

# Memo



To: Mayor Grace and Members of Council  
From: Janice Hallahan, Clerk, Planning & HR Coordinator  
Date: December 4, 2018  
Re: Cannabis Legalization and the Impact to Municipalities on a Government Cannabis Store in the Town of Goderich

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## **PURPOSE**

To update Council on cannabis legalization and the impact to municipalities on a government cannabis store in the Town of Goderich.

## **RECOMMENDATION**

THAT Goderich Town Council receive this report for information purposes. However, a decision from Council will need to be made at the January 7, 2019 meeting to opt in or opt out of allowing retail cannabis stores in the Town of Goderich.

AND FURTHERMORE that Goderich Town Council instruct the Clerk to create a Municipal Cannabis Retail Policy Statement and to bring it forward to the January 7, 2019 Council meeting.

## **BACKGROUND**

On October 17, 2018, the use of Cannabis became legal in Canada. The government is moving forward with a tightly regulated private retail model for cannabis that will launch April 1, 2019.

The Alcohol and Gaming Commission of Ontario (AGCO) is the Provincial regulator for privately run recreational cannabis retail stores. The Ontario Cannabis Store will be the exclusive wholesaler to these stores.

As recreational cannabis is a legal, controlled and regulated product, cannabis stores will be considered like any other type of retail and as such, no zoning changes are needed.

In legalizing cannabis for recreational purposes, the federal, provincial and municipal governments share three interrelated goals:

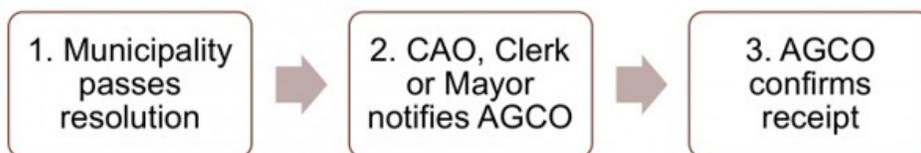
- 1) Protecting youth;
- 2) Public health and safety; and
- 3) Ending illegal sales of cannabis

# Legal Recreational Cannabis Supply Chain



Municipal governments have the one-time opportunity to opt out of allowing retail cannabis stores in their communities. **Municipalities may opt out of having cannabis retail stores within their jurisdiction. If they wish to do so, the *Cannabis Licensing Act, 2018* requires the municipality must pass a resolution and notify the AGCO by January 22, 2019. If the AGCO has not been notified of a municipality’s decision to opt out, they will, by law, be considered an “opt in” municipality.**

## Process to Opt Out

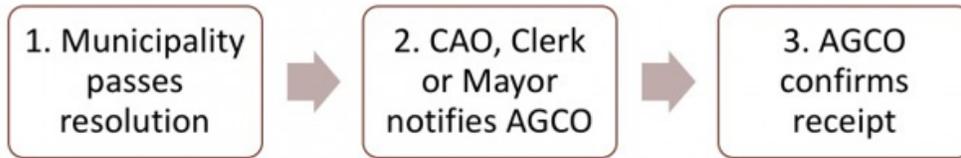


- ✓ email [municipal@agco.ca](mailto:municipal@agco.ca) no later than January 22, 2019
- ✓ include the official name of the municipality
- ✓ include the date the resolution was passed

A municipality that decides to prohibit cannabis retail stores by January 22<sup>nd</sup> may later reverse its decision.

## Early Notification to Opt In

Prior to January 22, 2019, should a municipality decide it will allow cannabis retail stores within its jurisdiction, they are strongly encouraged to notify the AGCO as soon as possible.



- email [municipal@agco.ca](mailto:municipal@agco.ca)
- include the **official name** of the municipality
- include the **date the resolution was passed**

A decision by a municipality to *allow* cannabis retail stores is **final and may not be subsequently reversed.**

If the municipality chooses to opt in, the Town will receive at least \$10,000 to support transition to legal cannabis and the province will announce the full funding allocation in the future.

If a municipal council accepts retail stores (Opting In), the Association of Municipalities of Ontario (AMO) suggests that a ‘Municipal Cannabis Retail Policy Statement’ be adopted by Council. Such a policy statement could address what it sees as significant local sensitive uses. This will give municipal staff direction in responding to the 15 day window during the commentary process. For example, a policy statement may identify specific sensitive uses and express some parameters to consider proximity to these sensitive areas, or may set out concerns regarding store concentration in certain areas of their communities.

It is recommended that municipal governments identify a key senior staff lead for proposed cannabis store notices from AGCO and to provide a one-window approach to coordinate municipal input within the 15 day commentary period. This will ensure AGCO has every opportunity to take note of municipal government considerations. This key contact should be able to gather information from various municipal departments as necessary, provide maps and be able to convey Council policy.

AMO has provided a draft Municipal Cannabis Retail Policy Statement template (attached) that may help municipal governments that choose to create such a policy.

The Town’s Planner, Victor Kloeze has prepared a comprehensive report (attached) that updates local municipal councils and staff on the land use planning and public health related factors resulting from the legalization of cannabis and the provincial model for retail stores prior to the municipal January 22, 2019 opt-out deadline for retail stores.

Respectfully submitted,

*Janice Hallahan*

Memo reviewed by:

Larry McCabe	Chief Administrative Officer
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