

Approved  
**VILLAGE OF LAKE ZURICH**  
**PLANNING & ZONING COMMISSION MINUTES**  
**NOVEMBER 18, 2020**  
(Electronic Online Meeting)

The meeting was called to order by Chairman Stratman at 7:01 p.m.

**ROLL CALL:** *Present* – Chairman Stratman, Commissioners Baumann, Castillo, Dannegger, Giannini, Muir, and Schultz. *Absent*: Commissioner Riley. Chairman Stratman noted a quorum was present, and Alternate Commissioner Muir would be a voting member this evening due to an absence. *Also present*: Community Development Director Sarosh Saher, Innovation Director Michael Duebner, and Planner Tim Verbeke.

Chairman Stratman read the Rules of Procedure that will be followed during the online electronic meeting. Residents were given the opportunity to comment through email or in writing prior to the meeting, to participate in the virtual online meeting after preregistering, or to comment during the meeting with staff monitoring the various Village platforms.

**CONSIDERATION OF MINUTES AND FINDINGS OF THE COMMISSION**

Approval of the October 21, 2020 Meeting Minutes of the Planning & Zoning Commission:

MOTION was made by Commissioner Schultz, seconded by Commissioner Dannegger, to approve the October 21, 2020 minutes of the Planning and Zoning Commission as submitted.

Upon roll call:

AYES: 4 Chairman Stratman, Commissioners Castillo, Dannegger, and Schultz.

NAYS: 0

ABSENT: 1 Commissioner Riley

ABSTENTIONS: 3 Commissioners Baumann, Giannini, and Muir

MOTION CARRIED

**PUBLIC COMMENT** - Directors Saher and Duebner, who have been and will continue to monitor online platforms, only had one person wishing to speak at this time, and they would be given the opportunity to speak on the item that they wished.

**PUBLIC HEARING:**

MOTION was made by Commissioner Schultz, seconded by Commissioner Dannegger, to open the following public hearing at 7:10 p.m. for Application PZC 2020-08, 265 N Rand Road – Continued Consideration for a PUD for a European Deli; Application PZC 2020-12, 932 and 928 Donata Ct – Amendment to a Special Use Permit; and Application PZC 2020-11, Text Amendments to consider regulations for recreational cannabis.

Upon roll call:

AYES: 7 Chairman Stratman, Commissioners Baumann, Castillo, Dannegger, Giannini, Muir, and Schultz.

NAYS: 0

ABSENT: 1 Commissioner Riley

MOTION CARRIED

Those wishing to speak were sworn in by Chairman Stratman. Chair Stratman read a statement asking if participants would agree to participate in an electronic meeting and listed the conditions, and all agreed to the conditions. Director Saher confirmed that the public hearing had been properly noticed and those wishing to comment had and would be given an opportunity to do so.

*Continued Application:*

A. 265 North Rand Road – Andy's Deli (former Joe's Barbershop property):

The Application was continued at the October 21, 2020 meeting to give the applicant the opportunity to address comments of the PZC and return at the November meeting. The Applicant has requested additional time and asked that the hearing be continued to the December 16, 2020 meeting of the PZC.

*Applicant and Owner: Kolasa Real Estate Investment Inc.*

MOTION was made by Commissioner Giannini, seconded by Commissioner Muir, to continue the public hearing on Application PZC 2020-08 to the next regularly scheduled PZC meeting on December 16, 2020 at 7 p.m.

Upon roll call:

AYES: 7 Chairman Stratman, Commissioners Baumann, Castillo, Dannegger, Giannini, Muir, and Schultz.

NAYS: 0

ABSENT: 1 Commissioner Riley

MOTION CARRIED

*New Applications:*

B. 932 and 928 Donata Court – Phase Three Brewing Company:

Public Hearing to consider a request for approval of an amendment to a Special Use Permit to allow for the expansion of a beverage manufacturing facility currently established at 932 Donata Court to the tenant space at 928 Donata Court in the (I) Industrial District.

Applicant: Phase Three Brewing Company (Mr. Evan Morris)

Mr. Evan Morris, his business partner Shaun Berns, and attorney were present remotely to request approval to a Special Use Permit to expand his brewing business at 932 Donata Court (6,995 square-foot unit) to include 928 Donata Court (6,970 square-foot unit) to be connected by two doorways. The unit at 928 will be used for warehousing raw materials, aging products, and storage of finished products plus spillover for patron seating and restroom use. Outdoor seating is proposed to the south of the building adjacent to the space at 932. The Special Use permit is also needed for the expansion and to extend the time limits for on-premise consumption by customers in the tasting room. Mr. Morris reviewed the site plan for the expansion. There will not be any plumbing or infrastructure modifications needed.

Director Duebner and Director Saher said no comments had been received from the public nor any additional requests to speak had been received during the hearing. All PZC members expressed support for the expansion and wished Phase Three Brewing Company well.

MOTION was made by Commissioner Schultz, seconded by Commissioner Baumann, to close the public hearing at 7:27 p.m. on Application PZC 2020-12 and move to deliberations.

Upon roll call:

AYES: 7 Chairman Stratman, Commissioners Baumann, Castillo, Dannegger, Giannini, Muir, and Schultz.

NAYS: 0

ABSENT: 1 Commissioner Riley

MOTION CARRIED

MOTION was made by Commissioner Castillo, seconded by Commissioner Muir, to receive into the public record the staff review of compliance of this Application with the zoning standards as presented by staff and to receive the testimony presented by the Applicants, and in response to questions by the PZC Members, any testimony presented by Village Staff at tonight's Public Hearing and make these standards a part of the official record for the Application and Findings of the PZC; and to recommend that the Village Board approve the Application PZC 2020-12 for the amendment of the Special Use Permit to allow Phase Three Brewing Company to expand into the adjacent space at 928 Donata Court.

Upon roll call:

AYES: 7 Chairman Stratman, Commissioners Baumann, Castillo, Dannegger, Giannini, Muir, and Schultz.

NAYS: 0

ABSENT: 1 Commissioner Riley

MOTION CARRIED

C. Text Amendments:

Public Hearing to consider a request for Amendments to the Text of the Zoning Code and other pertinent sections of the Municipal Code for regulations to allow recreational cannabis establishments in the Village of Lake Zurich. *Applicant: Village of Lake Zurich*

Director Saher gave a presentation on behalf of the Village of Lake Zurich requesting a text amendment to allow recreational cannabis establishments in the Village. He narrated a

PowerPoint presentation that provided background information including State of Illinois law regulating cannabis sales and use, actions of 16 nearby communities to ban or allow the sale of cannabis, definitions, potential zoning districts to permit such establishments, and the request from the Village Board to the PZC to consider zoning regulations that would govern the location, design, and operation of recreational dispensaries for further Board consideration. Director Saher recapped the findings and referred the PZC to the information page on Recreational Cannabis set up by the Assistant to the Village Manager, Kyle Kordell, on the Village website for more specific information. His presentation included review of proposed setbacks from residential and sensitive uses (i.e. daycare, houses of worship, group homes, schools, libraries, substance abuse centers), distance between other cannabis establishments, and total number allowed within a community. Other issues addressed included visibility of product or paraphernalia from outside of the establishment, odor control for cultivators and

processors, security, and a restriction on use or consumption of products on premises. A Village zoning map with parameters was displayed and reviewed showing possible locations within the village where recreational cannabis establishments could be allowed depending upon the setbacks recommended.

Discussion followed. Director Saher said setbacks would be measured from lot line to lot line with a 250-foot setback to residential property recommended and 500-foot setback recommended for sensitive uses. Several commissioners objected to their charge to recommend regulations to permit recreational cannabis establishments when they personally did not support the use and did not believe the residents of Lake Zurich support this use. Director Saher again referred the PZC members to the link on the website that included information gathered from a survey of the community that showed 60.2% of the respondents support recreational cannabis establishments within the Village. Commissioner

Baumann did not think the survey was an accurate sampling of residents and pointed out non-residents and minors could have participated in the survey. He did not believe recreational cannabis establishments are compatible with the “family-friendly” image of Lake Zurich and does not support any establishments in the Village. Commissioner Castillo said he spoke with 75 Lake Zurich residents who did not support the proposed text amendment. If it were approved, he would recommend no less than a 500-foot setback from residential property.

Security and surveillance plans were discussed with some commissioners expressing concerns that the establishments could be a burden to the police resulting in costs to tax payers. Director Saher responded that the community surveys did not show an increase in calls to the police department or additional expenses to tax payers. A poll of commissioners on the number of recreational cannabis establishments within the Village they would recommend showed support for only one establishment with the exception of Commissioner Baumann who would not recommend any. Commissioner Giannini was concerned about the location and visibility of the establishments in particular Routes 12 and 22. Discussion continued on locations with Commissioner Dannegger recommending restricting the establishments to the Industrial area. Director Saher pointed out that there are two Industrial zones on Rand Road. He said creation of an overlay district or restricting the use to the Industrial Park are options. Commissioner Schultz does not support their location in the retail district and objects to “smoke” or “vape” shops in retail areas. Other issues discussed included regulation of appearance including signage, anticipated increase in sales tax revenue (\$2-250,000 annual), challenges to police and code enforcement, and setback requirements.

Mike Hilt, Lake Zurich resident and Lake Zurich Industrial Park member, offered various comments and asked that all aspects of the text amendment be carefully considered. He said setback requirements could be formulated that could be prohibitive if desired, Industrial District parking standards could be applied to Business District locations, hours of operation should be similar to a medical cannabis establishment with no evening hours, and additional costs for police enforcement should be investigated.

Commissioner Stratman said it was clear from discussion that the PZC would like modifications to staff recommendations to be considered including signage, hours of operation,

total number of facilities to be permitted, setback requirements, appearance, additional 3% tax to be assessed, and further review of security and surveillance plans. He recommended continuing this issue to the next PZC meeting. Commissioner Baumann said he finds it difficult to craft recommendations when he is opposed to the use. Commissioner Castillo said even though he may vote Nay, he agreed with Commissioner Stratman's suggestion that more information be compiled and presented to the PZC. Commissioner Schultz also would like more information and modifications to be prepared by staff for the next PZC meeting. Director Saher said an Overlay District could be considered. Commissioner Dannegger did not support creating an Overlay District but preferred drafting restrictions to control the location(s). Commissioner Giannini recommends restricting the use to the Industrial District.

MOTION was made by Commissioner Castillo, seconded by Commissioner Schultz, to continue the public hearing on Application PZC 2020-11 to the next regularly scheduled PZC meeting on December 16, 2020 at 7 p.m.

Upon roll call:

AYES: 7 Chairman Stratman, Commissioners Baumann, Castillo, Dannegger, Giannini, Muir, and Schultz.

NAYS: 0

ABSENT: 1 Commissioner Riley

MOTION CARRIED

## **OTHER BUSINESS**

### Approval of the 2021 PZC Meeting Schedule

Staff presented the 2021 PZC meeting dates for 2021 with the meetings to be held on the third Wednesday of the month at 7 p.m.

MOTION was made by Commissioner Schultz, seconded by Commissioner Dannegger, to accept the 2021 PZC meeting schedule.

Upon roll call:

AYES: 7 Chairman Stratman, Commissioners Baumann, Castillo, Dannegger, Giannini, Muir, and Schultz.

NAYS: 0

ABSENT: 1 Commissioner Riley

MOTION CARRIED

## **STAFF REPORT:**

Planner Verbeke said the continued public hearings for recreational cannabis establishments and Andy's Deli will be on the December agenda and final plan approval for the Cumming's property could also be if they are ready. Director Saher provided updates on various properties and developments within the Village.

## **PUBLIC COMMENT:**

Directors Saher and Duebner said no additional comments or requests to speak had been received during the course of the meeting.

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Directors Saher and Duebner said no additional comments or requests to speak had been received during the course of the meeting.

**ADJOURNMENT:**

MOTION was made by Commissioner Schultz, seconded by Commissioner Muir, to adjourn the meeting.

The meeting was adjourned at 9:22 p.m.

*Submitted by: Janet McKay, Recording Secretary*

Approved by:

A handwritten signature in black ink, appearing to read "Janet McKay".