

**AMENDING CHAPTER 23 "UNIFIED DEVELOPMENT ORDINANCE" (UDO),
ARTICLE 7.18 "CANNABIS BUSINESS ESTABLISHMENT", OF THE CITY OF
DEKALB, ILLINOIS MUNICIPAL CODE TO ALLOW ONSITE CONSUMPTION
LOUNGES IN CANNABIS DISPENSARIES.**

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government and may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, the City's corporate authorities wish to adopt an amendment to the City's Unified Development Ordinance to permit onsite consumption lounges in cannabis dispensaries under the rules, regulations, and conditions set forth in the amendment attached and incorporated as Exhibit A (the "Amendment"); and

WHEREAS, the City's corporate authorities find that adopting the Amendment is in the City's best interests for the protection of the public health, safety, welfare and morals; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: The recitals to this ordinance are true, material, adopted and incorporated as Section One to this ordinance.

SECTION 2: The City's corporate authorities, by a vote of two-thirds of the members then holding office, adopt and approve the Amendment to the City's Municipal Code as set forth in the attached and incorporated Exhibit A.

SECTION 3: This ordinance shall be the effective legislative act of a home rule municipality without regard to whether such ordinance should (a) contain terms contrary to the provisions of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the City's corporate authorities that if this ordinance is inconsistent with non-preemptive state law, this ordinance shall supersede that state law in its jurisdiction.

SECTION 4: This ordinance shall be in full force and effect after its passage and approval as provided by law.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois at a Regular meeting thereof held on the 14th day of July 2025 and approved by me as Temporary Chair on the same day. Passed on First Reading by a 7-0-1 roll call vote. Aye: Zasada, Larson, Smith, Carlson, Powell, Verbic, Walker. Nay: None. Absent: Barnes. Second Reading waived by a 7-0-1 roll call vote. Aye: Zasada, Larson, Smith, Carlson, Powell, Verbic, Walker. Nay: None. Absent: Barnes.




TRACY SMITH, Temporary Chair

ATTEST:



Ruth A. Scott, Executive Assistant

EXHIBIT A

6. Any violation of applicable building codes or fire life-safety codes or City-imposed inspection requirements shall constitute a violation of any zoning permission or special use permit granted hereunder. Upon a finding that an approved Special Use Permit will or has become unsuitable and/or incompatible in its location as a result of any nuisance or activity generated by the use, the Council shall have the authority to revoke the permit after affording the current property owner the right to be heard through due process or a public hearing with a due process hearing afforded.

7.17.03 Development Review Standards

1. Any party seeking to open a Retail Tobacco Store shall be required to file all documents which would be required to demonstrate compliance with the terms of this Code, and any documents required to apply for and obtain a review of a proposed special use permit.
2. After a pre-application meeting with the Community Development Director or their designee, an applicant for a Special use shall be required to submit plans and documents as deemed necessary, including, but not limited to, a Plat of Survey, a Site Plan, Engineering Plan, Architectural Plans and Elevations, Building Material Samples, Lighting Plan, Signage Plan, Business and Operational Plan, and Security Plan. Given the unique challenges and public safety threats posed by this use, the applicant shall also be required to file such additional documentation and provide such additional information as may be required by the City Manager, Community Development Director, Chief of Police, or Fire Chief or their designees.

7.18 Cannabis Business Establishment

7.18.01 Purpose and Intent

1. This Ordinance is intended to protect the public health, safety and welfare by establishing regulations to restrict the location of and/or create a setback between cannabis business establishments and incompatible uses.
2. The zoning provided by this section shall only apply to a cannabis business establishment duly licensed and operating under State law.
3. The following definitions shall apply:

"Adult-use Cannabis Craft Grower" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization, per the Cannabis Regulation and Tax Act, 410 ILCS 705/1, *et seq.*, as it may be amended from time-to-time, and regulations promulgated thereunder.

"Adult-use Cannabis Cultivation Center" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, process, transport and perform necessary activities to provide cannabis and cannabis-infused products to licensed cannabis business establishments, per the Cannabis Regulation and Tax Act, 410 ILCS 705/1, *et seq.*, as it may be amended from time-to-time, and regulations promulgated thereunder.

"Adult-use Cannabis Dispensing Organization" means 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 establishments 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, 410 ILCS 705/1, *et seq.*, as it may be amended from time-to-time, and regulations promulgated thereunder.

"Adult-use Cannabis Infuser Organization" or "Infuser" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product, per the Cannabis Regulation and Tax Act, 410 ILCS 705/1, *et seq.*, as it may be amended from time-to-time, and regulations promulgated thereunder.

"Adult-use Cannabis Processing Organization" or "Processor" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to either extract constituent chemicals or compounds to produce cannabis concentrate or incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis product, per the Cannabis Regulation and Tax Act, 410 ILCS 705/1, *et seq.*, as it may be amended from time-to-time, and regulations promulgated thereunder.

"Adult-use Cannabis Transporting Organization" or "Transporter" means an organization or business that is licensed by the Illinois Department of Agriculture to transport cannabis on behalf of a cannabis business establishment or a community college licensed under the Community College Cannabis Vocational Training Pilot Program, per the Cannabis Regulation and Tax Act, 410 ILCS 705/1, *et seq.*, as it may be amended from time-to-time, and regulations promulgated thereunder.

"Cannabis Business Establishment" means an adult-use cannabis dispensing organization and a medical cannabis dispensing organization.

"Cannabis" means marijuana, hashish, and other substances that are identified as including any parts of the plant *Cannabis sativa* and including derivatives or subspecies, such as indica, of all strains of cannabis, whether growing or not; the seeds thereof, the resin extracted from any part of the plant; and any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin, including tetrahydrocannabinol (THC) and all other naturally produced cannabinol derivatives, whether produced directly or indirectly by extraction; however, "cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted from it), fiber, oil or cake, or the sterilized seed of the plant that is incapable of germination. "Cannabis" does not include industrial hemp as defined and authorized under the Industrial Hemp Act. "Cannabis" also means concentrate and cannabis-infused products.

"Medical Cannabis Dispensing Organization" means a facility operated by an organization or business that is registered by the Illinois Department of Financial and Professional Regulation to acquire medical cannabis from a registered cultivation center for the purpose of dispensing cannabis, paraphernalia, or related supplies and educational materials to registered qualifying patients, individuals with a provisional registration for qualifying patient cardholder status, or an Opioid Alternative Pilot Program participant, per the Compassionate Use of Medical Cannabis Act, 410 ILCS 130/1, *et seq.*, as it may be amended from time-to-time, and regulations promulgated thereunder.

"Medical Cannabis Cultivation Center" means a facility operated by an organization or business that is registered by the Department of Agriculture to perform necessary activities to provide only registered medical cannabis dispensing organizations with usable medical cannabis.

"Enclosed, locked facility" room, greenhouse, building, or other enclosed area equipped with locks or other security devices that permit access only by agents of a licensed cannabis business establishment and acting pursuant to State law.

"State law governing statute" means the Cannabis Regulation and Tax Act, 410 ILCS 705/1, *et seq.*, and the Compassionate Use of Medical Cannabis Act, 410 ILCS 130/1, *et seq.*, as they may be amended from time-to-time, and regulations promulgated thereunder.

7.18.02 Compliance with Applicable Laws

A cannabis business establishment shall be required to comply with all applicable laws, ordinances, regulations, statutes or other regulatory authority applicable thereto, including but not limited to, State law and the City of DeKalb Municipal Code. Violation of any applicable law, regulation, or ordinance shall constitute a public nuisance and violation of any zoning authority or special use permit granted hereunder.

7.18.03 Submittal Requirements

After a pre-application meeting with the City, an applicant for any special use or other zoning approval required herein for a cannabis business establishment shall be required to submit plans and documents as deemed necessary by the City, including, but not limited to, a Plat of Survey, a Site Plan, Engineering Plan, Architectural Plans and Elevations, Building Material Samples, Lighting Plan, Signage Plan, Business and Operational Plan, Compliance with State law, Anticipated Parking and Traffic Plan, Impact on Surrounding Areas, and Security Plan.

7.18.04 Permitted Zoning Districts and Setback Requirements

1. An adult-use cannabis dispensary organization and a medical cannabis dispensary organization shall be permitted only as a special use in the following zoning districts: LC, GC, CBD, and LI. An adult-use cannabis dispensary organization and a medical cannabis dispensary organization may also be permitted in the PD-C and PD-I Districts as a special use if the governing ordinance allows.
2. An adult-use cannabis craft grower shall be permitted only as a special use in the following zoning districts: LI and HI. An adult-use cannabis craft grower may also be permitted in the PD-I District as a special use if the governing ordinance allows.
3. A cannabis business establishment may not be located within 250 feet of the property line of a nursery school, preschool, primary or secondary school, daycare center, daycare home, or an academic building or residence hall of a State university.
4. An adult-use cannabis dispensary organization may not be located within 1,500 feet of the property line of a pre-existing adult-use cannabis dispensary organization.
5. An adult-use cannabis craft-grower shall not be located with 1,500 feet of the property line of another craft grower or cultivation center.
6. A cannabis business establishment shall comply with the setback requirements and standards of the underlying zoning district, except as may be otherwise provided by this Section and the UDO.

7.18.05 Parking Requirements

1. A cannabis business establishment shall be required to comply with the parking requirements applicable to the facility under the provisions of this UDO. For example, a dispensary shall comply with the parking requirements applicable to a Commercial Service Facility and Retail, and an adult-use cannabis craft grower shall comply with the parking requirements applicable to a manufacturing facility under the provisions of this UDO.
2. Parking for a cannabis business establishment shall be ~~located~~ in an area ~~which~~ that is visible from a public road.
3. Parking areas for a cannabis business establishment shall be well lit and monitored by video surveillance equipment with live images that can be viewed by agents of the cannabis business establishment.

7.18.06 Exterior Display, Signage and Advertising

1. No cannabis business establishment shall be maintained or operated in a manner that causes, creates or allows the public viewing of cannabis, cannabis paraphernalia or similar products from any sidewalk, right-of-way or any property other than the lot on which the cannabis business establishment is located. No portion of the exterior of the cannabis business establishment shall use or contain any flashing lights, search lights, spotlights or any similar lighting system.
2. Signage shall comply with the standards of the underlying zoning district.
3. No cannabis business establishment shall have signage or engage in advertising that is not in compliance with State law, including but not limited to 410 ILCS 705/5520, which is adopted and incorporated herein by reference as if fully set forth herein.
4. A sign shall be posted in a conspicuous place at or near all dispensary entrances and shall include the following language: "Persons under the age of 21 are prohibited from entering." The required text shall be no smaller than 1 inch in height nor greater than 12 inches in height.

7.18.07 Other Development Restrictions

1. No more than five (5) special use permits for an adult-use cannabis dispensing organization shall be permitted within the City's corporate limits.
2. The uses, terms and conditions for the location of a cannabis business establishment as defined by this UDO shall not be applicable to other types of cannabis businesses, including but not limited to, Adult-Use/medical Cannabis Cultivation Centers, Adult-Use Cannabis Infuser Uses, Adult-Use Cannabis Processing Uses, or Adult-Use Cannabis Transportation Uses unless otherwise approved by a subsequent text amendment to this UDO. Any type of cannabis business other than a cannabis business establishment as defined by this UDO that wishes to locate in DeKalb may propose a text amendment to this UDO.
3. No cannabis business establishment shall allow any person who is not at least twenty-one (21) years of age on the premises. No cannabis business establishment shall employ anyone under the age of twenty-one (21).
4. A cannabis business establishment may operate between the hours of 6:00 a.m. to 10:00 p.m.
5. No cannabis business establishment shall have a drive-through service, drive-thru window, or any form of outdoor sales.
6. A cannabis business establishment shall comply with State law governing statute, applicable law, and the City's local building, fire, and zoning requirements or regulations.
7. No adult-use cannabis dispensing organization shall operate in violation of the operational requirements and prohibitions set forth in 410 ILCS 705/15-70, which are adopted and incorporated by reference as if fully set forth herein.
8. No medical cannabis dispensing organization shall operate in violation of the requirements and prohibitions set forth in 410 ILCS 130/130, which are adopted and incorporated herein by reference as if fully set forth herein.
9. No adult-use cannabis craft grower shall operate in violation of the requirements, provisions and prohibitions set forth in 410 ILCS 705/30-30, which are adopted and incorporated by reference as if fully set forth herein.

10. A cannabis business establishment shall provide to the City a security plan that includes, but is not limited to, the following:

- a. The cannabis business establishment shall be an enclosed, locked facility and shall provide and maintain adequate security on the premises, including lighting, video surveillance and alarms reasonably designed to ensure the safety of persons and to protect the premises from theft;
- b. The parking area, client entrance, sales area, back room, storage areas and delivery bay and entrance shall be monitored by video surveillance equipment with live images that can be viewed by agents of the cannabis business establishment, continually recorded in a tamper proof format;
- c. A sign shall be posted in a prominent location which includes the following language "This area is under live/recorded video surveillance to aid in the prosecution of any crimes committed against this facility or its patrons";
- d. Reporting of criminal activity on the licensed premises to local law enforcement officials within 24 hours of the discovery of such criminal activity; and
- e. The Chief of Police or designee shall review and approve the adequacy of lighting, security and video surveillance prior to the issuance of a Special Use Permit;

11. Loitering is prohibited on the property of a cannabis business establishment property.

12. No cannabis business establishment shall allow any person to smoke, inhale, or consume cannabis on the property ~~and the licenses premises occupied by the of a~~ cannabis business establishment, except as may be allowed at an Adult-use Cannabis Dispensing Organization's onsite consumption lounge under this UDO. A sign, at least 8.5 by 11 inches, shall be posted inside the cannabis business establishment building in a conspicuous place and visible to employees and clients, ~~which and~~ shall include the following language: "Smoking, eating, drinking, or other forms of consumption of cannabis products on the property is prohibited." ~~If an Adult-use Cannabis Dispensing Organization is permitted to operate an onsite consumption lounge under this UDO, then the sign shall include the following language: "Smoking, eating, drinking, or other forms of consumption of cannabis products on the property is prohibited, except that persons who are 21 years of age or older may eat or drink cannabis purchased from the dispensary at the onsite consumption lounge."~~

13. An Adult-use Cannabis Dispensing Organization may operate an onsite consumption lounge under a permit issued by the City Manager, subject to the following conditions:

- a. The permit for the onsite consumption lounge shall be publicly displayed in a conspicuous location on the onsite consumption lounge;
- b. The applicant for the onsite consumption lounge permit shall pay to the City a non-refundable permit application fee of \$500.00;
- c. The onsite consumption lounge shall be located on the licensed premises of the Adult-use Cannabis Dispensing Organization, in an enclosed private area that is: (i) inside the dispensary's building; (ii) not visible to the public; (iii) no more than 1,000 square feet of floor space; (iv) segregated from the dispensary's public areas by a locked and secured door accessible only from the inside of the dispensary; and (v) depicted in a floor plan, which shall be subject to the discretionary approval of the City Manager;
- d. No person under 21 years of age shall be allowed on the onsite consumption lounge;

- e. No person who is intoxicated, or appears to be intoxicated, shall be allowed on the onsite consumption lounge;
- f. Cannabis, food, or beverages shall be consumed only on the onsite consumption lounge;
- g. Cannabis shall be consumed only by eating, drinking, or other similar forms of ingestion;
- h. No smoking, vaping, inhaling, or any other form of consumption of cannabis that is not eating or drinking shall be allowed on the onsite consumption lounge;
- i. No alcohol or tobacco shall be allowed on the onsite consumption lounge;
- j. No cannabis, food, or beverages shall be consumed, used, sold, or possessed on the onsite consumption lounge, unless sold on the licensed premises by the Adult-Use Cannabis Dispensary that is operating the onsite consumption lounge;
- k. The sale and service of all food and beverages shall comply with the Illinois Food Code, the Food Handling Regulation Enforcement Act, the City's Municipal Code, and the DeKalb County Code;
- l. The hours of operation for the onsite consumption lounge may be between the hours of 6:00 a.m. to 10:00 p.m.; however, the onsite consumption lounge shall not operate when the dispensary's public areas are not in operation;
- m. No sound or vibration exceeding 90 decibels when measured with a standard meter A scale within two feet of the onsite consumption lounge's exterior wall shall be allowed;
- n. No cannabis business establishment or any other person may encourage the sale of cannabis or cannabis products by giving away cannabis, cannabis products, food, beverages, or any items of value (i.e., no "free samples"), by conducting games or competitions related to the consumption of cannabis or cannabis products, or by giving any discounts on the sale of cannabis, cannabis products, food, beverages, or any other items;
- o. All employees of an onsite consumption lounge shall be: (i) a licensed agent or agent-in-charge of the dispensary; and (ii) not consuming or under the influence of cannabis while on-duty;
- p. An employee of an onsite consumption lounge shall be present within the permitted area of the onsite consumption lounge during all hours of operation of the onsite consumption lounge;
- q. All cash and currency collected at the onsite consumption lounge shall be treated the same as cash and currency collected by the dispensary, and shall be stored in compliance with 410 ILCS 705/15-100;
- r. The onsite consumption lounge shall be subject to random inspections by the City's Police Department, Fire Department, or Building and Code Compliance Division, which shall not be impaired or interfered with by any person;
- s. Strict compliance with a responsible operations plan for the onsite consumption lounge provided by the Adult-Use Cannabis Dispensary and kept onsite, which shall be subject to the discretionary approval of the City Manager, and shall include, but not be limited to, the following: (i) a detailed explanation of how the dispensary's employees will monitor and prevent over-intoxication, underage access to the onsite consumption lounge, the illegal sale or distribution of cannabis or cannabis-infused products in the onsite consumption

lounge, the illegal use or possession of cannabis or cannabis-infused products in the onsite consumption lounge, other potential criminal activity on the premises, and how to best prevent impaired driving by encouraging consumers to consider alternative transportation options; (ii) a documented employee training plan that addresses all components of the responsible operations plan; (iii) staffing plans; (iv) hours of operation; (v) pricing policies and procedures; (vi) proof of comprehensive general liability insurance coverage with policy limits of not less than \$1,000,000 per person and per occurrence in effect during all times which names the City of DeKalb as an additional insured endorsement on a primary, non-contributory basis with waiver of subrogation; and (vii) such other information as the City Manager may request;

- t. Strict compliance with a security plan for the onsite consumption lounge provided by the Adult-Use Cannabis Dispensary and kept onsite, which shall be subject to the discretionary approval of the City's Police Chief, and shall include, but not be limited to, the following: (i) a locked and secured door at all areas of ingress and egress to and from the onsite consumption lounge; (ii) the installation and maintenance of operational security cameras facing all areas of ingress and egress; (iii) the presence of a security guard for each security door of the onsite consumption lounge during all hours of operation; (iv) the name and telephone number of the licensed agent or agent-in-charge of the dispensary; (v) identification of all staff who will work at the onsite consumption lounge; and (vi) such other information as the Police Chief may request;
- u. Strict compliance with a cannabis product destruction and waste management plan for the onsite consumption lounge provided by the Adult-Use Cannabis Dispensary and kept onsite, which shall be subject to the discretionary approval of the City's Police Chief, and shall include, but not be limited to, the following: (i) the destruction and disposal of cannabis abandoned, left, or discarded at the onsite consumption lounge; (ii) the destruction and disposal of cannabis waste left at the onsite consumption lounge; and (iii) such other information as the Police Chief may request; and
- v. Strict compliance with laws, regulations, codes, and ordinances providing for the regulation and taxation of onsite consumption lounges including, but not limited to, the Cannabis Regulation and Tax Act (410 ILCS 705/1-1, et seq.), 68 Ill. Adm. § 1291.340, and the City's Municipal Code, which are adopted and incorporated herein by reference.

12. _____

7.19 Retail Sale of Firearms

7.19.01 Purpose and Intent

1. This Ordinance is intended to protect the public health, safety and welfare by establishing regulations to restrict the location of and/or create a setback between establishments which engage in the retail sale of firearms or related products, and incompatible uses.
2. The following definitions shall apply:

"Firearm" means any device which is either: a) defined as a firearm under applicable state or federal law; or, b) a device from which a projectile is discharged through the use of an explosive charge or propellant including but not limited to gunpowder.

"Firearm Ammunition" means any device which: a) consists of a complete cartridge, shell or round, ready for discharge in a firearm; b) is a component part of a cartridge, shell or round that can be assembled with other component parts to form a complete cartridge or round (e.g. bullet, primer, casing, propellant). For purposes of this Ordinance, propellant shall only be considered to be Firearm Ammunition where it is in a format ready to be directly utilized in a firearm cartridge, shell or round (e.g. smokeless powder in a format ready to be utilized).