

# Council Questions/Comments and Staff Responses Report for April 27, 2015

as of April 27, 2015 10:00 a.m.

## CONSENT AGENDA

**Alderman Kevin Lower**

**Item 7D.** Acceptance of a \$20,000 Donation from Curative Health Inc., a subsidiary of Columbia Care LLC to create summer jobs for At Risk Youth. (That the donation in the amount of \$20,000 be accepted and earmarked for funding At Risk Youth.)

**Question/Comment:** What are the requirements of acceptance of this donation? What is expected of staff and what will it cost? Are we currently equipped, properly prepared, and otherwise legally able to perform this expectation? Is this legal and or morally correct to accept a donation as a municipality?

**Staff Response:** Staff is not aware of any requirements or costs associated with accepting this donation. The Compassionate Use of Medical Cannabis Pilot Program Act (“Act”) allowed for a certain amount of medical cannabis cultivation centers and dispensaries to be located in each State Police District. The City’s State Police District, District No. 6, is entitled to registration of one dispensary and one cultivation center. The Illinois Department of Professional Regulation accepts applications for dispensaries and registers them. The Illinois Department of Agriculture licenses cultivation centers.

As part of the application process for both dispensaries and cultivation centers, “bonus” points can be awarded to applicants based, in part, on their “community benefits plan.” For dispensaries, this required the applicant to provide a description of plans the applicant has to support the community. *See* 68 Ill. Admin. Code tit. 68, pt. 1290.70. For a cultivation center to be awarded bonus points, the applicant must provide a detailed description of any plans the applicant has to give back to the local community if awarded a cultivation center permit. *See* Ill. Admin. Code tit.8, pt. 1000.110. Bonus points could also be awarded for dispensary and cultivation center applicants that have a substance abuse prevention plan that combats substance abuse within the district for dispensaries and statewide for cultivation centers.

According to the above, applicants for both cultivation centers and dispensaries were encouraged and incentivized to develop ways to give back to the local communities and how they would help fight substance abuse. One of the companies seeking a dispensary registration, Columbia Care LLC, committed to providing \$20,000 to help at-risk youth. Even though the company was not eventually allowed to register as a dispensary within District 6, they still desired to give the contribution to the City, noting they wanted to be known as a good corporate citizen and for their involvement in community activities.

It is not uncommon for corporations to make donations to local governments in order to receive tax benefits and/or to be a good corporate citizen. For example, State Farm recently made a similar \$25,000 contribution to help fund a youth intervention specialist.

Prepared by: Renee Gooderham, Interim City Clerk