

## Staff Report

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**Report To:** City Council  
**Report From:** Pamela Coulter, Director of Community Services  
**Meeting Date:** March 18, 2019  
**Report Code:** CS-19-031  
**Subject:** Retail Recreational Cannabis – Municipal Cannabis Policy Statement

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### Recommendations:

That in consideration of Staff Report CS-19-031 regarding a Municipal Cannabis Policy Statement, City Council:

1. Directs staff to bring forward a by-law to amend the Delegation of Powers and Duties By-law to delegate to the City Clerk and/or the Director of Community Services the authority to provide municipal comments on Cannabis Retail Store Authorization requests to the AGCO in accordance with the Municipal Cannabis Policy Statement; and
2. Directs staff to bring forward a by-law to adopt the Municipal Cannabis Policy Statement.

### Strategic Initiative:

*Objective 1: Retain and grow existing local businesses and business opportunities.*

*Objective 2: Develop a coordinated approach to attract new investment and encourage economic development.*

*Objective 8: Support community safety and social inclusion.*

### Background:

At its meeting on December 17, 2018, Council made a decision to provide a Notice to the Registrar (of the Alcohol and Gaming Commission of Ontario)

that Owen Sound has chosen to “opt in” which would allow the AGCO to license stores for the retail sales of recreational cannabis.

*R-181217-011*

*THAT in consideration of the legalization of recreational cannabis by the Federal Government through Bill C-45 and the Ontario Cannabis Licence Act and Ontario Regulation 468/18 and Staff Report CS-18-158, City Council on December 17, 2018 requested that the City Clerk notify the AGCO Registrar that the City of Owen Sound has chosen to opt in to the retail sales of recreational cannabis.*

Report [CS-18-158](#) provided background information on the federal and provincial regulatory framework and also suggested that, if Council was opting in, that a Municipal Cannabis Policy Statement be prepared.

On January 21, 2019, Council considered a report and draft Municipal Cannabis Policy Statement and provided the following direction:

*R-190121-008*

*THAT in consideration of Staff Report CS-19-010 respecting a Draft Municipal Cannabis Policy Statement, City Council requests that staff, using digital online and a public open house, engage public comments regarding the draft Municipal Cannabis Policy Statement.*

The purpose of the policy statement is to:

1. Set out locally sensitive uses (in addition to schools under the *Ontario Education Act*) with respect to the location of retail cannabis stores that the municipality would want considered by the AGCO with respect to the licensing process.
2. Provide municipal staff a framework on which to base comments to the AGCO during the 15-day comment window.
3. Assist individuals and businesses who are planning to make an application to the AGCO to operate a store, understand the local context of where a store may be most appropriate, understanding however, that all licensing is the sole responsibility of the AGCO.

The policy statement:

- Includes background respecting the legislation and process
- States the purpose

- The policy then identifies:
  - Retail areas where the AGCO would consider the sale of retail cannabis a permitted use.
  - Schools as per the *Ontario Education Act* and a 150 m buffer where the AGCO would prohibit a cannabis retail store.
  - Locally sensitive uses and a 70 m buffer where the municipality considers, in the public interest, a cannabis retail store should not be permitted by the AGCO.

Sensitive uses that staff have identified include:

- Daycare
- Church
- Drinking establishment
- Addiction treatment facility
- Existing beer store or AGCO liquor sales outlet
- Group home

The policy, once adopted by Council, would be shared with the AGCO and used by City staff to provide comments during the 15-day commenting period.

Once Owen Sound becomes eligible for a store, the City will need to designate staff to check notifications to review applications within Owen Sound and provide comments within the commenting period. Given the Council schedule, it would also be prudent for Council to delegate to staff the authority to provide comments on behalf of the City so as not to miss the 15-day commenting window. A copy of the AGCO template for municipal comments is attached as information.

It was announced late in 2018 that due to a shortage of cannabis supply that only 25 stores would be licensed in the first round. These stores are restricted to municipalities with a population of over 50,000 who have “opted in” under the provincial regulation. The City does therefore have some time to prepare the policy as Owen Sound will not have a location receive a retail cannabis store retail licence in the first round.

Council is reminded that the matters of “public interest” are limited to:

- i. Protecting public health and safety;
- ii. Protecting youth and restricting their access to cannabis; and
- iii. Preventing illicit activities in relation to cannabis.

## Analysis:

In the early stages, the retail cannabis policy project was branded and this brand was featured on a tile on the City’s main website.

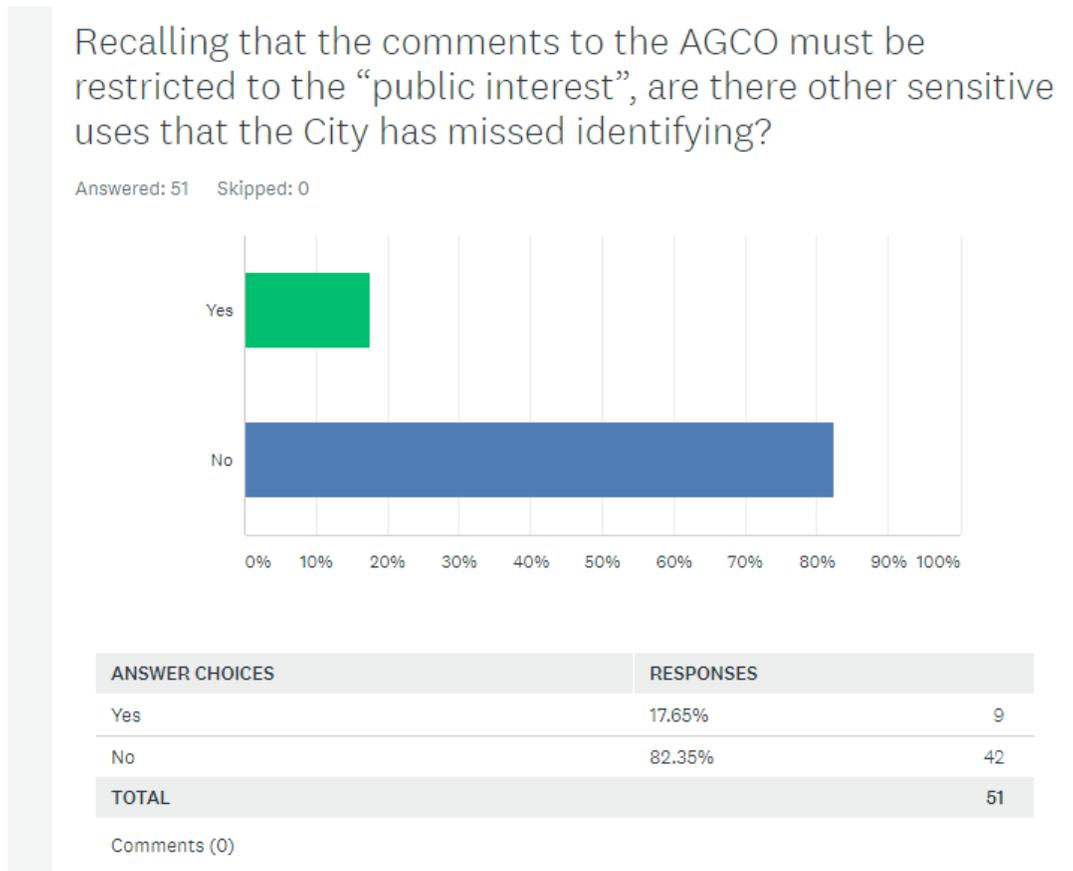
Staff developed a background information document to give individuals a baseline of facts on which to offer comments. This background was available online and in hard copy at City Hall.

Both a hard copy and online survey was used.

Staff pushed the information out using: media release, Facebook and Instagram. The report was also discussed at Council and featured in a Sun Times news article.

A public open house was advertised (3:00 – 4:00 pm and 5:30 - 6.30 pm) on February 25<sup>th</sup> to offer another mechanism for public feedback. Unfortunately the scheduled day was less than ideal winter weather and no one attended the afternoon session and the evening session was cancelled.

The survey had 51 responses and is summarized as follows:



The large majority of individuals indicated that the draft policy had captured the sensitive land uses in the City (82 percent).

Individuals also indicated that the City could consider adding:

- A child care facility located at 1717 2<sup>nd</sup> Avenue East;
- Soccer/lacrosse playing fields at 3005 9<sup>th</sup> Avenue East (Kiwanis Soccer Complex); and
- Four (4) long-term care facilities, the Family Health Team and Grey Bruce Health Services.

It has been confirmed that there is a daycare at 1717 2<sup>nd</sup> Avenue East and this has been added to the map.

The Kiwanis Soccer complex is 285 m from one parcel (which happens to be owned by the City) where retail sales is a permitted use in Zoning and 482 m from another where retail sales would be a permitted use.

Although Council could choose to add the soccer complex as a sensitive use, even with a 150 m buffer, it would not impact any of the areas where retail sales would be prohibited.

The hospital and the Family Health Team have been added as sensitive uses with a 70 m buffer. These are both locations where people could be attending to receive treatment for addictions.

The long-term care facilities are located in various locations in and around the City. No support was offered in the comments in the survey respecting the rationale of including these facilities. It may be hard to rationalize how including these facilities would meet the “public interest” test of the provincial criteria compared to facilities like schools, daycares, and health care facilities. If Council would like to add them, the schedule to the policy can be modified.

## **Financial/Budget Implications:**

There will be costs incurred by the municipality associated with the legalization of recreational cannabis. Cannabis is now a legal, controlled and regulated product and must be used in accordance with the *Smoke Free Ontario Act* as set out by the Province and enforced by Public Health.





## File Objection / Submission (Application File Number 454521)

Please provide details of your written submission to the selected application.

**Note:** Only the following matters are matters of public interest, and will be considered by the Registrar:

1. Protecting public health and safety.
2. Protecting youth and restricting their access to cannabis.
3. Preventing illicit activities in relation to cannabis.

The AGCO may provide a copy of your submission to the applicant. Anonymous submissions will not be considered.

Visit our website to view more information on [filing a written submission in response to a cannabis retail store authorization application](#).

### New Application (Cannabis Retail Store Authorization)

C.G.S. Foods Inc.  
186 MAIN ST S  
BRAMPTON, ON L6W2E2  
Proposed Area(s): Indoor Area

**Deadline for Objection / Submission:** 2019-02-21

### PERSONAL INFORMATION

(use my information)

**First Name:**

**Last Name:**

### CONTACT INFORMATION

**Preferred Contact Method:**

**Phone Number:**

**Alternate Phone:**

**Fax Number:**

**Email Address:**

**Made on Behalf Of:**

### MAILING ADDRESS

**Country:**

**Address:**

**City / Town:**

**Province / State:**

**Postal Code:**

### PHYSICAL ADDRESS

(same as Mailing)

### DETAILS

**Objection / Submission Description:**

### DOCUMENTS

Any additional document(s) which could help in the review process.

Upload File

### NOTIFICATION

By submitting your submission, you consent and acknowledge that information contained in your submission, including any accompanying document(s), may be shared with the applicant. Anonymous submissions will not be considered.

*The information you submit is collected pursuant to the Cannabis Licence Act, 2018. The principle purpose of the collection is to determine whether the issuance of a retail store authorization is in the public interest. The information may be disclosed pursuant to the Freedom of Information and Protection of Privacy Act. For questions about the collection of this information, please contact Manager, Cannabis Eligibility at: Alcohol and Gaming Commission of Ontario, 90 Sheppard Avenue East, Suite 200, Toronto, Ontario M2N 0A4 / Telephone: 416-326-8700 or 1-800-522-2876 (toll free in Ontario) / Email: [customer.service@agco.ca](mailto:customer.service@agco.ca)*

Submit

Cancel

Save Draft

Screen ID: 1681234

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**Title: Municipal Cannabis Policy Statement**

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**Department/Division:**

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**Background:**

1. Bill C-45, the *Cannabis Act* came into effect on October 17, 2018. The Act legalizes access to recreational cannabis in Canada and controls and regulates how cannabis is grown, distributed and sold.
2. In Ontario, the *Cannabis Licence Act, 2018* and Ontario Regulation 468/18 provide the Registrar of the Alcohol and Gaming Commission of Ontario (AGCO) with the authority to establish standards and requirements respecting the licensing of retail cannabis stores.
3. Under Ontario Regulation 468/18, municipalities are not authorized to pass by-laws under the *Municipal Act, 2001* with respect to business licensing or under the *Planning Act* with respect to zoning, interim control or site plan control with respect to retail cannabis stores.
4. Ontario Regulation 468/18 provided municipalities a one-time opportunity to opt out of retail cannabis sales within the municipality.
5. On December 17, 2018, the City by resolution made a decision to “opt in” to the possibility of a licenced retail cannabis outlet in Owen Sound and this decision was provided, as required by Regulation, to the Registrar.
6. Prior to April of 2019, access to recreational cannabis in Ontario is solely through the Ontario Cannabis Store online.
7. Following April 2019, the Registrar of the ACGO will issue licences for the operation of retail cannabis stores subject to the Registrar’s Standards.
8. Under these standards, a licensee is required to comply with the Registrar’s Standards for Cannabis Retail Stores as well as other applicable law.
9. Holders of a Retail Operator Licence are responsible for meeting all Standards.

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**Title: Municipal Cannabis Policy Statement**

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10. The AGCO licensing process has three (3) parts: operator approval, retail site location approval, and store management licencing.
11. The AGCO will have a 15-day window for municipal comments respecting the proposed location of a retail cannabis store within a local municipality. Notice will be provided through the AGCO website and posted at the site of a proposed retail store.
12. The AGCO Registrar is not obligated to decline a store licence where a municipality or a member of the public provides a submission that is not supportive of a proposed location.
13. Municipal comments and comments from the public must focus on the three provincial public interest objectives: public health and safety, protecting youth and restricting their access to cannabis, and ending illegal sales of cannabis and illicit activities in relation to cannabis.
14. The Registrar has mandated a 150 m setback from schools where no retail cannabis store would be permitted to be located.

**Purpose:**

15. The purpose of this policy is to: set out locally sensitive uses (in addition to schools under the *Ontario Education Act*) with respect to the location of retail cannabis stores that the municipality would want considered by the AGCO with respect to the licensing process;
16. Provide municipal staff a framework on which to base comments to the AGCO during the 15 day comment window;
17. Assist individuals and businesses who are planning to make an application to the AGCO to operate a store, understand the local context of where a store may be most appropriate, understanding however, that all licensing is the sole responsibility of the AGCO.

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**Title: Municipal Cannabis Policy Statement**

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**Scope:**

18. This policy applies to all Notices of Proposed Retail Cannabis Store that will be provided by the AGCO.

**Policy:**

19. The City acknowledges that retail cannabis stores are permitted within areas zoned for retail stores within the City's Zoning By-law, 2012-078, as amended.
20. Schedule A identifies generally the areas where "retail store" is a permitted use.
21. Schedule B identifies all Schools as defined by the *Education Act* as well as a 150 m buffer where a retail cannabis store would not be permitted by Provincial Regulation.
22. Schedule C identifies other sensitive facilities that, based on consultation with the public, City Council considers as sensitive land uses. A 70 m buffer is identified from these uses.
23. The City, after consultation with the public, has considered the matters of "public interest" which includes:
  - i. Protecting public health and safety;
  - ii. Protecting youth and restricting their access to cannabis; and
  - iii. Preventing illicit activities in relation to cannabis.
24. It is the City's position that the Registrar for the AGCO respect these locally sensitive uses and not permit a retail cannabis store within 70 m of these other sensitive uses.

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**Title: Municipal Cannabis Policy Statement**

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**Related Policies & Legislation:**

- 25. *Cannabis Licence Act, 2018* and Regulations thereto
- 26. City of Owen Sound Zoning By-law 2012-078, as amended
- 27. *Education Act*

**Appendices:**

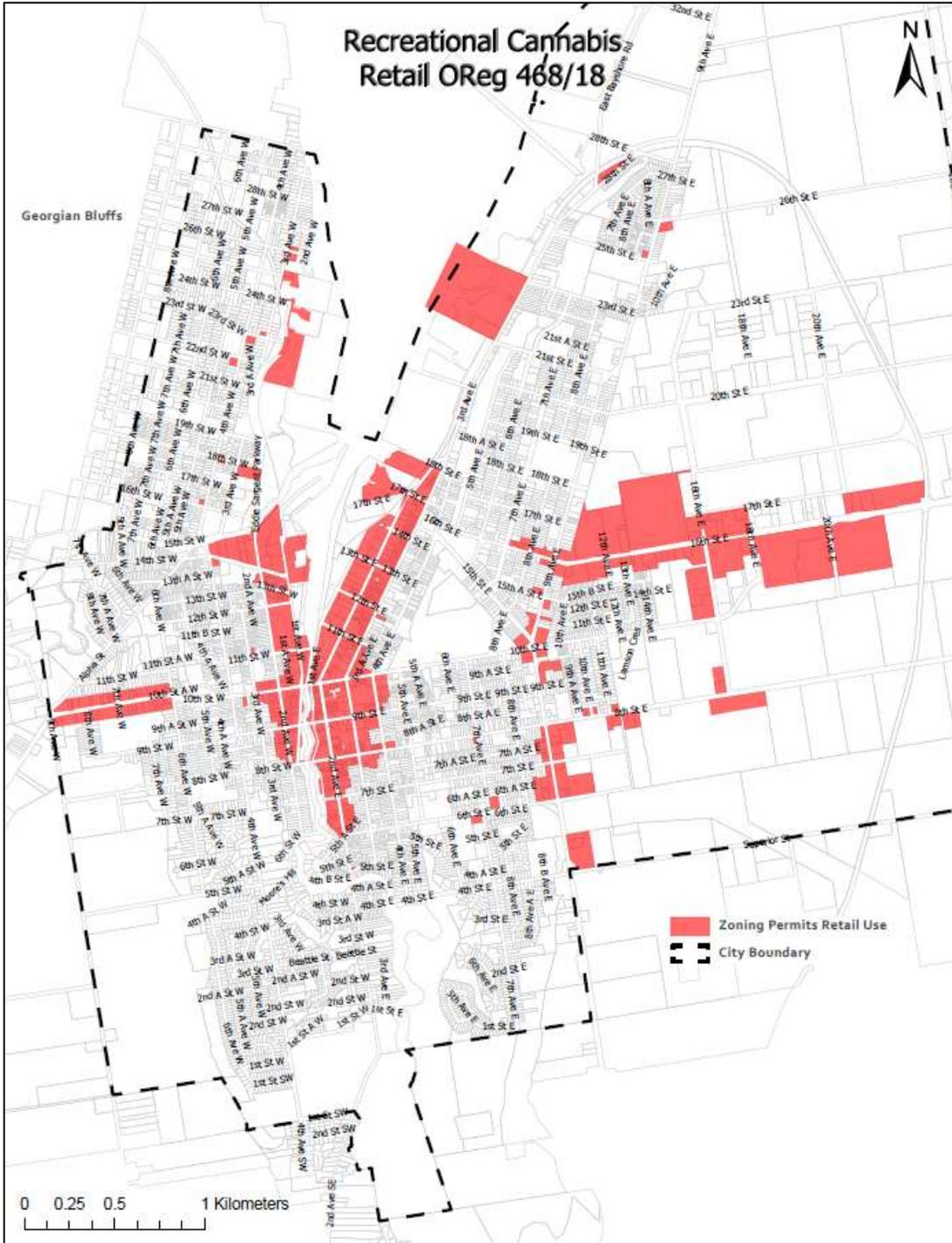
- 28. Schedule A: Areas where the zoning permits a retail use.
- 29. Schedule B: Schools and a 150 m buffer zone.
- 30. Schedule C: Sensitive land uses and a 70 m buffer zone.

**Revision History:**

<b>Resolution Number</b>	<b>Date</b>

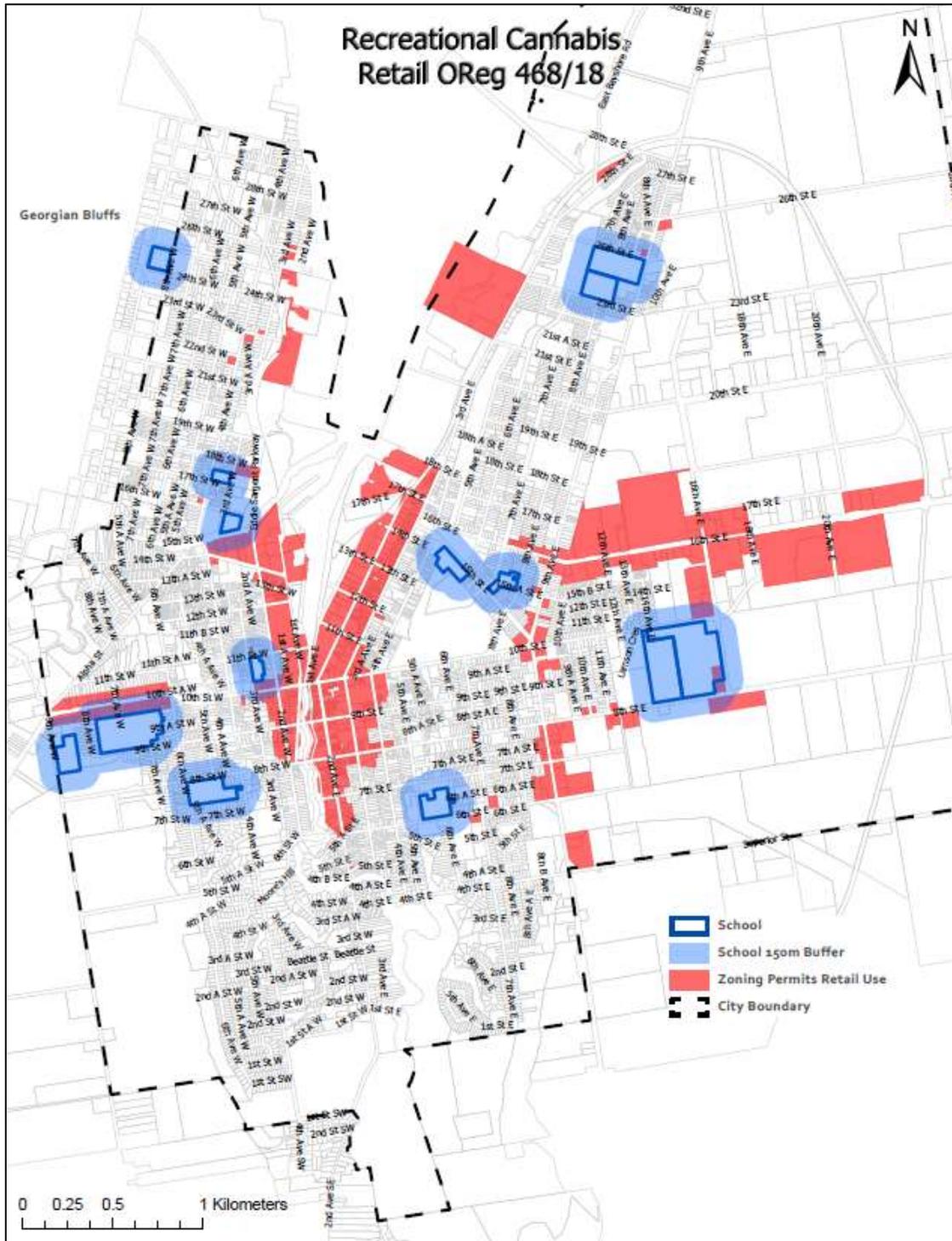
**Title: Municipal Cannabis Policy Statement**

**SCHEDULE A**



**Title: Municipal Cannabis Policy Statement**

**SCHEDULE B**



**Title: Municipal Cannabis Policy Statement**

**SCHEDULE C**

