



**Subject:** Municipal Retail Cannabis Policy

**Report Number:** CLK 19-28

Author: Donna Wilson, Town Clerk

Meeting Type: Council Meeting

Meeting Date: Monday, December 9, 2019

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**Recommendation:**

**THAT Council receives Report CLK 19-28, Municipal Retail Cannabis Policy;**

**AND THAT By-Law 4369 to adopt a Municipal Cannabis Retail Policy be brought forward for Council consideration.**

**Background:**

On October 17, 2018, the Ontario Cannabis Store (OCS) online store officially opened for business. The OCS will continue to be the sole online retailer of cannabis as well as the only wholesale supplier. The Conservative Government enacted legislation to allow private retail storefronts of cannabis throughout the province. The Alcohol and Gaming Commission of Ontario (AGCO) is the governing body of all legal retail storefronts. As of December 17, 2018, the AGCO accepted applications for Cannabis Operators Licenses, Cannabis Retail Store Licenses, and Cannabis Managers Licenses in Ontario communities that had not chosen to opt out. Due to a national shortage in cannabis supply at that time the Ontario Government decided to take a phased approach and awarded 25 store licenses in the initial phase of private recreational cannabis retail which began April 1, 2019. These 25 stores were restricted to municipalities with a population of over 50,000 who had “opted in” under the provincial regulation. The Town therefore had time to prepare this policy as Tillsonburg was not an approved location for a retail licence in the first round.

At the December 10, 2018 Council meeting Report CAO 18-14 Retail Cannabis in Ontario was provided which reviewed the legislation respecting Cannabis in Ontario and Canada. The report informed Council that the municipality was required to “Opt Out” of cannabis retail in the community by January 22, 2019. Council directed staff to refer the

report to the Tillsonburg Policy Services Board for Comment and bring the matter back to the January 14, 2019 Council meeting for consideration.

AT the January 14, 2019 Council meeting Council passed the following motion:

“THAT Council receive report CAO 19-01 Retail Cannabis in Tillsonburg;  
AND THAT the Town of Tillsonburg not “opt out” of having cannabis retail stores located in the Town of Tillsonburg”

Staff notified the province of the Council resolution to ensure Tillsonburg would be eligible when the time came for retail cannabis stores within the Town.

### **Discussion:**

On July 3, 2019 the Ontario Government announced a second AGCO lottery to operate 50 additional cannabis stores in the province, with 11 being permitted in the Western Region. All municipalities that did not opt out of cannabis retail are eligible, regardless of population. The lottery for the 50 new private cannabis retail stores was on August 20, 2019, with results announced within 24 hours. The 50 new private cannabis retail stores will be authorized upon meeting all requirements and approved to open on a rolling basis, beginning in October 2019. There were two store locations approved for London Ontario which are the nearest location to Tillsonburg.

AGCO allows for a 15-day window for public and Town comments for each store site proposed by an approved operator. **The legislation provides that municipal comments regarding a proposed storefront location are restricted to matters of “public interest”, as defined in the regulation. In the regulation, the matters of “public interest” pertain to, protecting public health and safety, protecting youth and restricting their access to cannabis and preventing illicit activities in relation to cannabis.**

The Association of Municipalities of Ontario (AMO) suggested that Municipal Councils that accept retail stores adopt a “Municipal Cannabis Retail Policy Statement” to address what the municipality sees as significant local sensitive uses and give direction to staff in responding to the 15-day window during the commentary process. It is unclear as to how the Municipal Cannabis Retail Policy Statements will be received by the AGCO, since the legislation is clear in its definition of what constitutes “public interest”.

Staff are recommending that the Clerk's Office be designated as the key staff to coordinate municipal input and check the AGCO website regularly to proactively seek application information.

Town staff is recommending that Council adopt the proposed Town of Tillsonburg's Cannabis Retail Policy, as attached. Town Staff have utilized the template for a cannabis policy statement as provided by AMO. The cannabis policy statement cannot be so restrictive that it is impossible to locate a store, nor can the policy state a specific number of stores permitted. To protect youth, the provincial cannabis retailing regulations include a 150-meter buffer area for cannabis stores to keep them separated from schools (the Ministry of Education has also identified the required schools). The Town cannot adopt a greater distance and the distance buffer would be measured from the property line (if the school is the primary or only occupant of a building) or the boundary of any space occupied by the school within the building (if the school shares space, like in a mall).

No buffers from any other use has been specified by the regulations. Town Staff are suggesting that cannabis retail stores be located at least 70 metres from other sensitive land uses such as public parks, playgrounds, libraries and registered daycares. The policy cannot be so restrictive that it is impossible to locate a store, nor can a policy state a specific number of stores permitted. It is for the above reason that Town Staff have chosen a 70 metre buffer. Town Staff have created the buffer zone around sensitive land uses. These land uses encompass some of the following areas in the Town, however not limited to:

- All public parks and playgrounds;
- Oxford County Library;
- Outdoor waterpark;
- Tillsonburg Skatepark and pumptrack;
- Municipal Facility Buildings;
- Registered Daycares
- Schools

Although the cannabis policy will form the basis of Town input provided to the AGCO through the public input process, it does not mean that it will influence the final decision to approve or not approve a retail licence for a store location. A retail cannabis store can be located in the Service Commercial, Central Commercial, Neighborhood Commercial and Entrepreneurial zone with the current Town's zoning By-Law. It is also important to note that the General Industrial and the Restricted Industrial zones throughout the Town, are subject to the manufacturing component of

cannabis and could not have a stand-alone retail store.

Town Staff are recommending that Council approve the Retail Cannabis Policy. Town Staff would continue to update the sensitive uses as new development occurs.

The AGCO cannabis licensing process, much like the process for liquor licensing applications, requires that a notice of a proposed cannabis store site be posted for comments from area residents and businesses before a site authorization is made, therefor there will always be opportunity for public comment.

#### **Financial Impact/Funding Source:**

The Town of Tillsonburg has received \$10,000 from the province to address the costs that directly relate to the legalization of recreation cannabis such as increased by-law enforcement, increased response to public inquiries and increased policy development.

#### **Community Strategic Plan (CSP) Linkage:**

1. Excellence in Local Government
  - ☒ Demonstrate strong leadership in Town initiatives
  - ☒ Streamline communication and effectively collaborate within local government
  - ☒ Demonstrate accountability
2. Economic Sustainability
  - ☒ Support new and existing businesses and provide a variety of employment opportunities
  - ☒ Provide diverse retail services in the downtown core

#### **Attachments:**

Appendix A – Municipal Cannabis Retail Policy

Appendix B – Cannabis Retail Analysis Mapping

**Report Approval Details**

Document Title:	CLK 19-28 Retail Cannabis Final (4).docx
Attachments:	- CLK 19-28 Retail Cannabis - Policy Final (4).docx - Cannabis_Retail_Analysis_TBURG3.pdf
Final Approval Date:	Nov 29, 2019

This report and all of its attachments were approved and signed as outlined below:

A handwritten signature in black ink, appearing to be 'Ron Shaw', with a long horizontal stroke extending to the right.

**Ron Shaw - Nov 29, 2019 - 10:49 AM**