepting deliveries. The policies and protocols related to receiving medical cannabis products will have a greater effect because of enhanced product security and a streamlined layout.

- The name(s) of the authorized delivery agents and estimated arrival time;
- The name of the cultivation center making the delivery; and
- The year/make/model/color of the vehicle used by the authorized delivery company.

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The Applicant will use the same inventory tracking systems that it currently employs, which will simplify the transition to the Proposed Location. The Applicant will continue its established receipt/delivery policies related to accepting and rejecting deliveries from cultivation centers. One policy that relocating the dispensary will enhance is the "buddy system," where employees will not accept shipments alone. Working together with at least two (2) employees, the Applicant will verify the contents of each delivery and compare counts against the manifest. This policy helps secure product, makes operations easier, and prevents diversion. If inventory shipments do not match information on manifests, employees will reject the shipment and document the reasons for not accepting the cannabis products into the dispensary's inventory. An advantage of having at least two employees present for receiving shipments is that one employee can review the transferring of custody while the other files paperwork and does hands-on transferring activities. The Proposed Location's larger room for receiving activity helps prevent diversion, increases accuracy in counting/weighing product, and quickens the transfer of product. Additional security personnel will be onsite to assist in receiving, including supervising the door used for receiving products, patrolling the alleyway during a delivery, and monitoring delivery activities via video surveillance.

As required by Section 1290.400 (e), and consistent with the Applicant's current receipt/delivery procedures at the Existing Location, upon medical cannabis delivery, the Applicant will confirm the product's name, strain name, weight, and identification number on the manifest matches the information on the medical cannabis product label and package. The listed product name and the weight in the State verification system must match the product packaging. The Existing Location has limited tables and other spaces staff could utilize to make product verification easier. The Proposed Location will allow for better organization and more efficient receipt processing by having more space for inventory order processing and a streamlined layout allowing for easy access to storage areas (i.e., the product vault).

Employees will process receipts consistent with the Applicant's current operations at the Existing Location. At the Proposed Location, after physically receiving product, employees will confirm all receipt of products from cultivation centers in the exclusive, restricted access receiving area. A manager or designee will verify the contents of the delivery in the presence of the delivery driver, then switch places with the other present employee and supervise them counting the contents. This process produces the necessary redundancy in inventory tracking so counts are accurate before processing the inventory into the inventory tracking system. The Proposed Location's layout will allow for employees from both the dispensary and the cultivation center to view all inventory in a private area and confirm the contents of all packages. Then, consistent with the Applicant's existing delivery policies, each party will sign the manifest, which documents the confirmation or rejection of the delivered products. If there are discrepancies, the manager or designee will immediately contact the cultivation center to resolve the discrepancy, or if necessary, send the product back to the cultivation center with the delivery employee. The Proposed Location can better facilitate this level of communication because of the size of the receiving room and the

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Good inventory policy begins by having the security infrastructure to quickly and efficiently handle transfers in custody, including transporting products to-and-from the vault. The Existing Location's space and layout prevents efficient inventory processing because there is limited space

The Applicant will continue its established policy of monitoring the complete chain-of-custody process from cultivation center to the dispensary. The Applicant currently employs, and will continue to employ, security protocols for operating the inventory control system and accessing restricted access areas, such as the product vault and limited access areas and the receiving area. Consistent with the Applicant's current receipt/delivery process, a manager or designee will immediately record all new inventory into BioTrackTHC and store inventory in the locked product vault. The shorter walking distance between the receiving area and the product vault at the Proposed Location will dramatically reduce the time medical cannabis is out of secure storage.

### ***Recordkeeping***

The Applicant will continue to store all delivery information in the inventory tracking system, including the types and volume/units of cannabis in the order, the estimated arrival time for the delivery, the authorized delivery route, the delivery driver(s) and vehicle information. As part of receiving medical cannabis from licensees, the Applicant keeps, and will continue to keep, all manifest(s) neatly organized in a secure storage room for easy access.

The Applicant also has a plan to accommodate increased dispensary traffic that may come as a result of the larger space and new location. The number of qualified patients continues to grow, and the Applicant will benefit from a larger space to accommodate more inventory and higher volumes of patients. Finally, the Applicant has plans to quadruple the number of point-of-sale ("POS") systems currently in use at the Existing Location. The Proposed Location will provide more transportation safety and product control while enhancing dispensing operations and reducing wait times for patients.

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**MINUTES OF THE REGULAR MEETING OF THE PLANNING AND ZONING COMMISSION OF THE VILLAGE OF BUFFALO GROVE HELD IN THE COUNCIL CHAMBERS, 50 RAUPP BOULEVARD, BUFFALO GROVE, ILLINOIS ON WEDNESDAY, DECEMBER 18, 2019**

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**Call to Order**

The meeting was called to order at 7:30 PM by Chairman Frank Cesario

**Public Hearings/Items For Consideration**

1. Consider a Special Use Pursuant to the Applicable Sections of the Buffalo Grove Municipal Code for an Adult-Use Cannabis Dispensary, Which Includes a Medical Cannabis Dispensary, in the B3 Planned Business Center District at 830-840 Milwaukee Avenue (Trustee Johnson) (Staff Contact: Chris Stilling)

*Mr. Shapiro was sworn in and described the petitioner's application request for a Special Use pursuant to the applicable sections of the Buffalo Grove Municipal Code for an Adult-Use Cannabis Dispensary, which includes a Medical Cannabis Dispensary in the B3 Planned Business Center District. Mr. Shapiro spoke specifically about the details of their request and the conditions provided by staff in the staff report, which they intend to meet.*

*Mr. Sullivan was sworn in and briefly provided a history on Cresco Labs and PDI Medical and their brand. Mr. Sullivan spoke about the highly regulated environment in which they operate in as well as the high standards they hold themselves to and noted that there have been zero instances of illegal sales.*

*Mr. Doron was sworn in and discussed the traffic analysis that was performed in 2016 as part of the Woodman's project as well as the parking study which was performed in November of 2019.*

*Mr. Shapiro turned to the staff report and summarized the standards. He noted that the new space will provide better operations and spoke as much as possible about the security as it relates to the layout of the facility as well as the product.*

*Com. Goldspiel asked the petitioners to explain the wellness aspect they intended to focus on.*

*Mr. Sullivan replied with examples.*

*Con. Worlikar asked the petitioners about parking and store capacity.*

*Mr. Sullivan replied that there is a one-on-one experience with each patron that enters the store.*

*Mary was sworn in and provided detail of the retail area and the waiting area for those purchasing adult-use cannabis.*

*Com. Worlikar asked the petitioners if they had any concerns with parking or the store.*

*Mr. Sullivan replied none.*

*Com. Worlikar asked if the petitioners had plans to evaluate parking if there are any issues and asked if any additional signage was required.*

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*Mr. Doron replied with the details of the parking study and the number of spots available.*

*Com. Richards asked the petitioners if they had spoken with any of the neighboring tenants.*

*Mr. Sullivan replied no, they have not spoken with any of the neighboring tenants, however, they have been notified via the public hearing notice. They have not received any concerns.*

*Com. Moodhe asked the petitioners about windows, signage, and door security.*

*Mr. Sullivan replied that the windows will be frosted with no signage and a buzzed door system for security.*

*Com Moodhe asked the petitioners to provide detail on the layout of the facility on packet page 55.*

*Mr. Sullivan replied with detail how the transaction of the product will take place as it relates to both patrons who will be purchasing medical cannabis verses those who will be purchasing adult-use cannabis.*

*Com. Moodhe asked the petitioners about their camera system and if the Buffalo Grove Police Department would have access to them.*

*Mr. Sullivan responded that the cameras archive up to 90 days and will provide the Buffalo Grove Police Department with any recordings they may need.*

*Mr. Stilling, Deputy Village Manager, spoke briefly on the terms of the host agreement as it relates to surveillance video access.*

*Com. Moodhe asked about their plan for monitoring consumption control.*

*Mr. Sullivan replied that they internally have a loitering policy which will be enforced to provide a safe environment.*

*Com. Moodhe asked Deputy Police Chief if PDI has had any issues they should be aware of.*

*Mr. Eisenmenger, Deputy Chief of Police, replied that they have had no issues with PDI's current medical facility.*

*Com. Moodhe asked if their security staff has been helpful.*

*Mr. Eisenmenger replied yes. They took a tour of their facility and opened up all of their cameras and provided their procedures.*

*Com. Moodhe asked if he would say that their staff is professional.*

*Mr. Eisenmenger replied I would.*

*Com. Cohn asked the petitioners when they identified their new location.*

*Mr. Sullivan replied that the location was identified a couple of months ago.*

*Com. Cohn asked if it had been brought to their attention that there is a medical facility called Attention to Wellness office nearby.*

*Mr. Sullivan replied yes, it was brought to their attention by staff.*



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*Com Cohn asked if that was brought to their attention before or after they had identified the site.*

*Mr. Sullivan replied that it was brought to their attention after they identified the site.*

*Com. Cohn asked if the petitioners were aware that Mr. Lubchenko's office is less than 1000 ft. from the proposed Adult-Use Cannabis facility.*

*Mr. Sullivan replied yes.*

*Com. Cohn asked when they become aware of the Village's Ordinance that outlines the 1000 ft. buffer to any medical or treatment facility within the Village of Buffalo Grove. Did you decide since it wasn't within Buffalo Grove, that it didn't matter?*

*Mr. Sullivan replied that they measured the buffer of 1000 ft. from their facility within the Village of Buffalo Grove. He noted once more that he become aware of that facility two days prior to the meeting.*

*Com. Cohn asked why the 1000 ft. buffer was put into the Village's Ordinance for facilities like Mr. Lubchenko's.*

*Mr. Sullivan replied that the Village approved that condition to mirror what the State Medical Dispensary law back in May of 2014, which was then taken out of the Adult-Use Cannabis law and left it up to local governments to decide.*

*Com. Cohn went through some of the Special Use criteria, specifically, criteria number 1 and 3 in the staff report. He asked the petitioners how they reconcile the 1000 ft. buffer to that of those criteria with such facilities nearby.*

*Mr. Shapiro replied explaining the interpretation of the ordinance and the buffer requirements within the Village of Buffalo Grove for drug treatment centers, and discussed what is or is not a drug treatment center. Discussed the difference between OMNI Youth and the Therapy facility that provides drug counselling and other services. As far as reconciliation, he believes there is none because it is not within the Village of Buffalo Grove.*

*Com. Cohn asked about the concerns that were outlined in Mr. Lubchenko's letter about his patients who are getting treatment for drugs that will be less than 100 ft. from an Adult-Use Cannabis Dispensary. He asked what their response is to that.*

*Mr. Shapiro replied that he believes that his concerns are sincere and come from the heart. They are not being dismissive of his concerns, but reconciliation is that the facility is not within the Village of Buffalo Grove as outline in the Village's adopted ordinance for Adult-Use Cannabis.*

*Com. Cohn asked if anyone has talked to Mr. Lubchenko's about his concerns for the proposed facility.*

*Mr. Sullivan replied no, but would be happy to sit down. He explained that the staff is trained to recognize addiction and if there were any concerns of that they would refer them to someone to help them with that. They are not blind to that issue.*

*Com. Weinstien asked staff is Attention to Wellness was in unincorporated and if Buffalo Grove ever wanted to annex that property, if it would be a problem.*

*Mr. Stilling replied that it is in unincorporated Deerfield and that it would not hinder the Village from annexing the area in the future if that ever came to be.*

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Com. Weinstien commented on Commissioner Cohn's statement regarding Mr. Lubchenko's office and the Village Ordinance as he was concerned with that also. However, he noted that when he went on to Mr. Lubchenko's website and viewed his services, it is not clear that it is a drug treatment center though it does list drug counseling as one of their services along with Marriage and Adult counseling and more. It was not clear that this facility meets the interpretation of the Village's Ordinance.

Com. Weinstien asked about who receives the Public Hearing notices, the tenant or the property owner.

Mr. Stilling replied that the notices go to the property owner. The sign outside the property does provide notice to the tenants nearby. Additionally all property owners in and outside of the Village are notified within 250 ft. no concerns were brought to their attention.

Com. Richards asked the petitioners if they have a plan for the rush that might occur on January 1 similar to what happened in Michigan on December 1 when they legalized Adult-Use Cannabis.

Mr. Sullivan replied that January 1 will be crazy, however, their location will not be open and will miss the rush. They most-likely won't be open for a few of months. The downside, other municipalities will gain revenue.

Com. Richards asked if we grant the license, can they operate at their current location.

Mr. Stilling replied no, the permit is site specific. If they wanted to operate with Adult-Use Cannabis at their current location, they would have to come back to the Commission and the Village Board.

Com. Khan asked Mr. Stilling if the medical facility was within Buffalo Grove, would they be able to operate at the subject property.

Mr. Stilling replied that he cannot answer that questions because it is not applicable to the current situation. Specifically, the ordinance with the added verbiage of 1000 ft. had OMNI Youth in mind and other facilities that solely treat drug addiction.

Com. Khan noted that he is uncomfortable with the distance and changes it for him. He asked if those who wanted to participate in Adult-Use Cannabis if they needed a doctor's note and if those working at the facility had a medical background.

Mr. Sullivan replied that a doctor's note is not needed for Adult-Use Cannabis, but individuals should speak with their doctor. The staff is training per State law and they also have a medical board.

Com. Khan asked what kind of certificates or licenses they have.

Mr. Sullivan replied with details of their training program, which is provided to the State and is vetted extensively by former pharmacists.

Mr. Shapiro replied that they have to provide several documents for their license to the State as well as the Local body.

Chairperson Cesario asked the petitioners if they are aware of the 13 conditions.

Mr. Shapiro replied yes.

Com. Cohn asked staff to clarify zoning regulations

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*Staff responded with an explanation of zoning regulations*

*Com. Goldspiel spoke briefly about their planning responsibility and believes that the physiotherapy facility should be included.*

*Mr. Stilling replied that the facility is outside of the Village of Buffalo Grove.*

*Com. Worlikar asked the petitioners to clarify the license the employees have.*

*Mr. Sullivan replied they have a facility license and every employee also has a State license and must be renewed each year.*

*Chairperson Cesario entered the staff report as exhibit one, the slide as exhibit two, and the email provided before the meeting as exhibit 3.*

**PUBLIC COMMENT:**

*Jamie Epstein asked the Commission to think about their neighbors and Mr. Lubchenko's office nearby.*

*Dennis Lubchenko discussed the issues he has seen arise in his practice from Marijuana.*

*Chairperson Cesario asked Mr. Lubchenko if they Village allows this use at the location, what would be his response.*

*Mr. Lubchenko replied he is unsure, he will be listening to his clients so see if he has to move or not.*

*Chairperson Cesario asked Mr. Lubchenko if being near gas stations that sell liquor or liquor stores has been an issue for his clients who are struggling with alcohol addiction.*

*Mr. Lubchenko said there was one scenario where a wife called after her spouse came home, telling him the client stopped at the liquor store after his meeting.*

*Kosha, 20882 Ash Street Deerfield, commented on the area and the use of cannabis. He believes it should not be at that location.*

*Katerina, 20882 Ash Street Deerfield, commented on the close proximity to the residential area and noted that the facility should not be that close to homes.*

*Com. Khan asked the petitioners where the licenses come from that the employees have.*

*Mr. Sullivan went over the vetting process of the State and the State requirements. The license is called an Agent Card and is renewed each year by the State.*

*Com. Khan commented on the medical school doctors have verses the employees who receive a little more of 8 hours of training to provide advice on what cannabis they should be using to help with sleeping issues. He also noted that the subject facility is next to a Starbucks and T-Mobile, near teenagers.*

*Mr. Sullivan replied with details and explanation on their Medical Board and medical advice is not what he would describe they provide.*

*Mr. Didech, State Representative, commented on the State bill and discussed that they will be listening during 2020 to make any changes necessary to the bill.*

*Mr. Shapiro thanked the Commissioners for their time.*

*The Public Hearing was close at 9:22 PM*

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*Com. Weinstein made a motion to approve a Special Use for an Adult-Use Cannabis Dispensary, which includes a Medical Cannabis Dispensary in the B3 Planned Business Center District at 830-840 Milwaukee Avenue, subject to the following conditions:*

- 1. The special use for a cannabis dispensary is granted to PDI Medical III, LLC, for the tenant space at 830-840 Milwaukee Avenue and shall substantially conform to the documents and plans submitted as part of the petition. The special use shall not be transferable or assignable and does not run with the land.*
- 2. The hours of operation shall be limited to 9AM to 10PM Monday - Sunday, except as may be approved by the Village.*
- 3. All exterior signage associated with the proposed Cannabis Dispensary located at 830-840 Milwaukee Avenue shall be in compliance with the Sign Regulations established in Chapter 14 of the Code of Ordinances, Ordinance 2016-65 and State Statute. In addition, no exterior signage or window signage shall use the word "marijuana," "cannabis," or any other word, phrase or symbol commonly understood to refer to marijuana or cannabis.*
- 4. The display of merchandise and/or products related to cannabis shall not be visible from the exterior of the building.*
- 5. Prior to the issuance of a certificate of occupancy, the final security plan shall be reviewed and approved by the Chief of Police.*
- 6. Other than cannabis-infused food products, no adult-use cannabis dispensary shall also sell food for consumption on the premises in the same tenant space.*
- 7. Any consumption, including but not limited to sampling or offering samples, of cannabis or cannabis infused products shall be prohibited within the dispensary and on the premises. The dispensary shall be responsible for enforcing the prohibition of on-site consumption of cannabis under all circumstances inside and outside the dispensary and on the premises.*
- 8. PDI Medical III, LLC, may not conduct any sales or distribution of cannabis other than as authorized by State Statute.*
- 9. PDI Medical III, LLC, shall file an affidavit with the Village affirming compliance with Section 17.28.80 as provided herein and all other requirements of State Statute.*
- 10. Any violation of the conditions associated with this special use ordinance and the Buffalo Grove Municipal Code could result in penalties including but not limited to the revocation of the special use.*
- 11. In addition to all other required security measures, PDI Medical III, LLC, agrees that the Village may conduct random unannounced compliance checks of its operations at 830-840 Milwaukee Avenue.*
- 12. PDI Medical III, LLC shall enter into a Development and Operating Agreement in a manner acceptable to the Village.*

*Com. Moodhe seconded the motion.*

*Chairperson Cesario commented on the special use application and the job of the Planning and Zoning Commission. The other thing the Commission has in their minds is Attention to Wellness. Attention to Wellness is outside the Village and that even if it was within the Village, it may not fit the conditions within the ordinance.*

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*Com. Weinstein spoke in favor of the special use as it conforms to the Village Ordinance previously approved by the Commission and the Village Board.*

*Com. Khan spoke about a personal experience and believes that the facility is too close to Attention to Wellness and too close to Starbucks and T-Mobile where teenagers hangout. He will not vote to approve the special use.*

*Com. Goldspiel Spoke in opposition and believes the special use does not meet criteria #3 which will impact Attention to Wellness.*

*Com. Cohn spoke in opposition of the special use for the reason that it does not meet criteria #1 and #3 which he believes should not end at the Village limits and thus include Attention to Wellness.*

*Com. Richards spoke in opposition of the special use. He thanked the petitioners for their time in explaining their business. He believes that Attention to Wellness is too close to the subject property and to be good neighbors his is not in favor.*

*Com. Moodhe spoke in favor of the special use and believes it conforms to the Village's Ordinance that has already been approved by both the Planning and Zoning Commission and the Village Board.*

*Com. Worlikar spoke in favor of the special use. He noted that the Commission and the Village Board both had OMNI Youth in mind and that Attention to Wellness does not fit the criteria as a drug treatment facility.*

|                |                                                               |
|----------------|---------------------------------------------------------------|
| <b>RESULT:</b> | <b>REFERRED [4 TO 4]</b>                                      |
| <b>AYES:</b>   | Adam Moodhe, Frank Cesario, Mitchell Weinstein, Neil Worlikar |
| <b>NAYS:</b>   | Matthew Cohn, Stephen Goldspiel, Zill Khan, Kevin Richards    |
| <b>ABSENT:</b> | Amy Au                                                        |

## **Regular Meeting**

### **Other Matters for Discussion**

None.

### **Approval of Minutes**

1. Planning and Zoning Commission - Regular Meeting - Dec 4, 2019 7:30 PM

|                |                                                             |
|----------------|-------------------------------------------------------------|
| <b>RESULT:</b> | <b>ACCEPTED [UNANIMOUS]</b>                                 |
| <b>AYES:</b>   | Moodhe, Cesario, Cohn, Goldspiel, Khan, Weinstein, Worlikar |
| <b>ABSENT:</b> | Amy Au, Kevin Richards                                      |

### **Chairman's Report**

None.

### **Committee and Liaison Reports**

None.

### **Staff Report/Future Agenda Schedule**

12/18/2019

Mr. Stilling talked about the 2020 meeting Calendar and cancelled the January 1 Planning and Zoning Commission meeting.

**Public Comments and Questions**

None.

**Adjournment**

The meeting was adjourned at 9:22 PM

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Chris Stilling

APPROVED BY ME THIS 18th DAY OF December, 2019

**Christopher Stilling**

**Subject:** FW: Concern for Marijuana Dispensary Location in Buffalo Grove

**Subject:** Concern for Marijuana Dispensary Location in Buffalo Grove

Dear President Sussman and Buffalo Grove Trustees,

By way of introduction, I am a pediatrician in the community having served thousands of Buffalo Grove residents in my 25 years in private practice. In addition, I am the Chairperson of the Board of Managers of PediaTrust, the largest independent pediatric practice in Illinois. As a founding member of Stand Strong Coalition, I co-chair the marijuana committee.

It has recently come to my attention that you plan to approve the location of a marijuana dispensary in the Shops of Buffalo Grove development. I also understand that the ordinance adopted by Buffalo Grove forbids the location of a marijuana dispensary within 1000 feet of an addiction treatment facility. It appears that this dispensary will be located within 1000 feet of Attention to Wellness, a psychotherapy group practice, that focuses on the treatment of addiction. While Attention to Wellness is technically not located in Buffalo Grove, the dispensary location will most certainly compromise the intent of the ordinance.

Whereas, approximately 85% of all youth in addiction treatment are treated for marijuana addiction, there are some youth who are candidates for outpatient treatment. Attention to Wellness, located at 1020 Milwaukee Avenue in unincorporated Deerfield, is one of the only sites in the north and northwest suburbs where physicians like our 70 clinicians in PediaTrust, are able to refer our patients with marijuana use disorders and addiction. It is unconscionable that you would approve a location that undermines an ordinance established for good reason.

If you are not aware, marijuana addiction is one of the hardest addictions to treat. There is no medication assisted therapy for this addiction, like opioid addiction, and the drug itself impairs the motivation center in the brain, reducing one's ability to successfully start the process of treatment. Locating a dispensary at a site where a patient seeking drug addiction treatment would need to drive past a store selling their addiction hardly seems acceptable to patients or their families. It is unlikely that pediatricians will knowingly send patients for addiction treatment to a site adjacent to a marijuana dispensary.

I urge you to reconsider your plans and consider the destructive impact of permitting a marijuana dispensary in a location that essentially shares a parking lot with an addiction treatment facility. This decision will not only interfere with our ability to treat our patients (the adolescent and young adult residents of the community you serve) with substance use disorder, but it will also negatively impact the practice of one of our only sources for treatment in the area.

Sincerely,

Susan Sirota, MD, FAAP

**Susan Sirota, MD, FAAP**

Assistant Professor Clinical Pediatrics, Northwestern University Feinberg School of Medicine  
Chair, PediaTrust, LLC  
Pediatric Partners

## Christopher Stilling

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**Subject:** FW: Dispensary Location Concerns

**Subject:** Dispensary Location Concerns

Dear President Sussman and Buffalo Grove Village Trustees--

My name is Dennis Lubchenko and I am the founding member and President of Attention to Wellness, Ltd, a group psychotherapy practice specializing in addiction treatment in the northwest suburbs of Chicago. Our practice has four therapists and in 2020 we expect to have 3,000 appointments. We are located just south of the intersection of Milwaukee Avenue and Deerfield Parkway. My address is 1020 Milwaukee Avenue, Deerfield, but I am technically in the unincorporated area of Deerfield. Most importantly, I am within 1,000 feet of the proposed location of the Cresco Labs/PDI dispensary in Buffalo Grove.

I have worked for nearly 20 years extensively in the field of addiction, beginning with a Drug and Alcohol Counselor with the Gateway Foundation from 2001 to 2008. As a result of my experience in mental health and substance abuse counseling, I have built a strong practice focusing on addiction treatment in our area and have more than 1,900 therapy sessions this year. I specialize in treating marijuana addiction and have built a reputation due to my experience, as well as the fact that very few counselors specialize in marijuana addiction treatment in our area. I am the go-to counselor for the Lake County probation officers as well as the local school districts, including Stevenson High School and Buffalo Grove High School. Attention to Wellness serves many residents of Buffalo Grove.

I recently learned that the proposed site for the new recreational marijuana dispensary in Buffalo Grove is in the Shops of Buffalo Grove Development. I am writing today to share with you how terrible it will be for my patients if Sunnyside Dispensary shop opens in this location. Thank you in advance for your consideration of my concerns for the well-being of my patients.

While I have treated patients addicted to heroin, cocaine, and alcohol, my colleagues and I find that treating a patient with marijuana use disorder is often harder than treating patients addicted to any of these other, often perceived, scarier substances. This is because there is no medication I can provide to these patients to help them overcome their addiction and, perhaps more importantly, my colleagues and I have a difficult time convincing patients addicted to marijuana that the marijuana is a problem. People addicted to marijuana buy into the falsehoods that the marijuana industry sells them--that marijuana is not harmful and, indeed, can even be healthy for them. Thus, while I try gently to show my patients how marijuana is negatively impacting their health, motivation, and life trajectory, I watch my patients become even more entrenched in their marijuana addiction. With the higher and higher concentrations of THC being sold, this process happens quicker than I have ever seen, the health and well-being of my patients deteriorate often times faster than I can help them.



My patients regularly park at the Starbucks located at the Shops of Buffalo Grove and bring in coffee when they meet with me. If a dispensary selling their addictive drug of choice opens in the Shops of Buffalo Grove, my job and the job of my patients will become so much harder. It will leave them at an unfair advantage. I know that you added treatment and counseling centers as a buffer in the Buffalo Grove ordinance for this very reason--to protect those in recovery. While my address is not technically Buffalo Grove, I am most certainly helping those very people you had hoped to protect. Please do not let a technical issue get in the way of ensuring that you maintain the protections you intended in your ordinance in order to mitigate the damage that Sunnyside Dispensary will cause to the population of Buffalo Grove.

If you have any questions or comments, please do not hesitate to contact me at this email [dennis@attentiontowellness.com](mailto:dennis@attentiontowellness.com).

Sincerely,

Dennis Lubchenko

Dennis Lubchenko, LCPC, CADC, PCGC  
 Owner and Therapist  
 Attention to Wellness, LTD  
 1020 Milwaukee ave  
 Suite 235  
 Deerfield, Illinois 60015  
 Office (847)370-0606  
 Cell (847)436-6967  
 fax (847)787-5249  
 website: [attentiontowellness.com](http://attentiontowellness.com)

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FOR MY CLIENTS: I am concerned about the privacy of your medical information. Please be advised that email is not a secure form of communication. As a result, I cannot ensure the confidentiality of any information sent via email. Please be aware that response time via email may vary due to my schedule. HIPAA requires that emails sent as part of any discussion of health care be retained in your medical records.

**Christopher Stilling****Subject:**

FW: "Opting out" of pot shops - Reconsidering

Nicole Woods,

As Principal Planner, please forward this e-mail (sent Friday to BG Trustees) to the Plan Commission members: Frank Cesario, Zill Khan, Steven Goldspiel, Matthew Cohn, Mitchell Weinstein, Kevin Richards, Adam Moodhe, Amy Au. I am appalled by the proposed location of a 4,900 sq. foot "recreational" marijuana shop in a major traffic area, so obvious to young people. Cannabis can be a very dangerous product. Thank you.

---

To the Buffalo Grove Village Trustees:

At 1:00 in the morning, October 22, after four and a half hours of testimony from an overflow crowd of residents - mostly opposed to "pot" shops - five Buffalo Grove Trustees voted to legalize "recreational" marijuana. In their closing statements, those Trustees cited several "Pros" included in the following link. However, this same link below outlines 13 "Cons", (in purple) which in my opinion, and that of the passionate crowd, definitely out weighed that unfortunate decision:

Further, why in the world is a "pot" shop being placed between a Starbucks and T-Mobile, where our children cannot help but be exposed to sales of an addictive "gateway" (and federally illegal) drug?

We need to revisit this momentous October 22 Village Board decision, to REVERSE it, or at least to WAIT to determine possible harmful consequences. Let's observe what happens in other towns and villages when the Illinois law takes effect after Jan.1. Thank you.

<https://marijuana.procon.org/>

Here is an updated list of nearby towns that have wisely voted to "opt out," or have the votes to say NO to "recreational" pot shops:

Winnetka  
 Highland Park  
 Park Ridge  
 Lake Bluff  
 Lake Forest  
 Glenview  
 Bloomingdale  
 Bolingbrook  
 Grayslake (one year)  
 Lake Barrington  
 Barrington  
 Libertyville  
 Naperville  
 Vernon Hills  
 Long Grove

Attachment: Objector Emails (O-2020-6 : Ordinance Approving a Special Use for an Adult Use Cannabis Dispensary at 830-840 Milwaukee Ave)

Lake Zurich  
 Oak Brook  
 Hinsdale  
 Downers Grove  
 Tower Lakes  
 Elmhurst  
 Barrington Hills  
 Metawa  
 Bannockburn  
 Lincolnshire  
 Wilmette  
 Arlington Hts.  
 Lisle  
 LaGrange Park  
 Orland Park  
 Palos Hts.  
 Plainfield  
 Wheaton  
 Deer Park  
 Mt. Prospect

Eleanor Hesse (former teacher), 787 Beechwood Rd., Buffalo Grove 847 541-7263

Note: A great quote from Joseph Qian, in Dec. 7 Daily Herald, "We believe the sale of recreational marijuana will certainly harm the public health, jeopardize the public safety and security, expose our young generation in the risk of drugs, cause the depreciation of our properties and drop the reputation of our community..... it is immoral to generate revenue from the sale of drugs."

**ORDINANCE NO. 2019 - 054**

**AN ORDINANCE AMENDING THE BUFFALO GROVE ZONING ORDINANCE BY  
THE ADDITION OF REGULATIONS REGARDING ADULT-USE CANNABIS  
IN THE VILLAGE OF BUFFALO GROVE**

**WHEREAS**, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and

**WHEREAS**, the Village of Buffalo Grove, Illinois, has enacted Municipal Code Regulations for the purpose of improving and protecting the public health, safety, comfort, convenience and general welfare of the people; and

**WHEREAS**, the State of Illinois enacted the Cannabis Regulation and Tax Act (Act), which pertains to the possession, use, cultivation, transportation and dispensing of adult-use cannabis, which became effective June 25, 2019; and

**WHEREAS**, pursuant to the Act, the Village may enact reasonable zoning ordinances or resolutions not in conflict with the Act, regulating cannabis business organizations, including rules adopted governing the time, place, manner and number of cannabis business organizations, and minimum distance limitations between cannabis business organizations and locations the Village deems sensitive; and

**WHEREAS**, on August 5, 2019, at the Village Board meeting, a policy question was asked whether the Village of Buffalo Grove should allow adult-use cannabis organizations within its corporate limits; discussion on the policy question followed; and

**WHEREAS**, the Village staff has researched the regulations on adult-use cannabis if allowed in the Village; and

**WHEREAS**, on August 5, 2019, the Village Board initiated an amendment to Title 17 (Zoning Ordinance) to review and consider additional amendments to further regulate adult-use cannabis organizations within the Village; and

**WHEREAS**, the Planning and Zoning Commission recommended approval of the proposed amendments to Chapter 17.44.040 et seq. (Zoning Ordinance) on October 2, 2019.

**NOW THEREFORE BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS**, as follows:

**Section 1.** The foregoing recitals are hereby adopted and incorporated into and made a part of this Ordinance as if fully set forth herein.

**Section 2.** Title 17.28.080 (Special Use for Adult-Use Cannabis) of the Village Zoning Ordinance is hereby amended by adding the underlined language:

17.28.80      a. Adult-Use Cannabis Business Organizations: An adult-use cannabis dispensary as defined in Section 17.28.80-b. Adult-Use Cannabis Business Organization shall not include a cultivation center, craft grower, processing organization, infuser organization or transporting organization as defined by the Illinois Cannabis Regulation and Tax Act.

b. Adult-use cannabis dispensary: An adult-use cannabis dispensary shall be defined as a facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from licensed cannabis business organizations for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies to purchasers or to qualified registered medical cannabis patients and caregivers, per the Cannabis Regulation and Tax Act (P.A. 101-0027) as it may be amended from time to time, and regulations promulgated thereunder.

c. Purpose and Applicability. It is the intent and purpose of this Section to provide regulations regarding the dispensing of adult-use cannabis occurring within the corporate limits of the Village. Such facilities shall comply with all regulations provided in the Cannabis Regulation and Tax Act (P.A. 101-0027) (Act), as it may be amended from time to time, in the regulations promulgated thereunder, and the regulations provided below. In the event that the Act is amended, the more restrictive of the state or local regulations shall apply.

d. Special Use. An adult-use cannabis dispensary, as defined herein, shall require an approval of a Special Use, which use may include a medical cannabis dispensary as defined in Section 17.12.399 (Definition) and shall be processed in accordance with Chapter 17.28 (Special Uses) of this Title as provided herein, and shall be subject to the following conditions:

- i. The adult-use cannabis dispensary must be operated by an organization or business that is currently licensed by the Illinois Department of Financial and Professional Regulation to operate a medical cannabis dispensary under the Compassionate Use of Medical Cannabis Pilot Program Act (410 ILCS 130 et seq.)
- ii. The adult-use cannabis dispensary must keep a copy of the dispensing organization agent identification card issued pursuant to

the Compassionate Use of Medical Cannabis Pilot Program Act visible at all times.

- iii. There shall be no more than two adult-use cannabis dispensaries permitted at any one time.
- iv. The adult-use cannabis dispensary may not be located within 1,000 feet of the property line of a pre-existing public or private nursery school, pre-school, primary or secondary school, day care center, or day care home, museum, library and substance abuse treatment or counseling center within the Village of Buffalo Grove corporate limits. Notwithstanding the foregoing, an adult-use cannabis dispensary will not be deemed to violate this provision if one of the school related facilities locates within the 1,000 foot spacing after the adult-use cannabis dispensary has been granted special use approval by the Village. Learning centers and vocational/trade centers shall not be classified as a public or private school for purposes of this Section.
- v. At least 85% of the floor area of any tenant space occupied by an adult-use cannabis dispensary shall be devoted to the activities of the dispensary as authorized by the Act. Any request for reduction in floor area percentage shall be evaluated as part of the Special Use request.
- vi. For purpose of determining required parking, the adult-use cannabis dispensary shall be classified as a retail and wholesale trade pursuant to Section 17.36.040 of the Zoning Ordinance; provided however that the Village may require that additional parking be provided as a result of the analysis completed through the Special Use process.
- vii. Other than cannabis-infused food products, no adult-use cannabis dispensary shall also sell food for consumption on the premises in the same tenant space.
- viii. On-site consumption of cannabis shall be prohibited within an adult-use cannabis dispensary and on the premises. The dispensary shall be responsible for enforcing the prohibition of on-site consumption of cannabis under all circumstances inside and outside the dispensary and on the premises.
- ix. The adult-use cannabis dispensary may not conduct any sales or distribution of cannabis other than as authorized by the Act.

- x. No adult-use dispensary shall be maintained or operated in a manner that causes, creates, or allows the public viewing of adult-use cannabis, cannabis-infused products or cannabis paraphernalia or similar products from any sidewalk, public or private right-of-way or any property other than the lot on which the dispensary is located. No portion of the exterior of the dispensary shall utilize or contain any flashing lights, search lights or spot lights or any similar lighting system.
- xi. No adult-use cannabis dispensary nor any other person or entity shall place or maintain, or cause to be placed or maintained, an advertisement of cannabis or cannabis-infused product in any form or through any medium:
  - 1. Within 1,000 feet of the perimeter of a pre-existing public or private nursery school, pre-school, primary or secondary school, day care center, or day care home within the Village of Buffalo Grove corporate limits; or
  - 2. On or in a public transit vehicle or public transit shelter; or
  - 3. On or in publicly owned or publicly operated property.

All advertising shall comply with the rules and regulations set forth in the Cannabis Regulation and Tax Act (P.A. 101-0027).

- xii. Each adult-use dispensary shall prohibit any person who is not at least twenty-one (21) years of age from entering the dispensary, except for cardholders granted medical access under the Compassionate Use of Medical Cannabis Act over 18 years of age, whose access shall be limited to the medical cannabis dispensing area only. Dispensaries shall not employ anyone under the age of twenty-one (21). Access to the dispensary shall be limited exclusively to dispensary staff and those specifically authorized under the Cannabis Regulation and Tax Act (P.A. 101-0027).

e. Additional Requirements. As part of the Special Use application requirements, Petitioner shall submit plans regarding installation of building enhancements, such as security cameras, security systems, lighting or other improvements to ensure the safety of employees and customers of the adult-use cannabis dispensary, as well as its environs. Said improvements shall be determined based on the specific characteristics of the dispensary and of the floor plan for an adult-use cannabis dispensary and the site on which it is located, consistent with the requirements of the Act.

- i. The Special Use Applicant shall submit a complete copy of their license application and all plans submitted to the State of Illinois, or any agency thereof, as part of their special use application. Before issuance of a certificate of occupancy or otherwise opening to the public, Adult-Use Cannabis Business Organizations must provide a copy of their state license to operate as an adult-use cannabis dispensary issued by the Illinois Department of Financial and Professional Regulation.
  - ii. Petitioner shall file an affidavit with the Village affirming compliance with Section 17.28.80-c as provided herein and all other requirements of the Act.
  - iii. The Special Use Applicant shall submit additional information as required by the Village during the Special Use process.
- f. Violation / Penalties – Any violation of this Section 17.28.080 shall be punishable as provided in Section 1.08 and/or Section 1.12 of this Code.

**Section 3.** Chapter 17.44 entitled Business Districts is hereby amended by adding Section 15 to Section 17.44.020.C as follows:

15. Adult-use cannabis dispensary pursuant to Section 17.28.080, provided that they are located on sites with frontage along the following major streets: Lake-Cook Road, IL Route 68 (Dundee Road) or IL Route 45 (Milwaukee Avenue).

**Section 4.** Chapter 17.44 entitled Business Districts is hereby amended by adding Section 23 to Section 17.44.030-C as follows:

23. Adult-use cannabis dispensary pursuant to Section 17.28.080, provided that they are located on sites with frontage along the following major streets: Lake-Cook Road, IL Route 68 (Dundee Road) or IL Route 45 (Milwaukee Avenue).

**Section 5.** Chapter 17.48 entitled Office and Industrial Districts is hereby amended by adding Section 29 to Section 17.48.020-C as follows:

29. Adult-use cannabis dispensary pursuant to Section 17.28.080

**Section 6.** No other type of adult-use cannabis business organizations shall be permitted in Buffalo Grove.

**Section 7.** If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

**Section 8.** This Ordinance shall be in full force and effect from and after its passage and approval.



AYES: 5 – Stein, Ottenheimer, Johnson, Smith, Pike

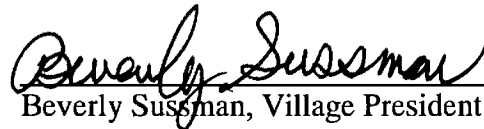
NAYES: 1 - Weidenfeld

ABSENT: 0 - None

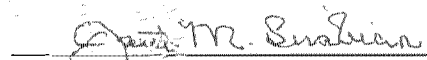
PASSED: October 21, 2019

APPROVED: October 21, 2019

APPROVED:

  
Beverly Sussman, Village President

ATTEST:

  
Janet M. Sirabian, Village Clerk



**Resolution No. R-2020-1 : Resolution Approving a Development and Operating Agreement Between the Village of Buffalo Grove and PDI Medical III, LLC**

**Recommendation of Action**

Staff recommends approval, subject to the final review of the Village Attorney

Village has received an application from the Village's existing medical cannabis dispensary, PDI Medical III, LLC (PDI) proposing a Special Use for an Adult-Use and Medical Cannabis Dispensary (Dispensary) at 830-840 Milwaukee Avenue. A public hearing concerning the Special use was held before the Planning & Zoning Commission (PZC) on December 18, 2019. As a companion request to the Special Use Ordinance, staff is recommending that the Village Board approve the attached Development and Operating Agreement between the Village and PDI.

**ATTACHMENTS:**

- BOT Memo (DOCX)
- Resolution (RTF)
- Exhibit A- Final Draft Agreement 1.2.2020 (DOCX)

**Trustee Liaison**

Johnson

**Staff Contact**

Chris Stilling, Community Development

Monday, January 6, 2020

# VILLAGE OF BUFFALO GROVE



## MEMORANDUM

DATE: January 2, 2020

TO: Dane Bragg, Village Manager

FROM: Christopher Stilling, Deputy Village Manager

SUBJECT: Development and Operating Agreement for a proposed Adult-Use and Medical Cannabis Dispensary at 830-840 Milwaukee Avenue

### Background

Village has received an application from the Village's existing medical cannabis dispensary, PDI Medical III, LLC (PDI) proposing a Special Use for an Adult-Use and Medical Cannabis Dispensary (Dispensary) at 830-840 Milwaukee Avenue. A public hearing concerning the Special use was held before the Planning & Zoning Commission (PZC) on December 18, 2019. As a companion request to the Special Use Ordinance, staff is recommending that the Village Board approve the attached Development and Operating Agreement between the Village and PDI. This agreement is very similar to the existing Development and Operating Agreement the Village entered into with PDI in 2015 for their medical dispensary at 1623 Barclay.

### Staff Analysis

Key terms of the agreement are as follows:

#### *Village Fee*

- In an effort to offset any extraordinary costs as a result of the location of the Dispensary into the Village, the dispensary will agree to pay a fee as follows:
  - 1% for the first \$2,000,000 in gross receipts received by the Dispensary from the sale of all cannabis or cannabis-infused products (medical and recreational) and 2% of gross receipts received by the Dispensary from the sale of all cannabis or cannabis-infused products (medical and recreational) greater than \$2,000,000.
  - The fee will be payable quarterly.
- PDI will also be required to pay the Village's full share of the sales tax in the amount of three (3%) percent of the gross receipts from the sale of cannabis and cannabis infused products, in addition to the one (1%) retail occupation tax and the one (1%) Buffalo Grove Home Rule Tax ("Taxes") from the time they begin operations to the date that the State of Illinois commences collection of these Taxes, which is anticipated to be on or about July 1, 2020.

#### *Building/Operations*

- PDI will be required to operate the facility in conformance to the plans and information provided in their Special Use Ordinance.
- All exterior signage shall be in compliance with the Sign Regulations established in Chapter 14 of the Buffalo Grove Municipal Code. In addition, no exterior signage or window signage shall use the word "marijuana," "cannabis," or any other word, phrase or symbol commonly understood to refer to marijuana or cannabis. The display of merchandise and/or products related to medical cannabis shall not be visible from the exterior of the Premises.

- Dispensing Organization hours of operation shall be limited to 9am to 10pm Monday – Sunday, except as may be otherwise approved by the Village.

*Security*

- The Dispensary will provide the Police Department with access to their facility's video camera security system and video footage.
- Dispensary will have no fewer than two (2) personnel onsite at all times during hours of operation. They will also provide an on-site security guard during the hours of operation.

*Term*

- The term of the Agreement will commence upon approval and execution and terminate when the Dispensary no longer operates in the Village.

**Staff Recommendation**

Staff recommends approval of a Resolution authorizing the Village Manager to execute the Development and Operating between the Village and PDI Medical III, LLC for an Adult-Use and Medical Cannabis Dispensary at 830-840 Milwaukee Avenue.

## RESOLUTION NO. 2020 – \_

**A RESOLUTION APPROVING A DEVELOPMENT AND OPERATING AGREEMENT (“AGREEMENT”) BETWEEN THE VILLAGE OF BUFFALO GROVE AND PDI MEDICAL III, LLC**

WHEREAS, the Village of Buffalo Grove (“Village”) is a Home Rule Unit pursuant to the Illinois Constitution of 1970 and;

WHEREAS, a petition has been filed by PDI Medical III, LLC for a Special Use for an Adult Use and Medical Cannabis Dispensary (“Dispensary”) for the property at 830-840 Milwaukee Ave, Buffalo Grove, IL 60089 and;

WHEREAS, Village may incur certain extraordinary costs as a result of the location of the Dispensary into the Village and;

WHEREAS, Such extraordinary costs include, but are not limited to costs for increased Police surveillance and monitoring, increased Fire Department monitoring, as well as increased costs for other departments necessarily incurred to protect and maintain the health, safety and welfare of Village residents and businesses and;

WHEREAS, Village and PDI Medical III, LLC agree to enter into a Development and Operating Agreement attached as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Buffalo Grove, Cook and Lake Counties, Illinois as follows:

1. The agreement between Village and PDI Medical III, LLC, which is attached hereto as Exhibit A is hereby approved and;
2. The Village Manager is authorized and directed to execute the attached Agreement on behalf of the Village of Buffalo Grove.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

PASSED: \_\_\_\_\_

APPROVED: \_\_\_\_\_

ATTEST:

APPROVED:

\_\_\_\_\_  
Village Clerk

\_\_\_\_\_  
Beverly Sussman, Village President

Attachment: Resolution (R-2020-1 : Resolution Approving a Development and Operating Agreement with PDI Medical III, LLC)

**DEVELOPMENT AND**  
**OPERATING AGREEMENT FOR DISPENSING ORGANIZATION**  
**830 – 840 MILWAUKEE AVENUE, BUFFALO GROVE, ILLINOIS**

THIS DEVELOPMENT AND OPERATING AGREEMENT ("Agreement") is made and entered into as of this \_\_\_\_<sup>th</sup> day of \_\_\_\_, 2020, by and between the Village of Buffalo Grove, Illinois, a Home Rule Illinois municipal corporation located in Cook and Lake Counties, Illinois (the "Village"), and PDI Medical III, LLC ("Dispensary") an Illinois limited liability company. The Village and the Dispensary are sometimes referred to individually as "Party" and sometimes referred to herein as the "Parties".

**RECITALS**

- A. On August 1, 2013, the Illinois Legislature enacted the Compassionate Use of Medical Cannabis Pilot Program Act, 410 ILCS 130 et seq. ("Medical Cannabis Act"). The purpose of the Act was to distinguish between medical and non-medical cannabis and to "... protect patients with debilitating medical conditions, as well as their physicians and providers, from arrest and prosecution, criminal and other penalties, and property forfeiture if the patients engage in the medical use of cannabis." (410 ILCS 130/5 (g))
- B. The Medical Cannabis Act authorizes the State the right to issue a registration for operation ("Registration") to a Dispensing Organization (Section 115-(a)) where medical cannabis can be sold.
- C. On \_\_\_\_, \_\_\_\_, the Dispensary received an Authorization from the State to operate a medical cannabis dispensary in the Village, District 27, Lake County, Illinois.
- D. On \_\_\_\_, 2019, the Illinois Legislature enacted the Cannabis Regulation and Tax Act, \_\_\_\_ ILCS \_\_\_\_, et seq. ("Adult Use Cannabis Act"). The purpose of the Adult Use Cannabis Act was to legalize the use of cannabis for persons 21 years of age and older (\_\_\_\_ ILCS \_\_\_\_).
- E. The Dispensary requested a special use permit to allow the Dispensary to commence the sale of adult use cannabis which may or may not include medical cannabis from the same dispensary.
- F. The Village has agreed that in exchange for good and valuable consideration as set forth herein, the Village will cooperate with Dispensary in allowing the Dispensing Organization to be located in the Village and to dispense both medical cannabis and adult use cannabis.
- G. The Corporate Authorities of the Village have taken all required actions prior to the execution of this Agreement in order to make the same binding upon it according to its terms.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledge, the Parties do hereby agree as follows:

## **RECITALS PART OF AGREEMENT**

The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Article I.

## **II**

### **MUTUAL ASSISTANCE**

The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications, as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent.

## **III**

### **DISPENSARY'S ACKNOWLEDGMENTS AND REPRESENTATIONS**

#### **3.01 Dispensary's Application for a Registration for Operation.**

Dispensary hereby represents and warrants that it has obtained or will obtain from the Illinois Department of Financial and Professional Regulation ("Department") the authority to operate a medical cannabis dispensary and an adult use cannabis dispensary within the Village, pursuant to the Medical Cannabis Act and the Adult Use Cannabis Act respectively. Should the Dispensary not receive approval from the State, then this Agreement shall be deemed null and void.

## **IV**

### **ZONING AND BUILDING**

#### **4.01 Building Site for Dispensing Organization.**

- A. **Zoning.** Dispensary hereby agrees that upon receipt of its Special Use Permit and Certificate of Occupancy issued by the Village, it shall be permitted to open and operate the Dispensing Organization at 830 – 840 Milwaukee Avenue, Buffalo Grove, Illinois. Dispensary will comply with all of the applicable requirements of the Buffalo Grove Municipal Code and the Special Use Ordinance.
- B. **Tenant Space.** The Dispensary facility is approximately 4,900 square feet in the Shops of Buffalo Grove at 830 – 840 Milwaukee Avenue Buffalo Grove, Illinois (the "Premises").

#### **4.02 Building Material and Design.**

- A. **Design.** Dispensary hereby agrees that the Village shall have the right in its reasonable discretion to approve the Premises design and materials.
- B. **Site Lighting.** All parking areas for the Premises will be approximately lighted to ensure safety for all who work and conduct business at this facility, and shall meet all

Village requirements for parking lots.

- C. Signage/Exterior Visibility. All exterior signage shall be in compliance with the Sign Regulations established in Chapter 14 of the Buffalo Grove Municipal Code and the Adult Use Cannabis Act. In addition, no exterior signage or window signage shall use the word “marijuana,” “cannabis,” or any other word, phrase or symbol commonly understood to refer to marijuana or cannabis. The display of merchandise and/or products related to medical cannabis shall not be visible from the exterior of the Premises.
- D. Odor Containment. The Premises’ ventilation system or odor containment system shall be constructed in such a manner so as to comply with all applicable Codes and Ordinances.

#### 4.03 Refuse Containers.

All refuse containing cannabis or cannabis-infused products shall also be kept within the Premises until it is either returned to a licensed cultivation center or destroyed and disposed of pursuant to the Dispensary Rules adopted by the Department (the “Rules”).

#### 4.04 Operations.

- A. Storage of Product. No cannabis, cannabis-infused product, or related paraphernalia shall be displayed or kept so as to be visible to the general public from within or outside the Premises. All cannabis, cannabis-infused products, or related paraphernalia shall be kept and warehoused in the Premises' restricted access area (as defined in the Rules), out of view from the general public. Cannabis, cannabis-infused products, or related paraphernalia may only be removed from the Premises' restricted access area upon sale to a registered customer, patient or if being returned to a licensed cultivation center for destruction or disposal.
- B. Hours of Operation. Dispensing Organization hours of operation shall be limited to 9am to 10pm Monday - Sunday, except as may be otherwise approved by the Village.
- C. Onsite Use and Sampling is Prohibited. No marijuana, cannabis, or cannabis infused product shall be smoked, eaten, sampled or otherwise consumed or ingested in the Premises or the parking lot that serves Premises.
- D. Plan for Disposal. Dispensary shall provide the Village, for approval, a plan for disposal of any cannabis or byproducts that are not sold to a patient or primary caregiver or to any person 21 years of age and older in a manner that protects any portion thereof from being possessed or ingested by any person prior to commencing dispensary operations, and shall abide by applicable State regulations.

## V

## PUBLIC SAFETY SECURITY

#### 5.01 Security.



Dispensary shall design and implement a security plan and security system that satisfies the requirements of the Medical Cannabis Act and the Adult Use Cannabis Act and any additional requirements as may be reasonably imposed by the Village. Dispensary shall deliver to the Village a copy of its security plans and the Village hereby represents and warrants it will use its best efforts to keep all security related documents confidential and will do its best efforts to notify the Dispensary in advance of disclosing the information. The security plan shall include facility access controls, surveillance systems, on-site security personnel, and other security measures required by State regulations. The security plan shall be reviewed and approved by the Police Department.

#### 5.02 Emergency Points and Contact.

Dispensary shall provide the Police Department with up-to-date emergency contact information for the Dispensary and Dispensing Organization owners. In addition, the Dispensary shall provide up-to-date contact information for all Dispensing Organization managers. Dispensing Organization managers are those key decision makers who will be on-site and authorized to make operational decisions.

#### 5.03 Security Connection.

Dispensary shall provide that all alarms and panic buttons and other applicable security features at the Premises are directly connected to Northwest Central Dispatch.

#### 5.04 Video Camera Security System.

Dispensary shall provide the Police Department with access to its facility's video camera security system and video footage. Moreover, the Dispensary shall maintain and store video footage and also have redundant storage off-site. Video footage shall be provided both inside and outside of the Building. Outside video feed shall include coverage of the Dispensary entrance and parking lots and shall be able to legibly capture license plates of all vehicles entering and leaving the parking lot. The Police Department shall have access to all current and archived video footage. Should the Police Department need additional hardware and software to access the Dispensary video camera security system, Dispensary will be required to provide Police Department with necessary hardware and software at the cost of the Dispensary.

#### 5.05 On-Site Personnel.

Dispensary shall provide no fewer than two (2) personnel to be onsite at all times during hours of operation as set forth herein.

#### 5.06 On-Site Security Personnel.

In addition to and exclusive of on-site sales staff, Dispensary shall provide on-site security personnel during the hours of operation, set forth herein.

#### 5.07 Sprinkler & Fire Protection System.

Dispensary shall be required to have an approved automatic sprinkler and fire alarm system throughout the entire tenant space.

#### 5.08 Health & Public Safety Inspections.

Dispensary shall permit the Village to conduct inspections to ensure the health and safety of the general public and occupants of the Premises, in accordance with the Rules.

#### 5.09 Health & Public Safety Meetings.

Dispensary agrees to meet with the Village, upon request, in order to maintain open lines of communication and discuss operations.

### **VI**

### **FEES / CONTRIBUTIONS**

#### 6.01 Village Fee.

- A. Dispensary hereby acknowledges that the Village will incur certain extraordinary costs as a result of the location of the Dispensing Organization in the Village. Such extraordinary costs include, but are not limited to costs for increased Police surveillance and monitoring, increased Fire Department monitoring, as well as increased costs for other departments necessarily incurred to protect and maintain the health, safety and welfare of Village residents and businesses. Dispensary agrees to pay to the Village an impact fee (the "Village Impact Fee"). The payment from the Dispensary is considered to be a voluntary contribution to the Village, but given in response to the pledges made by the Village in this Agreement.
- B. Irrespective of the determined designation and exclusive of any sales tax the Village may receive from the State, the fee shall be as follows:
  - a. 1% for the first \$2,000,000 in gross receipts received by Dispensary from the sale of cannabis or cannabis-infused products and 2% of gross receipts received by the Dispensary from the sale of cannabis or cannabis-infused products greater than \$2,000,000, payable quarterly with payment being received the last day of the month following the end of the previous quarter. There shall be a 10% late fee penalty that compounds monthly the first day of every subsequent month until the full payment is received. Dispensary shall submit to the Village a copy of the tax return required to be filed with the Illinois Department of Revenue with respect to Dispensing Organizations, which return shall set forth the gross sales for each monthly period submitted. The return shall be accompanied by payment to the Village of the Village Fee as above set forth.
- C. The payment of the Village Fee to the Village, though established in an amount equal to a percentage of the gross receipts of the Dispensary from the sale of cannabis or cannabis-infused products shall not in any way make the Village a partial owner of the Dispensing Organization. Such contribution is a voluntary one induced in part by the promises of the Village made within this Agreement, and does not entitle the Village to

- any role whatever in the operations of the Dispensary other than any the exercise of such powers as it may choose to carry out as a governmental body.
- D. Should the designation of the Village Impact Fee be challenged by the State or any other party for whatever reason, Dispensary shall not object or challenge any re-designation, it being understood that the Village is entitled to such payment, irrespective of form or designation, unless the payment, irrespective of form or designation, is declared by the State or a court of competent jurisdiction to violate the Act and/or other applicable law.
  - E. In addition to the Village Impact Fee, Dispensary agrees to pay to the Village the Village's full share of the sales tax in the amount of three (3%) percent of the gross receipts from the sale of cannabis and cannabis infused products, in addition to the one (1%) retail occupation tax and the one (1%) Buffalo Grove Home Rule Tax ("Taxes") from the period of January 1, 2020 to the date that the State of Illinois commences collection of these Taxes, which is anticipated to be on or about July 1, 2020.
  - F. The Village's prepared food and beverage tax payable on those items to which the Village's prepared food and beverage tax applies, shall also be paid to the Village commencing January 1, 2020.

## VII

### GENERAL PROVISIONS

#### 7.01 Default.

If any Party to this Agreement shall fail to perform any of its obligations under this Agreement, the other non-defaulting Party may notify, in writing, the defaulting Party and advise of the alleged failure and demand that same be remedied or cured. No default or breach of this Agreement shall be deemed committed if the breach or default is remedied within thirty (30) calendar days of receipt of such notice. If the defaulting party fails to remedy the default within thirty (30) calendar days, or if unable to do so fails to take good faith efforts to cure the default, the non-defaulting party may seek such remedies that are available in a court of law, including specific performance and/or revocation of Village zoning approval.

#### 7.02 Entire Agreement / Amendment.

This Agreement constitutes the entire agreement between the Parties and there are no oral or parole agreements, representations or inducements existing between the Parties which are not expressly set forth herein and covered hereby. This Agreement may not be amended or modified except by written agreement signed by all of the Parties.

#### 7.03 Severability.

If any provision, covenant, agreement or portion of this Agreement, or its application to any person, entity or property, is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants or portions of this Agreement and, to that end, any provisions, covenants, agreements or portions of this Agreement are declared to be severable.

7.04 Applicable Law.

This Agreement shall be construed in accordance with the laws of the State of Illinois.

7.05 Notices.

Any notice required pursuant to the provisions of this Agreement shall be in writing and be sent by certified mail or express courier to the following addresses until notice of change of address is given and shall be deemed received on the fifth calendar day following deposit in the U.S. Mail or one day after deposit with an express courier.

If to Dispensary: John Sullivan  
Cresco Labs  
Senior Vice President  
400 W Erie Street, Suite 110  
Chicago, IL 60654

Copy to: Daniel Shapiro  
Shapiro & Associates  
618 Academy Drive, Unit B  
Northbrook, IL 60062

If to Village: Village Clerk  
Village of Buffalo Grove  
50 Raupp Blvd.  
Buffalo Grove, IL 60089

Copy to: Patrick T Brankin, Esq.  
Schain Banks  
70 W. Madison Street, Suite 5300  
Chicago, IL 60602

7.06 Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same agreement.

7.07 Assignment.

Dispensary may not assign, or otherwise transfer or encumber all or any part of its interest in this Agreement or the State License.

7.08 Term / Renewal.

- A. Term. The term of this Agreement shall commence after execution by the Parties and commencement of operations by the Dispensing Organization and terminate when the Dispensary no longer operates a Dispensing Organization in the Village.

- B. Termination. So long as Dispensary maintains a valid Registration and valid State License, this Agreement shall automatically be renewed annually for each and every year subsequent to the date wherein this Agreement is continued. Dispensary shall have the right to terminate this Agreement and cease operations within the Village by giving the Village written notice of its intention to terminate at least ninety (90) calendar days prior to the termination date in effect; provided, however that in the event that Dispensary terminates this Agreement, without cause, and ceases operations, Dispensary covenants and agrees not to thereafter relocate the Dispensing Organization within ten (10) miles of the corporate limits of the Village for a period of one (1) year after the date of such termination.

#### 7.09 Litigation and Defense of Agreement.

- A. Litigation. If, during the term of this Agreement, any lawsuits or proceedings are filed or initiated against either Party before any court, commission, board, bureau, agency, unit of government or sub-unit thereof, arbitrator, or other instrumentality, that may materially affect or inhibit the ability of either party to perform its obligations under, or otherwise to comply with, this Agreement ("Litigation"), the party against which the Litigation is filed or initiated shall promptly deliver a copy of the complaint or charge related thereto to the other party and shall thereafter keep the other party fully informed concerning all aspects of the Litigation.
- B. Defense. The Village and Dispensary each agree to use their respective best efforts to defend the validity of this Agreement, and all ordinances and resolutions adopted and agreements executed pursuant to this Agreement, including every portion thereof and every approval given, and every action taken, pursuant thereto.

#### 7.10 Release of Information.

- A. Dispensary shall cause to be delivered to the Village, on a quarterly basis, the Illinois Retailers' Occupation Tax, Use Tax and Service Occupation Tax returns and/or other documentation submitted by Dispensary to the Illinois Department of Revenue, which detail the amount of Sales Tax that Dispensary paid to Illinois Department of Revenue with respect to the gross sales. If necessary, Dispensary shall provide the Village with a limited power of attorney, addressed to and in a form satisfactory to the Illinois Department of Revenue, authorizing the Illinois Department of Revenue to release to the Village all gross revenue and Sales Tax information submitted by Dispensary to the Illinois Department of Revenue. Additionally, in the event that the Illinois Department of Revenue does not make available to the Village said documentation, Dispensary shall provide alternative documentation that details the amount of Sales Taxes that Dispensary paid to the Illinois Department of Revenue.
- B. In the event that any sales tax returns by Dispensary that have been submitted to the Village are amended, Dispensary shall promptly forward a photocopy of such amended sales tax returns to the Village, clearly identifying them as an amendment of a sales tax return previously submitted to the Village.

- C. The sales tax returns and any amended sales tax returns submitted to the Village shall be certified by Dispensary to the Village as being true, accurate and complete copies of the originals thereof.
- D. Dispensary shall provide to the Village prior to any sales tax rebate payment a copy of the original cancelled checks for payment of the sales tax as reflected on the Illinois Department of Revenue forms from Dispensary certified by Dispensary to the Village as being true and accurate copy of the originals thereof.

#### 7.11 Miscellaneous.

- A. Nothing in this Agreement shall be construed to amend or terminate any existing other Agreement between the Parties.
- B. In addition to all other required security measures, Dispensary agrees that the Village may conduct random unannounced compliance checks of its operations.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed by their respective proper officials duly authorized to execute the same as of the day and the year first above written.

VILLAGE OF BUFFALO GROVE

PDI MEDICAL III, LLC

By: \_\_\_\_\_  
Beverly Sussman, Village President

By: \_\_\_\_\_

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Janet Sirabian, VILLAGE CLERK

By: \_\_\_\_\_



### Action Item : Power Supply Agreement with MC Squared

#### Recommendation of Action

Staff recommends approval.

Based on the information provided, staff recommends to move forward with MC Squared Energy at the 50% REC rate with a \$40,000 annual civic contribution for sustainability projects in the community. The attached Power Supply Agreement is required to move forward with the program. It has been reviewed and amended by the Village Attorney.

#### ATTACHMENTS:

- Aggregation Memo (DOCX)
- Power Supply Agreement MC2 Buffalo Grove (MRS)\_FINAL (PDF)

#### Trustee Liaison

Weidenfeld

#### Staff Contact

Jenny Maltas, Office of the Village Manager

Monday, January 6, 2020

# VILLAGE OF BUFFALO GROVE



## MEMORANDUM

**DATE:** January 2, 2020

**TO:** Village President & Board of Trustees

**FROM:** Jennifer Maltas, Deputy Village Manager

**SUBJECT:** Electric Aggregation Update

### Background:

Following the passage of a November 2012 Referendum, the Village established an electric aggregation program. Cumulative savings for residents and small businesses reached more than \$3.5 million at the program's May 2017 expiration.

The Village has continued to monitor the market; recent pricing indicated bids higher than the ComEd rate to compete.

NIMEC, the Village's Aggregation Consultant, has introduced a Renewable /Green Energy Aggregation program. Under this program, all program participants would pay exactly the ComEd rate and the supplier would purchase Renewable Energy Certificates (RECs) for renewable or "green" electric power. The Village would be designated an EPA Green Power Partner Community.

A civic contribution is offered with the program. Options include less than 100% RECs, such as 75% or 50%. With fewer monies spent to purchase RECs that makes more funds available for an annual civic contribution (which is unrestricted, for the Village's use.)

### Program Description:

Every electric account establishes unique consumption patterns. Factors such as volume, time of day, single vs. multi-family, and usage during peak periods combine to create a complex power usage profile. However, the cost to produce electricity is highly variable. Generators are required, by law, to ensure it is perpetually available in full, and on demand.

Under Renewable /Green Energy Aggregation, the supplier analyzes variable costs to serve each account and prices each account's individual rate. Costlier accounts to serve remain on ComEd supply; lower cost accounts are served by the supplier. Regardless of which supplier would provide power to a resident, their bill would look the same and would still come from ComEd.

The supplier would purchase RECs to represent historical power consumption for the entire Buffalo Grove aggregation community—that is, for all ratepayers enrolled with the supplier and all ratepayers that remain with ComEd. The profitable margin on the lower cost accounts enables the supplier to purchase RECs for all ratepayers in the program—including those served by ComEd. All residents and small businesses receive notice of the program, with the explanation their power consumption is offset by RECs derived from Wind generators located in the Midwest.

Regardless of whether supplied by ComEd or the supplier, the entire Buffalo Aggregation Community will be priced at exactly the ComEd rate (including ComEd's monthly variable Purchased Electricity



Adjustment). The EPA states this enables the Village to claim power consumed came from a renewable resource with low or zero emissions.

The program has zero added costs to the residents and to the Village. NIMEC continues to monitor the market for any potential future cost savings, should rates once again enable such for residents and small businesses.

As with regular Municipal Aggregation ratepayers may opt out and leave the program at any time and will never be charged a termination fee. Ratepayers who have privately contracted with another supplier are not included, but will receive a notice about the program and may choose to enroll.

Communities that have established such a program include Arlington Heights, Clarendon Hills, Crest Hill, Deer Park, Elmhurst, Gurnee, La Grange Park, Oak Lawn, Oak Park, Orland Park, Oswego, Palos Park, Round Lake Beach, South Barrington, South Elgin, Tinley Park, and Wood Dale.

#### **Civic Contribution:**

As discussed previously, this program can provide an annual "Civic Contribution" to the Village. If the Village selects 100% Renewable Energy, then a minimal civic contribution may be realized. If 75% Renewable Energy is chosen, the Village would receive an estimated contribution of \$20,000 for each year of the program. If a 50% Renewable Energy is chosen, the annual civic contribution would be \$40,000.

#### **Previous Program Reminders:**

As a reminder, all residents that would be moved to the new supplier will receive a notice from the energy supplier with an option to opt-out. NIMEC's contact information is contained on the notice and they handle a majority of the calls. The Village will receive calls but they should be minimal. Additionally, having an aggregation program in place should reduce the number of solicitors that we have in town which has been a problem since our aggregation program was suspended.

#### **Recommendation:**

Based on the information provided, staff recommends to move forward with MC Squared Energy at the 50% REC rate with a \$40,000 annual civic contribution for sustainability projects in the community. The attached Power Supply Agreement is required to move forward with the program. It has been reviewed and amended by the Village Attorney.

## MASTER POWER SUPPLY AGREEMENT

### AGREEMENT BY AND BETWEEN THE VILLAGE OF BUFFALO GROVE AND MC SQUARED ENERGY SERVICES, AN ILLINOIS LIMITED LIABILITY COMPANY TO PROVIDE FULL-REQUIREMENTS ELECTRICITY SUPPLY AND RELATED SERVICES FOR AN ELECTRIC AGGREGATION PROGRAM

This Agreement (hereinafter the “Agreement”), is entered as of January X, 2020 (hereinafter the “Effective Date”) between the Village of Buffalo Grove, Illinois, an Illinois municipal corporation (hereinafter the “Municipality”) and MC Squared Energy Services, LLC (hereinafter the “Supplier”) (each a “Party” and collectively, the “Parties”).

#### RECITALS

- A. The Municipality has established an Electricity Aggregation Program (hereinafter the “Program”) pursuant to the Aggregation Ordinance and the Aggregation Statute and will conduct the Program as an opt-out program pursuant to the Aggregation Ordinance and the Aggregation Statute.
- B. In order to identify qualified suppliers of electricity for the Program, the Northern Illinois Municipal Electric Collaborative (“NIMEC”) conducted a Request for Qualifications and Joint Power Supply Bid process.
- C. The purpose of this Agreement is for the Supplier to provide the Full-Requirements Electricity Supply Services and the Program Implementation Services as defined herein (collectively, the “Services”) to all Eligible Customers who choose not to opt out of the Program throughout the Term of this Agreement at the Price established in this Agreement.
- D. The Supplier acknowledges and agrees that it has all certifications, authorizations, qualifications, and approvals necessary pursuant to the Requirements of Law to sell Full-Requirements Electricity Supply to Eligible Customers pursuant to this Agreement, including without limitation that:
  1. Supplier is certified by the Illinois Commerce Commission as a Retail Electric Supplier and is authorized to sell Full-Requirements Electricity Supply to customers in the State of Illinois utilizing the existing transmission and distribution systems of ComEd within the service areas of ComEd;
  2. Supplier is currently registered with ComEd to serve residential and small commercial customers under Rate RESS - Retail Electric Supplier Service with Rider PORCB - Purchase of Receivables and Consolidated Billing; and
  3. Supplier has at least three years continuous experience as a Retail Electric Supplier and has provided Full-Requirements Electricity Supply to at least 25,000 residential or commercial customers.
  4. Supplier acknowledges and agrees that it will provide the Services, including without limitation Full-Requirements Electricity Supply to all Participating Customers, pursuant to the Bid Package, the Bid Response, this Agreement, and the Requirements of Law.
  5. The Municipality desires to enter into this Agreement with Supplier for the provision by the Supplier of Full-Requirements Electricity Supply to all Eligible Customers pursuant to the Program unless exceptions are clearly stated on the RFP response.

## AGREEMENT

In consideration of the mutual covenants and agreements contained herein, the Municipality and the Supplier agree as follows:

### ARTICLE 1 RECITALS

- 1.1 The foregoing recitals are, by this reference, fully incorporated into and made part of this Agreement.

### ARTICLE 2 DEFINITIONS

The following terms shall have the meanings ascribed to them in this section:

- 2.1 “Aggregate” means the total number of Eligible Customers that are within the jurisdictional boundaries of the Municipality.
- 2.2 “Aggregation Ordinance” means that certain ordinance adopted by the Municipality authorizing the Program.
- 2.3 “Aggregation Statute” means the Illinois Power Agency Act, 20 ILCS 3855/1-92 and applicable rules and regulations of the Illinois Commerce Commission.
- 2.4 “Billing Services” means those services described in Section 4.4 of this Agreement, including all subsections of Section 4.4.
- 2.5 “ComEd” means Commonwealth Edison.
- 2.6 “Compliance Services” means those services identified in Section 4.5 of this Agreement, including all subsections of Section 4.5.
- 2.7 “Confidential Information” means the information defined in Section 9 of this Agreement.
- 2.8 “Customer Information” means certain information that the Electric Utility or Former Aggregation Supplier is required by statute (including the Aggregation Statute), regulation, tariff, or contract to provide to the Corporate Authorities of the Municipality, including without limitation those names and addresses and Electric Utility account numbers of residential and small commercial retail customers in the Aggregate area that are reflected in the Electric Utility or Former Aggregation Supplier's records at the time of the request.
- 2.9 “Data” has the same meaning as in Section 9 of this Agreement.
- 2.10 “Electric Utility” means ComEd.
- 2.11 “Eligible Customers” means residential and small commercial electricity customers receiving Full-Requirements Electricity Supply within the Municipality who are eligible to participate in the Program pursuant to the Aggregation Statute and the Requirements of Law, and as determined by the parameters defined in Exhibit C of this Agreement by the supplier and mutually agreed to by the Supplier and Municipality.
- 2.12 “Energy” means generated electricity.
- 2.13 “Enrollment Services” means those services described in Section 4.3 of this Agreement, including all subsections of Section 4.3.

- 2.14 “Extended Term” means the term defined in Section 5.1 of this Agreement.
- 2.15 “Force Majeure Event” means the circumstances defined in Section 7.1 of this Agreement.
- 2.16 “Former Aggregation Supplier” means the RES that supplied the Program of the Municipality immediately prior to Supplier under this Agreement. If Former Aggregation Supplier as defined would be Supplier or ComEd, then no Former Aggregation Supplier is considered to exist.
- 2.17 “Full-Requirements Electricity Supply” means all services or charges necessary to provide the continuous supply of electricity to all Participating Customers, including, without limitation, Energy, capacity, losses, renewable portfolio standard (RPS) charges, imbalances, load factor adjustments, transmission costs, congestion charges, marginal losses, ancillary services, taxes applicable only to the Supplier, and any additional necessary services or charges.
- 2.18 “Full-Requirements Electricity Supply Services” means those portions of the Services described in Section 4.1 of this Agreement, including all subsections of Section 4.1.
- 2.19 “ICC” means the Illinois Commerce Commission.
- 2.20 “Independent System Operator” or “ISO” means that certain independent system operator for the Electric Utility established pursuant to the Public Utilities Act, 220 ILCS 5/16-626.
- 2.21 “Power Supply Bid” means the bidding process conducted by the Municipality.
- 2.22 “New Customers” means the customers defined in Section 4.3.9 of this Agreement.
- 2.23 “Opt-Out Notice” means the notices described in Section 4.2.1.1 of this Agreement and provided to Eligible Customers informing them of their ability to opt-out of the Program pursuant to the Requirements of Law.
- 2.24 “Opt-Out Period” means the time prior to the implementation of the Program during which Eligible Customers may choose not to participate in the Program pursuant to the Requirements of Law.
- 2.25 “Opt-Out Process” means the process defined in Section 4.2.1 of this Agreement.
- 2.26 “Participating Customers” means those Eligible Customers who do not opt out of the Program and are not Special Billing Customers, and New Customers. Participating customers may be served by Supplier or Tariffed Service pursuant to Attachment C.
- 2.27 “Plan of Governance” or “POG” means that certain Plan of Operation and Governance approved by The Municipality pursuant to the Aggregation Statute.
- 2.28 “Point of Delivery” means the point specified by the Electric Utility at which the Supplier must deliver the Full-Requirements Electricity Supply to the Electric Utility for distribution to Participating Customers.
- 2.29 “Price” means the price expressed in cents per kilowatt hour at which the Supplier will provide the Services as set forth in Exhibit C to this Agreement.
- 2.30 “Program” means the electricity aggregation program operated by the Municipality in accordance with the Aggregation Statute and authorized by the Aggregation Ordinance, to aggregate residential and small commercial retail electrical loads located within the corporate limits of the Municipality for the purpose of soliciting and entering into service agreements to facilitate for those loads the sale and purchase of Full-Requirements Electricity Supply and related Services.

- 2.31 “Program Implementation Services” means those portions of the Services described in Section 4.2 of this Agreement, including all subsections of Section 4.2.
- 2.32 “Renewable Energy Credits, (RECs)” means a market-based instrument that represents the legal property rights to the environmental attributes of renewable electricity generation sources such as wind, solar, biomass or hydroelectric compliant with EPA established guidelines.
- 2.33 “Requirements of Law” means the Aggregation Ordinance, the Aggregation Statute, the Illinois Public Utilities Act, the Illinois Consumer Fraud Act, the Plan of Governance, the rules, regulations, and final decisions of the ICC or Illinois Power Agency (including the ICC Final Order in Docket No. 11-0434 issued on April 4, 2012), the rules, regulations and tariffs applicable to the Electric Utility and the Independent System Operator, and all other applicable federal, state, and local laws, orders, rules, and regulations, all as may be hereinafter duly amended.
- 2.34 “Retail Electric Supplier” or “RES” means an “alternative retail electric supplier” as that term is defined in Section 16-102 of the Public Utilities Act, 220 ILCS 5/16-102.
- 2.35 “Services” means the Full-Requirements Electricity Supply Services, Program Implementation Services, Enrollment Services, Billing Services, and Compliance Services provided in Article 4 of this Agreement.
- 2.36 “Special Billing Customers” means the customers defined in Section 4.3.8 of this Agreement.
- 2.37 “Supplier” means MC Squared Energy Services, LLC and the lawful successor, transferee, designee, or assignee thereof.
- 2.38 “Tariffed Service” means the electricity supply service provided by Electric Utility as required by 220 ILCS 5/16-103. The magnitude of Tariffed Services are typically posted on PlugInIllinois.org and currently includes ComEd’s electricity supply charge plus ComEd’s transmission series charge, and including the ComEd’s Purchased Electricity adjustment.
- 2.39 “Term” means the period of time defined in Section 5.1 of this Agreement.
- 2.40 “Municipality” means the Village of Buffalo Grove, Illinois.
- 2.41 “Withdrawing Customer” means a customer defined in Section 4.3.6 of this Agreement.

### ARTICLE 3 PROGRAM RESPONSIBILITIES

- 3.1 Municipality Responsibilities.
- 3.1.1 Customer Information. The Municipality shall, with the assistance of the Supplier, pursuant to the Requirements of Law, obtain the Customer Information from ComEd and/or the previous supplier.
- 3.1.2 Notices and Customer Information from ComEd and/or the previous supplier. The Municipality shall promptly forward to Supplier the Customer Information received from ComEd and/or the previous supplier and each Party will promptly provide to the other Party any notices received by that Party from ComEd and/or the previous supplier concerning the accounts of Eligible or Participating Customers.
- 3.1.3 Submittals to ComEd. The Municipality shall, with the assistance of Supplier, submit to ComEd (a) the “Government Authority Aggregation Form”, (b) a list of Eligible Customers

who are not Participating Customers because they have elected to opt out of the Program, (c) a list of all Participating Customers, and (d) such other forms as are or may become necessary to access interval data for billing or non-billing purposes to the extent that Supplier is authorized to access such data.

- 3.1.4 No Municipality Obligations to Provide Services. The Parties acknowledge and agree that the Municipality is not responsible to provide, and this Agreement shall not be construed to create any responsibility for the Municipality to provide, the Services to any person or entity, including without limitation the Supplier, the Electric Utility, the ISO, Eligible Customers, Special Billing Customers, New Customers or Participating Customers.
- 3.1.5 No Municipality Financial Responsibility. The Parties acknowledge and agree that this Agreement does not impose or create, and shall not be construed to create, any financial obligation of the Municipality to any other person or entity, including without limitation the Supplier, the Electric Utility, the ISO, Eligible Customers, Special Billing Customers, or Participating Customers.

### 3.2 Supplier Obligations.

- 3.2.1 Provision of Services. The Supplier will provide all of the Services described in Article 4 of this Agreement throughout the Term, including but not limited to the provision of sufficient Full-Requirements Electricity Supply to allow the Electric Utility to deliver and distribute uninterrupted electric service to all Participating Customers. The Supplier acknowledges and agrees that the Municipality is not responsible to provide, and shall not be liable to the Supplier or any Eligible Customer for any failure to provide, any Services pursuant to this Agreement.
- 3.2.2 Compliance with the Requirements of Law. Supplier shall comply with all Requirements of Law.
- 3.2.3 Supplier Press Releases. The Supplier may issue press releases concerning the Program that are approved in advance by the Municipality prior to issuance.
- 3.2.4 All information provided by the Supplier to Municipality or any of its agents relating to this Agreement in any way shall be true and accurate in all respects at all times to the best of Supplier's knowledge and belief.

## ARTICLE 4 SUPPLIER SERVICES

- 4.1 Full Requirements Electricity Supply. The Supplier must supply the following Full-Requirements Electricity Supply Services as provided in this Section 4.1.
  - 4.1.1 Scheduling, Transmission and Delivery of Full-Requirements Electricity Supply.
    - 4.1.1.1 Generally. The Supplier shall take all actions necessary to arrange for the scheduling, transmission, and delivery of Full-Requirements Electricity Supply to the Electric Utility for distribution to all Participating Customers.
    - 4.1.1.2 Scheduling. Supplier shall schedule the Full-Requirements Electricity Supply for distribution as required by the ISO and the Electric Utility.
    - 4.1.1.3 Distribution and Transmission Rights. Supplier will arrange for necessary distribution and transmission rights necessary for the delivery of the Full-Requirements Electricity Supply to the Electric Utility hereunder.

#### 4.1.1.4 Transmission and Delivery to Electric Utility.

4.1.1.4.1 Transmission and Delivery. Supplier will cause to be transmitted and delivered to the Electric Utility at the Delivery Point sufficient Energy to provide continuous Full-Requirements Electricity Supply to all Participating Customers. The Municipality acknowledges that the Electric Utility, and not the Supplier, is responsible for the distribution of the Full-Requirements Electricity Supply to the Participating Customers after delivery by the Supplier to the Delivery Point, and that Supplier does not take responsibility for the distribution of the Full-Requirements Electricity Supply to Participating Customers after the Supplier provides Full-Requirements Electricity Supply to the Point of Delivery.

4.1.1.4.2 Failure of Delivery. Supplier acknowledges and agrees that if the Supplier fails to comply with any requirement related to the Full-Requirements Electricity Supply to the Participating Customers pursuant to this Agreement, including without limitation if Supplier fails to schedule all or part of the Full-Requirements Electricity Supply for any Participating Customer, Supplier shall be solely responsible for any additional costs, charges, or fees incurred because of such failure, and shall not pass through any such additional costs, charges, or fees to Participating Customers.

4.1.2 Pricing. The Supplier shall receive the Price in full payment for all Services, and shall not be entitled to any additional costs, adjustments, charges, fees, or any other payments or compensation, except that the Supplier may not impose an early termination fee on Withdrawing Customers. The Municipality acknowledges that the Price does not include sales or other consumer-based taxes applicable to Participating Customers or other taxes that are not applicable to the Supplier.

4.2 Program Implementation Services. In order to maximize flexibility of program notices and terms, Municipality wishes to provide Program Implementation Services as described in further detail below. In order to support Municipality in providing Program Implementation Services, Supplier must provide the following support to Municipality in offering Program Implementation Services as provided in this Section 4.2:

4.2.1 Opt-Out Process. Supplier, at its sole costs and expense, shall, assist the Municipality, in administering the process by which Eligible Customers are provided with the opportunity to opt-out of the Program prior to its implementation (the "Opt-Out Process"), including, but not limited to, the following:

4.2.1.1 Opt-Out Notices. Supplier, at its own expense, will assist the Municipality in preparing and mailing form Opt-Out Notices to all Eligible Customers as required pursuant to the Requirements of Law. Opt-Out Notices to be sent by the Municipality through the Supplier must include all information required pursuant to the Requirements of Law, including without limitation: (i) the terms and conditions of participation in the Program, (ii) the cost to the Customer of Full-Requirements Electricity Supply under the Program, (iii) the methods by which Customers may opt out of the Program, and (iv) the length of the Opt-Out Period. The Opt-Out Notices must prominently include the toll-free telephone number described in Section 4.2.1.3. The form and content of the Opt-Out Notices shall be approved by the Municipality prior to mailing by Supplier. In addition to the Opt-Out Notices, the Supplier will provide Participating Customers with terms and conditions for the provision of Services to those Participating Customers, which terms and conditions shall comply with and accurately reflect all of the requirements of this Agreement

and the Requirements of Law and shall be substantially similar to the Illustrative form attached in Exhibit A.

- 4.2.1.2 Notices to Special Billing Customers and Utility-to-Utility Customers. The Municipality acknowledges that the Municipality may provide notices to Special Billing Customers concerning the Program, the Price, the rates charged to Special Billing Customers under their existing service, and the opportunity for Special Billing Customers to opt in to the Program as provided in Section 4.3.9 of this Agreement. Without regard to whether it is required under Applicable Law, municipality agrees to send pursuant to Section 4.2.1.1 notices to customers currently on Tariffed Service who will remain on Tariffed Service while participating in the Program. This notice shall inform the customer of the existence of the Program and inform the customer that the customer will stay on Tariffed Service as participants.
- 4.2.1.3 Toll Free Number and Website Content. In addition to receiving completed Opt-Out Notices from Eligible Customers by mail, the Supplier shall, at its own expense, provide, operate, and maintain a toll-free number for the use of Eligible Customers to opt out of the Program. The toll-free number must be operational during normal business hours. In addition, the Supplier will use reasonable commercial efforts to work with the Municipality to develop website content and FAQs appropriate for posting on the Municipality website. The Opt-Out Notices must prominently include the toll-free number and the Municipality website address and a mc<sup>2</sup> email address for email inquiries. Supplier will be required to support Spanish speaking residents and customers with disabilities.
- 4.2.1.4 Reporting. During the Opt-Out Period, Supplier is responsible to assist the Municipality for the receipt of all Opt-Out Notices. Supplier must assemble, track, and report to the Municipality concerning the delivery and receipt of all Opt-Out Notices to and from Eligible Customers, including without limitation providing the Municipality with complete information concerning all Eligible Customers who choose to opt-out of the Program.
- 4.2.2 Required Disclosures. Supplier shall provide Eligible Customers with all information required to be disclosed to Eligible Customers concerning Full-Requirements Electricity Supply and the Program pursuant to the Requirements of Law, including without limitation all information required to be included in the Opt-Out Notices.
- 4.2.3 Disclosure to Commission. The Municipality agrees to provide such assistance as is necessary for Supplier to provide to the ICC pursuant to 83 Ill. Admin. Code § 470.200(a) required information within three business days of the signing of this Agreement.
- 4.3 Enrollment Services. The Supplier must supply the following Enrollment Services as provided in this Section 4.3:
  - 4.3.1 Record of Participating Customers. Following the completion of the Opt-Out Period, the Supplier shall be responsible for compiling a complete list of all Participating Customers (including those on Tariffed Service) and those Eligible Customers who have opted out of the Program and shall ensure that no Eligible Customers who have opted out are enrolled in the Program.
  - 4.3.2 Enrollment. Upon completion of the Opt-Out Process and the identification of all Eligible Customers who have opted out of the Program, the Supplier shall, at its sole cost and expense, take all actions necessary to enroll Participating Customers in the Program pursuant to the Requirements of Law.



- 4.3.3 **Term of Enrollment.** Participating Customers who do not opt out of the Program shall be enrolled in the Program by the Supplier and shall remain enrolled in the Program until the end of the Term, unless the Agreement is terminated pursuant to its terms or the Participating Customer withdraws from the Program pursuant to Section 4.3.6 of this Agreement.
- 4.3.4 **Direct Access Service Request.** The Supplier shall submit a direct access service request to ComEd for each Participating Customer in compliance with the “standard switching” subsection of Rate RDS - Retail Delivery Service, in order to allow Full-Requirements Electricity Supply to commence following the Municipality’s implementation schedule which is attached as Exhibit B.
- 4.3.5 **Payment of Switching Fees.** The Supplier shall reimburse Participating Customers for any switching fee imposed by the Electric Utility related to the enrollment of a Participating Customer in the Program within 30 days of receiving notice of such switching fee. The Supplier shall not be responsible to pay any switching fees imposed on Participating Customers who switch service from an alternative retail electric supplier.
- 4.3.6 **Withdrawal by a Participating Customer.** For Participating Customers who notify the Supplier after the completion of the Opt-Out Period that the Participating Customer desires to withdraw from the Program (“Withdrawing Customer”), the Supplier must, at the direction of the Participating Customer, drop the Participating Customer from the Supplier's Full-Requirements Electricity Supply on the next available meter read, which will result in restoring the Participating Customer to Tariffed Service. The Supplier will not assess an early termination fee but the Participating Customer will be responsible to pay for charges incurred for service prior to the termination.
- 4.3.7 **Customer Service Inquiries.** After completion of the Opt-Out Period, Supplier must maintain and operate a toll-free telephone number and internet email address for the purpose of receiving questions and comments from Participating Customers concerning the Full-Requirements Electricity Supply. The Supplier may inform Participating Customers that questions about the delivery and billing of the Full-Requirements Electricity Supply should be directed to ComEd. Supplier must promptly and courteously address customer service inquiries in a manner that meets or exceeds the ICC requirements for the operation of call centers.
- 4.3.8 **Special Billing Customers.** Subject to the Requirements of Law and due to the minimal and/or fixed nature of their existing billing rates, the following Eligible Customers shall not be automatically enrolled in the Program but may subsequently elect to enroll in the Program as New Customers pursuant to Section 4.3.9 of this Agreement.
- 4.3.8.1 Any Eligible Customer in the residential customer class, as described in Section 4.4.2 of this Agreement, that is taking service under the following ComEd rates:
- Rate BESH – Basic Electric Service Hourly Pricing
  - Rate RDS – Retail Delivery Service; and
- 4.3.8.2 Any Eligible Customer in the commercial customer class, as described in Section 4.4.2 of this Agreement, that is taking service under the following ComEd rates:
- Rate BESH – Basic Electric Service Hourly Pricing
  - Rate RDS – Retail Delivery Service.

(collectively, the “Special Billing Customers”).

4.3.9 New Customers. After the commencement of the Program and the enrollment of Participating Customers, the Supplier shall, at the request of a New Customer, as defined in this Section 4.3.9, immediately enroll the following customers in the Program and provide Full-Requirements Electricity Supply to those customers at the Price:

4.3.9.1 Any Eligible Customer within the Municipality that moves to a new location within the Municipality;

4.3.9.2 Any Eligible Customer that moves into an existing location within the Municipality; and

4.3.9.3 Any Eligible Customer that previously opted out of the Program during the Opt-Out Period; and

4.3.9.4 Any Eligible Customer that was inadvertently omitted from the list of Participating Customers and not enrolled in the Program. (collectively, the “New Customers”).

4.4 Billing Services. The Supplier must supply the following Billing Services as provided in this Section 4.4 for all customers served by the Supplier:

4.4.1 Billing Generally. Supplier shall confirm that billing to Eligible Customers will be provided by ComEd under a consolidated billing format pursuant to “Rider PORCB – Purchase of Receivables and Consolidated Billing,” and pursuant to the Requirements of Law. The Municipality acknowledges and agrees that ComEd will bill Participating Customers for the Price of the Full-Requirements Electricity Supply as part of its billing for the distribution of such supply, and that the Supplier shall not be responsible for billing Participating Customers

4.4.2 Customer Classes. Eligible Customers shall be categorized within either the residential or commercial customer classes according to the applicable rates under which they received electricity supply from ComEd prior to participating in the Program.

4.4.2.1 Residential Customer Class. The residential customer class shall include Participating Customers taking service from ComEd under the following rates:

- Residential Single Family Without Electric Space Heat Delivery Class
- Residential Multi Family Without Electric Space Heat Delivery Class
- Residential Single Family With Electric Space Heat Delivery Class
- Residential Multi Family With Electric Space Heat Delivery Class

4.4.2.2 Commercial Customer Class. The commercial customer class shall include those Participating Customers taking service from ComEd as described below:

- 15,000 annual kWhs usage or less small commercial customers as defined under the Requirements of Law including the ComEd Rate GAP Tariff

4.5 Compliance Assistance. When either Supplier or the Municipality has a compliance obligation under Requirements of Law, the other Party shall take commercially reasonable steps to assist the Party with the request.

4.6 Following the completion of the Opt-Out Period, the Supplier shall be responsible to compile a complete list of all Participating Customers in the Program. Supplier will update this list as new customers are added and deleted. Supplier will make this list available to the Municipality at any time the Municipality requests the list. Additionally, within 120 days of the end of this agreement, Supplier will make the Program’s load data by rate class available to the Municipality. Load data shall include:

- Historical Usage Data
- Capacity Peak Load Contribution (PLC) values and effective start and end dates.

- Network Service Peak Load Contribution (PLC) values and effective start and end dates
- Meter Bill Group Number
- Rate Code

- 4.7 Upon request of the Village, Supplier agrees to implement a second (supplemental) mailing at the Supplier's cost to new residents 12 months after the beginning of a 24-month term agreement, and a third mailing at 24 months, if a 36-month term is selected. Each of these mailings will be at the option of the Municipality. Supplier will be responsible for all costs associated with the mailing, including ComEd charges.
- 4.8 At each renewal of the program, Supplier will conduct an opt in mailing to those residents who have individually selected an electric supplier other than the Supplier, informing them of the pricing of the aggregation program.

## ARTICLE 5 TERM

- 5.1 Term. This Agreement commences as of the Effective Date and is for a term of twelve (12) months of consecutive monthly billing periods starting from the initial meter read date designated by the Municipality in consultation with the Supplier in March 2020, and expires at the end of the last day of the 12th billing cycle for the Participating Customer(s) with the latest billing cycle (the "Term"). The Municipality and the Supplier may extend the Term for additional periods of time up to 3 years for each extension, by written agreement approved and executed by each Party (each an "Extended Term"). In the event that the Municipality discontinues its aggregation program, nothing in this Agreement shall be construed to prevent Supplier from following the procedure for customer renewal in the Customer Terms and Conditions (Exhibit A) for any Participating Member.
- 5.2 In the event this agreement is not renewed or terminated for any reason, including expiration according to its terms, the Municipality may choose another RES or Retail Electric Supplier and Supplier shall allow all Participating Customers to be switched to the selected RES, or all Participating Customers shall be switched by the Supplier to service with ComEd in accord with the standard switching rules and applicable notices or as otherwise required by any applicable law or regulation.

## ARTICLE 6 REMEDIES AND TERMINATION

- 6.1 Municipality's General Remedies. In addition to every other right or remedy provided to the Municipality under this Agreement, if the Supplier fails to comply with any of the provisions of this Agreement (for reason other than a Force Majeure Event pursuant to Section 7.1 of this Agreement or a Regulatory Event pursuant to Section 7.2 of this Agreement), then the Municipality may give notice to the Supplier specifying that failure. The Supplier will have 15 calendar days after the date of that notice to take all necessary steps to comply fully with this Agreement, unless (a) this Agreement specifically provides for a shorter cure period, or (b) an imminent threat to the public health, safety, or welfare arises that requires a shorter cure period, in which case the notice must specify the cure period, or (c) compliance cannot reasonably be achieved within 15 calendar days but the Supplier promptly commences a cure and diligently pursues the cure to completion. If the Supplier fails to comply within that 15-day period, or the shorter period if an imminent threat, or if the Supplier fails to promptly commence a cure and diligently pursue the cure to completion, then the Municipality, subject to the limits of applicable federal or State of Illinois law, may take any one or more of the following actions:
- 6.1.1 Seek specific performance of any provision of this Agreement other than provision of Services or seek other equitable relief, and institute a lawsuit against the Supplier for those purposes.

- 6.1.2 Institute a lawsuit against the Supplier for breach of this Agreement and, except as provided in Section 6.3 of this Agreement, seek remedies and damages as the court may award.
- 6.1.3 In the case of noncompliance with a material provision of this Agreement, declare this Agreement to be terminated in accordance with the following:
  - 6.1.3.1 The Municipality will give written notice to the Supplier of the Municipality's intent to terminate this Agreement ("Termination Notice"). The notice will set forth with specificity the nature of the noncompliance. The Supplier will have 10 calendar days after receipt of the notice to object in writing to termination, to state its reasons for that objection, and to propose a remedy for the circumstances. If the Municipality has not received a response from the Supplier, or if the Municipality does not agree with the Supplier's response or any remedy proposed by the Supplier, then the Municipality will conduct a hearing on the proposed termination. The Municipality will serve notice of that hearing on the Supplier at least 10 business days prior to the hearing, specifying the time and place of the hearing and stating the Municipality's intent to terminate this Agreement.
  - 6.1.3.2 At the hearing, the Supplier will have the opportunity to state its position on the matter, present evidence, and question witnesses. Thereafter, the Municipality will determine whether or not this Agreement will be terminated. The hearing must be public and held on record.
  - 6.1.3.3 The decision of the Municipality must be in writing and delivered to the Supplier by certified mail.
- 6.2 Actions on Termination or Expiration of this Agreement. Services to Participating Members will be provided subsequent to a termination or expiration of this Agreement as set forth below:
  - 6.2.1 If this Agreement expires due to reaching the end of the Term (including any Extended Terms) and Municipality wishes to continue the Aggregation Program with a different RES, Supplier will cooperate with the Municipality.
  - 6.2.2 If this Agreement expires or terminates before the end of the Term (including any Extended Terms) for any reason other than Supplier's breach pursuant to Section 6.1.3, Participating Members may be renewed by Supplier pursuant to the Terms and Conditions set out in Exhibit A to this Agreement.
  - 6.2.3 If this agreement is terminated before the expiration of the Term (including any Extended Terms) due to breach by Supplier and pursuant to Section 6.1.3 of this Agreement, Supplier will return all Participating Members to ComEd. In such event, Supplier shall not be responsible to any Participating Member for any damages or penalties resulting from the return to Tariffed Service, including claims relating to the Tariffed Service price being higher than the Price herein.
- 6.3 Limitation of Liability. Except for the Supplier's failure to provide Full-Requirements Electricity Supply to Participating Customers not on Tariffed Service or the disclosure of Customer Information in violation of the Requirements of Law, or as otherwise specifically provided herein, in no event will either Party be liable to the other Party under this Agreement for incidental, indirect, special, or consequential damages connected with or resulting from performance or non-performance of this Agreement, irrespective of whether such claims are based upon breach of warranty, tort (including negligence of any degree), strict liability, contract, operation of law or otherwise.
- 6.4 Termination by Municipality. Notwithstanding the preceding, the Municipality may terminate this Agreement with not less than ninety (90) days advance notice ("Advance Notice Period"). After

expiration of the Advance Notice Period, neither Supplier nor Municipality shall have obligations to each other except: (a) such obligations as survive termination pursuant to the terms of this Agreement, (b) obligations under Exhibit C in the event of early termination. Nothing in this Section 6.4 requires termination of any contracts or agreements between Supplier and Eligible Customers.

ARTICLE 7  
FORCE MAJEURE EVENTS;  
REGULATORY EVENTS AND ADDITIONAL CHARGES, TAXES OR LEVIES

- 7.1 Force Majeure Events. The Supplier shall not be held in default under, or in noncompliance with, the provisions of the Agreement, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by a “Force Majeure Event,” defined as a strike, riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, or other event that is reasonably beyond the Supplier’s ability to anticipate or control. Non-compliance or default attributable to a Force Majeure Event shall be corrected within a reasonable amount of time after the Force Majeure Event has ceased.
- 7.2 Regulatory Event. A “Regulatory Event” shall mean any time that any branch, agency, instrumentality, or court of the federal, regional (interstate), state, regional (inter-municipality), or local government takes an action that: (1) alters the market rules under which Supplier operates, including the magnitude or allocation of costs to Supplier, and (2) is applicable to similarly situated RES. For the purposes of this Agreement, “Regulatory Event” shall not include mere changes in market prices for any component of Full-Requirements Electric Supply Services, but would include changes in market prices due to changes in regulation of such components. For the avoidance of doubt, the following shall constitute a “Regulatory Event”:
- a. Illegality. It becomes unlawful for a Party to perform any obligation under this Agreement due to the adoption of, or change in the interpretation of any applicable law by any judicial or government authority with competent jurisdiction.
  - b. Adverse Government Action. A regulatory, legislative or judicial body (A) requires a material change to the terms of this Agreement that materially and adversely affects a Party, (B) takes action that adversely and materially impacts a Party's ability to perform or requires a delay in the performance of this Agreement that either Party determines to be unreasonable, or (C) orders a change or modification that affects the Program such that either Party's obligations hereunder are materially changed, and the change is not deemed a Force Majeure Event.
  - c. New Taxes/Legislative or Regulatory Charges/Surcharges. Any new charges/surcharges, tax or increases in such tax, or an application of such tax to a new or different class of parties, which is enacted or levied on the Supplier, not recoverable by Supplier from Participating Customers pursuant to Section 7.3 below, and effective after the Execution Date, except federal and state income taxes, employee taxes or other taxes assessed against the business of the Supplier or the delivery of services under this Agreement.
- 7.3 Occurrence of Regulatory Event. In the occurrence of a Regulatory Event that results in the imposition of a generally applicable additional charge, tax, or levy upon Supplier, and similarly situated RES, then Supplier will adjust the Price to reflect such additional charge, tax or levy by the following procedure:
- a. The Supplier shall provide written notice to the Municipality within 15 days after the occurrence of such action or inaction, of: (i) the nature of the action or inaction; (ii) the adjustment of the Price for the applicable Term and (iii) the date on which the price adjustment will become effective.

- b. Within 15 days after receipt of the notice described in Section 7.3(a), the Municipality shall have the right to request a meeting with the Supplier to review the action or inaction, and the price adjustment, identified by the Supplier. The Supplier and the Municipality shall meet within five business days after delivery of such request to the Supplier, and shall cooperate in good faith to resolve any dispute regarding the price adjustment. Provided that nothing herein shall prevent the price adjustment from becoming effective on Participating Customers bills on the date noticed pursuant to 7.3(a) above.
- c. The Supplier shall continue to provide the Services during any such negotiations, unless prohibited by law or regulation. This Section 7.3 shall not apply to any fine or penalty assessed against the Supplier as a result of any failure by the Supplier to comply with applicable laws and regulations.

## ARTICLE 8

### INDEMNIFICATION AND INSURANCE

- 8.1 Indemnification. The Supplier shall indemnify and hold harmless the Municipality, its officers, employees, agents, and attorneys, from and against any third-party injuries, claims, demands, judgments, damages, losses and expenses, including reasonable attorney's fees and costs of suit or defense, arising from the Supplier's provision of the Services, except to the extent caused by the sole negligence of the Municipality. This duty shall survive for all claims made or actions filed within one (1) year following either the expiration or earlier termination of this Agreement. The Municipality shall give the Supplier timely written notice of its obligation to indemnify and defend the Municipality after the Municipality's receipt of a claim or action pursuant to this Section. For purposes of this Section, the word "timely" shall mean within a time period that does not cause prejudice to the respective positions of the Supplier and/or the Municipality. Nothing herein shall be construed to limit the Supplier's duty to indemnify the Municipality by reference to the limits of insurance coverage described in this Agreement. Notwithstanding anything in this Section to the contrary, under no circumstance will Supplier be liable to indemnify beyond \$1,000,000 per occurrence for bodily injury or property damage or \$1,000,000 for other claims.
- 8.2 Insurance. Contemporaneous with the Supplier's execution of this Agreement, the Supplier shall provide certificates of insurance, all with coverage and limits as set forth in Exhibit D to this Agreement. For good cause shown, the Municipality Village Manager, or his or her designee may extend the time for submission of the required policies of insurance upon such terms, and with such assurances of complete and prompt performance, as the Municipality Village Manager, or his or her designee may impose in the exercise of his sole discretion. Such certificates and policies shall be in a form acceptable to the Municipality. Such insurance policies shall provide that no change, modification in, or cancellation of, any insurance shall become effective until the expiration of 30 days after written notice thereof shall have been given by the insurance company to the Municipality. The Supplier shall, at all times during the term of this Agreement, maintain and keep in force, at the Supplier's expense, the insurance coverage provided above.

## ARTICLE 9

### CONFIDENTIAL INFORMATION

- 9.1 Confidential and Proprietary Information. Notwithstanding anything to the contrary set forth herein, the Parties are not required to disclose information which they reasonably deem to be proprietary or confidential in nature. The Parties agree that any information disclosed by a Party and designated as proprietary and confidential shall only be disclosed to those officials, employees, representatives, and agents of the other Party that have a need to know in order to administer and enforce this Agreement. For purposes of this Section, the terms "proprietary or confidential" include, but are not limited to, information relating to a Party's corporate structure and affiliates, marketing plans, financial information unrelated to the calculation of the Price or rates pursuant to the Requirements of Law, or other information that is reasonably determined by a Party to be competitively sensitive.

A Party may make proprietary or confidential information available for inspection but not copying or removal by the other Party's representatives. Compliance by the Municipality with the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq. (hereinafter the "Illinois FOIA"), including compliance with an opinion or directive from the Illinois Public Access Counselor or the Illinois Attorney General under the Illinois FOIA, or with a decision or order of a court with jurisdiction over the Municipality, shall not be a violation of this Section.

- 9.2 **Ownership of Data and Documents.** All data and information, regardless of its format, developed or obtained under this Agreement (hereinafter the "Data"), other than the Supplier's confidential information, will be and remain the sole property of the Municipality. The Supplier must promptly deliver all Data to the Municipality at the Municipality's request. The Supplier is responsible for the care and protection of the Data until that delivery. The Supplier may retain one copy of the Data for the Supplier's records subject to the Supplier's continued compliance with the provisions of this Agreement. However, nothing in this Section shall prevent Supplier from retaining copies of such documentation and data as is needed to fulfill any Requirement of Law regarding record retention.
- 9.3 **Limitations on Customer Information.** Both Parties acknowledge and agree that the Customer Information is subject to, and must be maintained in compliance with, the limitations on disclosure of the Customer Information established by the Requirements of Law, including without limitation the Aggregation Statute, Section 16-122 of the Public Utilities Act, 220 ILCS 5/16-102, Section 2HH of the Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2HH, the ICC Order in Case No. 11-0434 issued April 4, 2012, and the provisions of ComEd's Tariff Rate GAP, and Parts 412 and 470 of the ICC's Rules. The Municipality shall warrant to ComEd that customer-specific information provided to the Municipality in accordance with the provisions of ComEd's Tariff Rate GAP shall be treated as confidential. To protect the confidentiality of Customer Information:
- 9.3.1 Supplier access to Customer Information is limited those authorized representatives of Supplier, or any third party, who have a need to know the information for purposes of this Agreement.
- 9.3.2 Supplier warrants that it will not disclose, use, sell, or provide Customer Information to any person, firm or entity for any purpose outside of the aggregation program, unless agreed to by the Municipality.
- 9.3.3 Supplier and Municipality acknowledge that Customer Information remains the property of the Municipality and that material breaches of confidentiality will prohibit Supplier from placing any new bids to the Municipality's subsequent Request(s) for Qualifications for a period of one year after termination of this Agreement.
- 9.3.4 Supplier will comply with record retention and destruction Requirements of Law including but not limited to those in ComEd Rate GAP and Part 470 of the ICC's Rules.
- 9.4 **Proprietary Rights, Survival.** Each Party acknowledges the proprietary rights of the other Party in and to the Confidential Information. The obligations under this Article Nine shall survive the conclusion or termination of this Agreement for two (2) years.

## ARTICLE 10 MISCELLANEOUS

- 10.1 **Notices.** Any notices, requests or demands regarding the services provided under this Agreement and the Attachments shall be deemed to be properly given or made (i) if by hand delivery, on the day and at the time on which delivered to the intended recipient at its address set forth in this Agreement; (ii) if sent by U.S. Postal Service mail certified or registered mail, postage prepaid, return receipt requested, addressed to the intended recipient at its address shown below; or (iii) if by Federal

Express or other reputable express mail service, on the next Business Day after delivery to such express service, addressed to the intended recipient at its address set forth in this Agreement. The address of a Party to which notices or other communications shall be mailed may be changed from time to time by giving written notice to the other Party.

To Municipality:

Village of Buffalo Grove  
50 Raupp Blvd  
Buffalo Grove, IL 60089  
Attention: Village President

To Supplier:

Charles C. Sutton  
President  
MC Squared Energy Services, LLC  
175 W. Jackson Blvd., Suite 240  
Chicago, IL 60604  
Fax: (877) 281-1279

With a copy to:

Village of Buffalo Grove  
50 Raupp Blvd  
Buffalo Grove, IL 60089  
Attention: Village Attorney

With a copy to:

Jeremiah McGair  
Senior Counsel  
Wolverine  
175 W. Jackson Blvd. Suite 200  
Chicago, IL 60604  
Fax: (312) 884-3944

- 10.2 Mutual Representations and Warranties. Each Party represents and warrants to the other Party, as of the date of this Agreement, that:
- a. It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation, and if relevant under such laws, in good standing;
  - b. It has the corporate, governmental and/or other legal capacity, authority and power to execute, deliver and enter into this Agreement and any other related documents, and perform its obligations under this Agreement, and has taken all necessary actions and made all necessary determinations and findings to authorize such execution, delivery and performance;
  - c. The execution, delivery and performance of this Agreement does not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets; and
  - d. It has reviewed and understands this Agreement; and
  - e. It, to the extent applicable, shall comply with all the Requirements of Law.
- 10.3 Supplier agrees that all information presented in its Response to Qualifications for Municipal Aggregated Electricity Supply For Member Communities of the Northern Illinois Municipal Electric Collaborative are accurate and there have been no material changes to that information. Any exceptions are noted on attached Exhibit and made part of this agreement.
- 10.4 Entire Agreement. This Agreement and the response to qualifications referenced in 10.3, including all Attachments hereto, contain all of the terms and conditions of this Agreement reached by the Parties, and supersede all prior oral or written agreements with respect to this Agreement. This Agreement may not be modified, amended, altered or supplemented, except by written agreement signed by both Parties hereto. No waiver of any term, provision, or conditions of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or shall constitute a waiver of any other provision hereof, whether or not similar, nor shall such waiver constitute a continuing waiver, and no waiver shall be binding unless executed in writing by the Party making the waiver.



- 10.5 Exhibits. Exhibits A through D attached to this Agreement are, by this reference, incorporated into and made part of this Agreement.
- 10.6 Waivers. The failure of either Party to insist upon strict performance of such requirements or provisions or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment of such requirements, provisions or rights.
- 10.7 Applicable Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Illinois without regard for the conflicts of law provisions thereof.
- 10.8 Controlling Provisions. In the event of any inconsistency between the terms herein and the terms of the Exhibits hereto, the provisions of the Exhibits shall control. For avoidance of doubt, the obligations of the Supplier and Participating Customers including without limitation, renewal terms with the Participating Customers, as set forth in the attached Exhibit A, Terms and Conditions shall govern the relationship between mc<sup>2</sup> and Participating Customers upon termination of this Agreement.
- 10.9 Severability. Any provision in this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions or affecting the validity or enforceability of such provision in any other jurisdiction. The non-enforcement of any provision by either Party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or the remainder of this Agreement.
- 10.10 Venue. Except as to any matter within the jurisdiction of the ICC, all judicial actions relating to any interpretation, enforcement, dispute resolution or any other aspect of this Agreement shall be brought in the Circuit Court of the State of Illinois, Cook County, Illinois. Any matter brought pursuant to the jurisdiction of the federal court shall be brought in the United States District Court of the Northern District of Illinois.
- 10.11 No Third-Party Beneficiaries. Nothing in this Agreement is intended to confer third-party beneficiary status on any person, individual, corporation or member of the public to enforce the terms of this Agreement.
- 10.12 No Waiver of Rights. Nothing in this Agreement shall be construed as a waiver of any rights, substantive or procedural, that the Municipality may have under Federal or state law unless such waiver is expressly stated herein.
- 10.13 Validity of Agreement. The Parties acknowledge and agree in good faith on the validity of the provisions, terms and conditions of this Agreement, in their entirety, and that the Parties have the power and authority to enter into the provisions, terms, and conditions of this Agreement.
- 10.14 Authority to Sign Agreement. Each Party warrants to the other Party that it is authorized to execute, deliver and perform this Agreement. The individual signing this Agreement on behalf of each Party warrants to the other Party that he/she is authorized to execute this Agreement in the name of the Party for which he/she is signing.
- 10.15 Binding Effect. This Agreement shall inure to the benefit of, and be binding upon, the Municipality and the Supplier and their respective successors, grantees, lessees, and assigns throughout the Term of this Agreement.
- 10.16 Non-Assignability. This Agreement shall not be transferred or assigned by the Supplier without the express written authorization of the Municipality, which consent shall not be unreasonably withheld, provided, however, that upon advance written notice to the Municipality, Supplier may assign this Agreement to Supplier's affiliate without the express authorization of the Municipality. For the

purposes of this Section 10.16, "affiliate" shall mean any entity that shares a common parent entity, whether that common parent is the common parent is a direct parent or indirect parent.

- 10.17 Counterparts. This Agreement may be executed in one or more counterparts (delivery of which may occur by facsimile or electronic email), each of which shall be deemed an original, but all of which shall together constitute one instrument.
- 10.18 Waiver of Immunity. Nothing contained in this Agreement shall constitute a waiver by the Village of any right, privilege or defense available to the Village under statutory or common law, including, but not limited to, the Illinois Local Governmental and Governmental Employees Tort Immunity Act, 745 ILCS 10/1-101 et seq., as amended.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement to be effective on the date first written above.

**Supplier: MC Squared Energy Services, LLC**

**Municipality: Village of Buffalo Grove**

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Printed/Typed Name: Charles C. Sutton

Printed/Typed Name: \_\_\_\_\_

Title: President

Title: Village President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

**EXHIBIT A – ILLUSTRATIVE GENERAL STANDARD T&Cs AND UDS**

**VILLAGE OF BUFFALO GROVE  
CUSTOMER ELECTRIC SUPPLY AGREEMENT  
TERMS AND CONDITIONS OF SERVICE**

The following Terms and Conditions of Service (Agreement) apply to the provision of electric supply to Customer (or “you”) by MC Squared Energy Services, LLC d/b/a mc<sup>2</sup> – Where Energy Comes From (mc<sup>2</sup>).

| <b>Supply Agreement Disclosures</b>                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Legal name</b>                                        | MC Squared Energy Services, LLC (mc <sup>2</sup> )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Business address</b>                                  | 175 West Jackson Blvd, Suite 240<br>Chicago, IL 60604                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Service charges for term</b>                          | Variable rate including ComEd Purchased Electricity Charges, Transmission Charges and ComEd Purchased Electricity Adjustment for Twelve (12) months.                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Fixed monthly charge (if any)</b>                     | \$0.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Fixed monthly charge terms (if any)</b>               | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Contract and renewal terms</b>                        | Contract Term – Twelve (12) months<br>Renewal Terms - Unless this Agreement and/or the PSA is terminated prior to the end of the term of this Agreement and in the event the PSA is not renewed or extended by the Village of Buffalo Grove, you will be restored to ComEd bundled service at the end of the term of this Agreement. If the PSA is renewed or extended by the Village of Buffalo Grove, you will receive a notice with the proposed specific rate, terms and conditions and the opportunity to opt-out of the Village 's Aggregation Program. |
| <b>Termination fee (if any)</b>                          | \$0.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Deposit/prepayment (if any)</b>                       | \$0.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Switching fees (if any)</b>                           | \$0.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Guarantee(s) of Customer Savings (If any)</b>         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Rescission</b>                                        | You may rescind this contract by notifying mc <sup>2</sup> or the utility within ten (10) calendar days after the utility processes your enrolment. To rescind this agreement, contact mc <sup>2</sup> at <a href="mailto:BuffaloGrove@mc2energyservices.com">Buffalo Grove@mc2energyservices.com</a> or call 1-XXX-XXX-XXXX; or contact ComEd at 1-800-334-7661.                                                                                                                                                                                             |
| <b>Supplier disclosure</b>                               | mc <sup>2</sup> is an independent seller of electric power and energy service certified by the Illinois Commerce Commission. mc <sup>2</sup> is not representing, endorsed by, or acting on behalf of a utility or a utility program, a consumer group or consumer group program. This Municipal Aggregation Program is endorsed by the Village of Buffalo Grove.                                                                                                                                                                                             |
| <b>Utility Responsibility</b>                            | The electric utility remains responsible for the delivery of electric power and energy to a customer's premises and will continue to respond to any service calls and emergencies. You will receive written notification from the electric utility confirming a switch of your electricity supplier.                                                                                                                                                                                                                                                          |
| <b>Contact Information<br/>(Toll free phone numbers)</b> | MC Squared Energy 1-8XX-XXX-XXXX<br>Utility ComEd 1-800-334-7661<br>ICC Consumer Services Division 1-800-524-0795                                                                                                                                                                                                                                                                                                                                                                                                                                             |

**Scope of mc<sup>2</sup> Service**

You appoint mc<sup>2</sup> as your exclusive Alternative Retail Energy Supplier (ARES). mc<sup>2</sup> agrees to sell and you agree to buy all of your electric power and energy service subject to the terms in this Agreement. You authorize mc<sup>2</sup> to obtain all data necessary so that mc<sup>2</sup> can enroll your account(s) and you authorize us to take such actions as necessary and reasonable to perform this Agreement, including accessing and using account information and meter usage data (including interval usage data) from the Utility (ComEd), enrolling account(s), procuring supply, scheduling and causing electricity to be delivered to each account.

**Price**

For delivery of power to ComEd's distribution facilities on behalf of your Utility account(s), you agree to pay the variable price per kWh, calculated pursuant to that certain Power Supply Agreement ("PSA") between the Village of Buffalo Grove and mc<sup>2</sup> dated January X, 2020. The PSA price through your March 2021. ComEd meter read date under this Agreement is equal to the monthly ComEd Purchased Electricity Charges, Transmission Charges and ComEd Purchased Electricity Adjustment per kWh. In addition to mc<sup>2</sup> electricity supply charges, ComEd distribution charges and related taxes will be itemized separately by ComEd in your bill and are not included in the price under this Agreement. You are responsible to pay ComEd for these charges.

**Term**

mc<sup>2</sup> will commence service on the next available meter read date and continue through the number of monthly billing cycles set forth in the above Supply Agreement Disclosure of this Agreement. The start date for the Initial Term will be subject to receiving an accepted Delivery Access Service Request (DASR) from the Utility for Customer's Utility account. The Initial Term and any Renewal Term are collectively referred to herein as the "Term".

**Billing and Payment**

The cost of your power and energy from mc<sup>2</sup> will be included on your Utility bill for each billing cycle and will be based on Utility meter reads or estimates from the Utility. You agree that the Utility may provide us with your payment information and that you accept the Utility's measurements for the purpose of determining the amount you owe mc<sup>2</sup> for power and energy under this Agreement. You must remit payment to the Utility under their terms and at the address provided by the Utility.

**Renewal**

Unless this Agreement and/or the PSA is terminated prior to the end of the term of this Agreement and in the event the PSA is not renewed or extended by the Village of Buffalo Grove, you will be restored to ComEd bundled service at the end of the term of this Agreement. If the PSA is renewed or extended by the Village, you will receive a notice with the proposed specific rate, terms and conditions and the opportunity to opt-out of the Village's Aggregation Program.

CANCELLATIONS MAY BE SENT ELECTRONICALLY TO: [BuffaloGrove@mc2energyservices.com](mailto:BuffaloGrove@mc2energyservices.com)

OR MAY BE MAILED TO:

MC Squared Energy Services, LLC - mc<sup>2</sup>

175 West Jackson Blvd., Suite 240

Chicago, IL 60604

Fax: (877) 281-1279

OR CAN BE CALLED IN TO: 1-8XX-XXX-XXXX

**Termination**

In addition to any other remedies mc<sup>2</sup> may have, this Agreement may be terminated by mc<sup>2</sup> upon 30-day notice to customer if we return your service to ComEd per the PSA, you move outside the Village of Buffalo Grove area, you cease to be a ComEd customer or become ineligible for ComEd's Consolidated Billing. You may terminate this Agreement within 10 days after you receive your first bill under this Agreement from ComEd by notifying us at 1-8XX-XXX-XXXX. There is NO Termination Fee if you terminate the MC Squared Agreement prior to the end of the applicable term. If you terminate your agreement early, you will be obligated to pay for services rendered under the contract until service is terminated.

**Adverse Material Change**

This Agreement may be revised at any time by mc<sup>2</sup> in the event of the occurrence of an event beyond mc<sup>2</sup> reasonable control that materially alters the obligations of mc<sup>2</sup> in performance of this Agreement. In such circumstances, mc<sup>2</sup> will notify you and offer you a revised price and terms. If you do not accept the revised price and terms within 30 days, mc<sup>2</sup> may terminate this Agreement.

**Community Solar**

Definitions: The following definitions from external sources are incorporated by reference.

- "Community Solar," or "CS," is a type of net metering that is available to customers pursuant to Section 16-107.5(l) of the Public Utilities Act [220 ILCS 5] and ComEd Rider POGCS [ILL C.C. No. 10, Sheet 344].
- "Subscriber" and "Subscription" are defined in Section 1-10 of the Illinois Power Agency Act [20 ILCS 3855]; "Subscriber" shall also incorporate the definition of "CS Subscriber" from ComEd Rider POGCS.
- "CS Beneficiary" is defined in ComEd Rider POGCS.
- "Energy Supply Rate" is defined below, and is intended to reflect an estimate of mc<sup>2</sup> costs to serve the Customer net of capacity, transmission, and other costs.

**Community Solar Arranged By Customer Independent Of Supplier.** To the extent that Customer is granted Subscriber or Beneficiary status by their utility with a CS project that Supplier did not arrange, the credit from Supplier to Customer pursuant to

Section 16-107.5(l)(2) of the Public Utilities Act (e.g., the Energy Supply Rate) shall be no higher than \$0.02/kWh, unless otherwise specified in the Confirmation attached hereto. Customer need not take further action with mc<sup>2</sup> to effectuate such a subscription or other interest.

Customer acknowledges that mc<sup>2</sup> will provide credits to the customer based on information provided by the utility to the Regional Transmission Organization/RTO and/or mc<sup>2</sup>. Customer agrees to indemnify and hold harmless mc<sup>2</sup> for any errors made by the utility or Regional Transmission Organization/RTO in providing or communicating relevant credits and information to mc<sup>2</sup>.

#### Notices

Except as otherwise set forth in this Agreement or required by applicable law, notices to be provided under this Agreement shall be by U.S. Mail to the mailing address provided or electronic to the email address if provided.

#### Limitations of Liabilities

LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT AND ACTUAL DAMAGES AS THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES EXPRESSLY WAIVED. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL, OR INDIRECT DAMAGES. MC2S LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OF ANY LIABILITY OR DAMAGE.

#### Miscellaneous Provisions Waiver

A waiver by either Party of any breach of the Agreement, or failure of either Party to enforce any of the terms and provisions of the Agreement, will not in any way affect, limit or waive that Party's right to subsequently enforce and compel strict compliance with the same or other terms or provisions of the Agreement.

#### Assignment

Neither Party may assign the Agreement, in whole nor in part, without the other Party's prior written consent, but neither party may unreasonably withhold consent. However, mc<sup>2</sup> may assign the Agreement to another ARES without Customer's prior consent but that ARES shall agree in writing to be bound by this Agreement.

#### Force Majeure

If either Party is unable to perform its obligations, in whole or in part, due to an event of Force Majeure as defined herein, then the obligations of the affected Party (other than the obligations to pay any amounts due prior to the Force Majeure event) shall be suspended to the extent made necessary by such event. The term Force Majeure shall mean any act or event that is beyond the claiming Party's control (and which is not reasonably anticipated and prevented through the use of reasonable measures) including, without limitation, the failure of the Utility to receive, transport or deliver or otherwise perform, unless due to the failure of the Party claiming Force Majeure to perform such Party's obligations hereunder, and an event of Force Majeure of mc<sup>2</sup> suppliers. The Party suffering the event of Force Majeure shall give written notice of such event of Force Majeure in reasonably full particulars to the other Party, as soon as reasonably possible. Each Party shall make reasonable efforts to remedy Force Majeure as soon as possible. Force Majeure shall not include (i) the opportunity for mc<sup>2</sup> to sell the electricity to be sold under this Agreement to another party at a higher price than that set forth in the Agreement, (ii) the opportunity for Customer to purchase the electricity (or its Accounts from another party) at a lower price than that set forth in the Agreement, or (iii) the inability of either Party to pay its bills under the Agreement or any other of its bills.

#### Entire Agreement Amendments

This Agreement constitutes the entire understanding between the Parties, and supersedes and replaces any and all previous understandings, oral or written, in any matter relating to this Agreement. This Agreement may be amended only upon mutual agreement of the Parties and will only be effective if the amendment is in writing and executed by the Parties.

#### Emergency, Outage and Wire Service

In the event of an emergency, outage or service need, Customer must call the Utility at the emergency number indicated on the Utility invoice: 1-800-EDISON1 (1-800-334-7661).

#### Customer Care

Customer may contact mc<sup>2</sup> for Customer Care if Customer has specific comments or questions by calling mc<sup>2</sup>'s toll-free telephone number at 1-8XX-XXX-XXXX between the hours of 8AM and 5PM Central Prevailing Time (CPT), faxing mc<sup>2</sup> at (877) 281-1279, emailing mc<sup>2</sup> at [BuffaloGrove@mc2energyservices.com](mailto:BuffaloGrove@mc2energyservices.com) or mailing to the business address. The Illinois Commerce Commission can also be reached at 1-800-524-0795, TTY at (800) 858-9277 and their website address is <http://www.icc.illinois.gov/>.

#### Dispute Resolution

In the event of a dispute between you and mc<sup>2</sup>, you and mc<sup>2</sup> both agree to (1) raise any claim that could be brought at the Illinois Commerce Commission ("Commission") at the Commission, and (2) in the event of a dispute at the Commission, agree to voluntary binding arbitration pursuant to the Commission's Rules.

## UNIFORM DISCLOSURE STATEMENT

Name: MC Squared Energy Services, LLC (mc<sup>2</sup>)  
 Address: 175 West Jackson Blvd, Suite 240 Chicago, IL 60604  
 Phone: 1-877-622-7697

| Rates and Product Information                                         |                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Price (in cents/kWh) and number of months this price stays in effect: | Variable - ComEd Purchased Electricity Charges, Transmission Charges and ComEd Purchased Electricity Adjustment.<br>12 months                                                                                                                           |
| Other monthly charges:                                                | None                                                                                                                                                                                                                                                    |
| Total Price (in cents/kWh) with other monthly charges:                | N/A                                                                                                                                                                                                                                                     |
| Length of contract:                                                   | Twelve (12) months                                                                                                                                                                                                                                      |
| Price after the initial price:                                        | N/A                                                                                                                                                                                                                                                     |
| Early Termination Fees and Contract Renewal                           |                                                                                                                                                                                                                                                         |
| Early Termination Fee:                                                | \$0.00                                                                                                                                                                                                                                                  |
| Contract Renewal:                                                     | No Automatic Renewal                                                                                                                                                                                                                                    |
| Right to Rescind and Cancel                                           |                                                                                                                                                                                                                                                         |
| Rescission:                                                           | You have a right to rescind (stop) your enrollment within 10 days after your utility has received your order to switch suppliers. You may call us at 1-8XX-XXX-XXXX or your utility at (800) 334-7661 to accomplish this.                               |
| Cancellation:                                                         | You also have the right to terminate the contract without any termination fee or penalty if you contact us at 1-8XX-XXX-XXXX within 10 business days after the date of your first bill with charges from MC Squared Energy Services (mc <sup>2</sup> ). |

This is a sales solicitation and the seller is MC Squared Energy Services (mc<sup>2</sup>), an independent retail electricity supplier. If you enter in a contract with the seller, you will be changing your retail electric supplier. The seller is not endorsed by, representing, or acting on behalf of, a utility or utility program, a governmental body or a governmental program, or a consumer group or a consumer group program.

If you have any concerns or questions about this sales solicitation, you may contact the Illinois Commerce Commission's Consumer Services Division at (800) 524-0795. For information about the electric supply price of your electric utility and offers from other retail electric suppliers, please visit [PlugInIllinois.org](http://PlugInIllinois.org).

## EXHIBIT B

### Buffalo Grove Opt Out Mailing Schedule March 2020 (ESTIMATED)

#### Meter Cycles 2 to 7

| <b>Date</b>    | <b>Buffalo Grove Activity Opt Out Schedule</b>                                                                                           |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------|
| 1/6/20         | Assumed date Village signs Power Supply Agreement                                                                                        |
| 1/7/20         | Village sends MC <sup>2</sup> all information necessary to create individual letterheads and outer envelopes, so mailing is from Village |
| 1/7/20         | MC <sup>2</sup> receives updated Address lists and Account numbers from Village                                                          |
| 1/7/20         | MC <sup>2</sup> orders letterheads and outer envelopes from mailing house                                                                |
| 1/7/20         | MC <sup>2</sup> send draft mailing packets to Village for approval                                                                       |
| 1/11/20        | Village approves the final mailing material; mc <sup>2</sup> sends to mailing house for print                                            |
| <b>1/21/19</b> | <b>21 days Opt Out Notice Mailing Drop</b>                                                                                               |
| <b>2/11/20</b> | <b>Opt Out Due Date</b>                                                                                                                  |
| 2/12/20        | MC <sup>2</sup> processes account numbers for enrollment                                                                                 |
| 2/14/20        | DASR dates (Enrollments for meter cycles 2)                                                                                              |
| 3/4/20         | First meter cycle start for the new price (March meter cycle 2)                                                                          |

## EXHIBIT C

## PRICE

Eligible Customers as defined in Section 2.11 includes all residential and small commercial Aggregation customers within the Municipality excluding customers served by other alternative retail electric suppliers (ARES) including pending “with RES” status, and customers served under ComEd’s Hourly Tariffed supply service (Rate RRTP); and participants enrolled in a net metering program through ComEd or an ARES other than the Supplier.

Eligible Customers in the initial and subsequent opt-out cycles will be placed on Supplier service or Tariffed Service as defined in Section 2.35 of the Agreement (i.e. ComEd default tariff supply service) based on Supplier’s criteria including the customer’s usage patterns and wholesale market conditions. Eligible Customers will be assessed the same Customer Class Price and will continue to receive monthly invoice statements from ComEd without regard to whether they are served by Supplier or on Tariffed Service.

**Eligible Customer Class Price:** Variable rate equal to the ComEd published tariff supply service costs including the Purchased Electricity Charges (PEC), Transmission Service Charges (TSC) and the Purchased Electricity Adjustment (PEA) for each applicable month for the Term of the Agreement.

Termination Fee for Withdrawing Customers:  
No Early Termination Fee - \$0 per utility account.

Delivery Term:

March 2020 –  
March 2021

|                     |                 |
|---------------------|-----------------|
| Percent of RECs:    | 50%             |
| Civic Contribution: | \$40,000/annual |

Supplier will provide a \$40,000 Annual (\$3,334 monthly) civic contribution to the Village per the term. The civic contribution will be payable in equal monthly installment payments to the Village within 30 days after the last meter read cycle of each delivery month (i.e. February 2020 payment will be paid in April 2020).

Special Services:

Supplier will acquire and retire on behalf of the Village of Buffalo Grove, 50% Wind generated Renewable Energy Certificates (RECs) from a location to be determined by Supplier within the Midwest Renewable Energy Tracking System (MRETS) or the PJM Generation Attribute Tracking System (GATS). The RECs to be retired will be equal to an amount based on the historical twelve months of electricity usage for the Eligible Customers excluding accounts on



ComEd hourly tariff supply service and accounts with another alternative electric supplier, represented on the provided ComEd "Usage Data" file. Supplier will assist the Village of Buffalo Grove with all of the documentation required to become an EPA Green Power Partner Community.

### Early Termination

In the event Municipality terminates pursuant to Section 6.4 of the Agreement, Supplier's obligations to provide civic contributions or RECs will be calculated by multiplying Supplier's obligation for Term by the number of full billing cycles during Term (or, as appropriate, Extended Term) before expiration of Advance Notice Period and divide that product by the number of full billing cycles in Term (or, as appropriate, Extended Term). The Parties shall subtract from such total the payments or REC retirements already undertaken by Supplier at the expiration of Advance Notice Period.

**Supplier:**  
**MC Squared Energy Services, LLC**

**Municipality:**  
**Village of Buffalo Grove**

Signed:

Signed:

Printed/Typed Name:

Printed/Typed Name:

Charles C. Sutton

\_\_\_\_\_

Title:  
President

Title:  
Village President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest: \_\_\_\_\_  
Signed

Attest: \_\_\_\_\_  
Signed

Printed/Typed Name:

Printed/Typed Name:

Title:

Title:

## EXHIBIT D

**INSURANCE COVERAGES**

## A. Worker's Compensation and Employer's Liability with limits not less than:

(1) Worker's Compensation: Statutory;

(2) Employer's Liability:

\$500,000 injury-per occurrence

\$500,000 disease-per employee

\$500,000 disease-policy limit

Such insurance shall evidence that coverage applies in the State of Illinois.

## B. Comprehensive General Liability

- a. with coverage written on an "occurrence" basis with limits no less than:  
\$1,000,000 Bodily Injury and Property Damage Combined Single Limit Coverage  
is to be written on an "occurrence" basis.

Coverage shall include:

- Broad Form Property Damage Endorsement
- Blanket Contractual Liability (must expressly cover the indemnity provisions of the Agreement)
- \$200,000 Deductible

- b. coverage written on a "claims made" basis with limits no less than:  
\$1,000,000 Bodily Injury and Property Damage Combined Single Limit Coverage  
is to be written on a "claims made" bases.

Coverage shall include:

- Broad Form Property Damage Endorsement
- Blanket Contractual Liability (must expressly cover the indemnity provisions of the Agreement)
- \$200,000 Deductible

- c. with coverage for motor vehicle liability with a combined single limit of liability for  
bodily injury and property damage of not less than \$1,000,000 for vehicles owned,  
non-owned, or rented.

C. Umbrella Policy. The required coverage may be in any combination of primary, excess, and umbrella policies. Any excess or umbrella policy must provide excess coverage over underlying insurance on a following-form basis such that when any loss covered by the primary policy exceeds the limits under the primary policy, the excess or umbrella policy becomes effective to cover such loss.

D. Owner as Additional Insured. Municipality shall be named as an Additional Insured the Comprehensive General Liability policy identified in Section B of this Exhibit D.