

REGIONAL DISTRICT OF NANAIMO
ELECTORAL AREA SERVICES COMMITTEE
ADDENDUM

Tuesday, October 10, 2017

1:30 P.M.

RDN Board Chambers

This meeting will be recorded

Pages

8. PLANNING

8.1 Development Variance Permit

- *8.1.1 Development Variance Permit Application No. PL2017-099 - 1360 Valley Road, Electoral Area 'F'** 2
- Please note: Section reference to Bylaw No. 1285 corrected from Section 3.4.3.f to Section 4.4.3.f on pages 2 and 7 of the report.*

Delegations Wishing to Speak to Development Variance Permit Application No. PL2017-099 - 1360 Valley Road, Electoral Area 'F'

1. That the Board approve Development Variance Permit No. PL2017-099 to increase the maximum permitted floor area of a building from 1,500 m² to 2,000 m² to permit the construction of a new commercial building and to reduce the number of parking spaces required for the existing building supply and lumber outlet from 53 to 20, subject to the terms and conditions outlined in Attachments 2 to 4.

2. That the Board direct staff to complete the required notification for Development Variance Permit No. PL2017-099.

8.3 Other

- *8.3.3 Government of British Columbia Cannabis Regulation Engagement** 13
- Please note: This item was noted on the agenda to be distributed separately.*

1. That the Board receive the Government of British Columbia Cannabis Regulation Engagement report for information.

2. That the Board direct staff to prepare a report on the implications of cannabis legalization to the Regional District of Nanaimo and bring it forward to the Board when the opportunity for local government engagement is provided by the Province.

TO: Electoral Area Services Committee **MEETING:** October 10, 2017

FROM: Kristy Marks
Planner **FILE:** PL2017-099

SUBJECT: **Development Variance Permit Application No. PL2017-099**
1360 Valley Road – Electoral Area ‘F’
Lot 11, District Lot 156, Nanoose District, Plan 1964

RECOMMENDATIONS

1. That the Board approve Development Variance Permit No. PL2017-099 to increase the maximum permitted floor area of a building from 1,500 m² to 2,000 m² to permit the construction of a new commercial building and to reduce the number of parking spaces required for the existing building supply and lumber outlet from 53 to 20, subject to the terms and conditions outlined in Attachments 2 to 4.
2. That the Board direct staff to complete the required notification for Development Variance Permit No. PL2017-099.

SUMMARY

If approved, this development variance permit application will increase the maximum permitted floor area of a building from 1,500 m² to 2,000 m² to permit the construction of a new commercial building and reduce the required number of parking spaces required for the existing building supply and lumber outlet from 53 to 20. The applicant proposes to provide 120 of the 153 required parking spaces for the whole site, which should be sufficient to address on-site parking demand for the existing and proposed uses. Given that the applicant has provided an acceptable rationale for the requested variances and no negative impacts are anticipated as a result of the proposed variances, staff recommends that the Board approve the development variance permit pending the outcome of public notification and subject to the terms and conditions outlined in Attachment 2.

BACKGROUND

The Regional District of Nanaimo (RDN) has received an application from Carsten Jensen Architect on behalf of CCM Land Corp., Inc. No. BC0791608 to permit the construction of a new commercial building with a maximum floor area of 2,000 m². The subject property is approximately 1.6 hectares in area and is zoned C-3 (Commercial 3), pursuant to “Regional District of Nanaimo Electoral Area ‘F’ Zoning and Subdivision Bylaw No. 1285, 2002”. The property is surrounded by Valley Road to the north, Church

Road to the west, and developed commercial properties to the south and east (see Attachment 1 – Subject Property Map).

The property is currently occupied by Central Construction Materials and contains a 1,353 m² metal building, a 211 m² accessory storage building and an outdoor storage area. The property is serviced by a well and on-site wastewater system, however, the applicant has indicated they may connect to nearby EPCOR community water service. With respect to on-site wastewater, proof of disposal will be addressed at the building permit stage, there is area available for expansion if required. The applicant has provided confirmation from EPCOR that the subject property is within its licensed area and that sufficient quality and quantity of potable water is available to allow a service connection to the subject property.

Proposed Development and Variances

The proposed development includes the construction of a new commercial building that exceeds the maximum floor area for an individual building of 1,500 m² permitted in the C-3 zone. The proposed 2,000 m² building would be located to the west of the existing building and would be accessed from Church Road. The proposed building would have a maximum footprint of 1,757 m² with the additional 243 m² of floor area taking the form of a mezzanine. The proposed building will meet the maximum height, parcel coverage and other provisions of the C-3 zone. The applicant is also requesting a variance to reduce the number of parking spaces required, from 53 to 20 spaces, for the building supply and lumber outlet use that currently occupies the existing buildings. The applicant has provided a site plan, building elevation plans, and rationale for the requested variances in support of the application (see Attachment 3 – Site Plan and Attachment 4 –Building Elevations).

The applicant proposes to vary the following regulations from the “Regional District of Nanaimo Electoral Area ‘F’ Zoning and Subdivision Bylaw No. 1285, 2002”:

- **Section 4.4.3.f – Maximum Building and Structure Floor Area** to increase the maximum building floor area from 1,500 m² to 2,000 m² for a proposed commercial building.
- **Section 2.17 Parking – Table 2.2 Required Parking Spaces** to reduce the number of parking spaces required for the existing Building Supply and Lumber Outlet from 53 to 20.

Land Use Implications

The applicant has indicated that while the proposed building has been designed to accommodate either one large tenant or be divided into a number of smaller units, there is a current market demand in the area for larger tenancies and the prospective tenant is seeking a building of 2,000 m² for product assembly. While the applicant has provided 100 parking spaces for the proposed new building (based on the highest possible parking rate of one space per 20 m²) in order to allow the full range of uses permitted in the C-3 zone within the new building, the applicant is requesting a reduction in the parking requirements from 53 to 20 spaces for the existing building supply and lumber outlet.

“Board Policy B1.5 Development Variance Permit, Development Permit with Variance and Floodplain Exemption Application Evaluation” for evaluation of Development Variance Permit Applications requires

that there is an adequate demonstration of an acceptable land use justification prior to the Board's consideration.

Maximum Building Floor Area

With respect to the requested variance to the maximum permitted floor area to allow the construction of a building with a floor area of 2,000 m², the applicant has indicated that the proposed size of the building is based on increasing market demand for larger tenancies and the prospective tenant is seeking a building of this size that would permit product assembly. In addition, the applicant has indicated that the community and immediate area would benefit from the proposed development which would provide additional employment opportunities and services. The variance would also allow for more efficient and effective development of a property that is currently underutilized.

Required Parking Spaces

With respect to the requested parking variance, the applicant is proposing to provide a total of 120 of the 153 parking spaces required for both the existing and proposed uses on the site. The proposed new building requires a total of 100 spaces and the existing building supply and lumber outlet requires 53 spaces. The applicant is requesting a variance to reduce the number of parking spaces required for the existing building supply and lumber outlet from 53 to 20. In support of this request, they have indicated that greater than ninety percent of the existing 1,564 m² of floor area used for building supply and lumber outlet is dedicated to the wholesale, or storage of materials. Less than ten percent (only 120 m²) of floor area is currently dedicated to retail sales. Wholesaling, as a principal permitted use, requires a significantly lower parking rate, one per 200 m², than building supply and lumber outlet does at one per 30 m² where retail sales would be anticipated to account for a large proportion of the use. While wholesaling is not a principal permitted use in the C-3 Zone the wholesale and retail sale of building supplies is permitted within the definition of building supply and lumber outlet. As such, given that greater than ninety percent of the existing building supply and lumber outlet floor area is dedicated to wholesale or storage, it is reasonable to consider a reduced parking requirement for the existing use.

In addition, the applicant has indicated that the exiting building supply and lumber outlet, Central Construction Materials, currently provides approximately 16 parking spaces for employees and customers. These parking spaces have adequately serviced the business for several years and there are no changes proposed for the existing buildings or uses. The proposed reduction from 53 to 20 spaces is supported and it is anticipated that the proposed number of spaces will meet the needs of the existing use based on demonstrated demand. Should the use of the existing building change in the future additional parking may be required to accommodate any change in use.

Given that the applicant has provided sufficient rationale and the requested variances are not anticipated to result in negative implications for adjacent properties and would allow for the more efficient use of a currently underutilized property, the applicants have made reasonable efforts to address Board Policy B1.5 guidelines.

Intergovernmental Implications

The application was referred to the Errington Fire Department, the RDN Fire Service Coordinator and the Ministry of Transportation and Infrastructure (MOTI). The MOTI has confirmed they have no concerns with the proposed development and are prepared to issue an access permit based on the site plan and a

traffic impact study provided by the applicant. The Errington Fire Chief did not identify any concerns with the proposed development, but noted that he would like to see a fire hydrant adjacent to the property on Church Road. While there is no explicit requirement for the property owner to extend a fire hydrant to provide fire protection for the building, this is an approach that the owner's engineer could consider in order to meet fire flows through the building permit process.

Based on the drawings submitted in support of the development variance permit application, and regardless of whether the building floor area is 1,500 m² as permitted, or 2,000 m² as proposed, the proposed building would be considered a complex building under the BC Building Code. Fire flow calculations and the approach to meeting fire flows are required to be prepared by a professional engineer as a standard item through the building permit process for complex buildings.

Public Consultation Implications

Pending the Electoral Area Services Committee's recommendation and pursuant to the *Local Government Act* and the "Regional District of Nanaimo Development Approvals and Notification Procedures Bylaw No. 1432, 2005", property owners and tenants of parcels located within a 50.0 metre radius of the subject property will receive a direct notice of the proposal and will have an opportunity to comment on the proposed variance prior to the Board's consideration of the application.

ALTERNATIVES

1. To approve Development Variance Permit No. PL2017-099 subject to the conditions outlined in Attachments 2 to 4.
2. To deny Development Variance Permit No. PL2017-099.

FINANCIAL IMPLICATIONS

Staff have reviewed the proposed development and note that the proposal has no implications related to the Board 2017 – 2021 Financial Plan.

STRATEGIC PLAN IMPLICATIONS

Staff have reviewed the proposed development and note that the proposal will support traditional industries and foster economic development in keeping with the 2016 – 2020 Board Strategic Plan.



Kristy Marks
kmarks@rdn.bc.ca
September 21, 2017

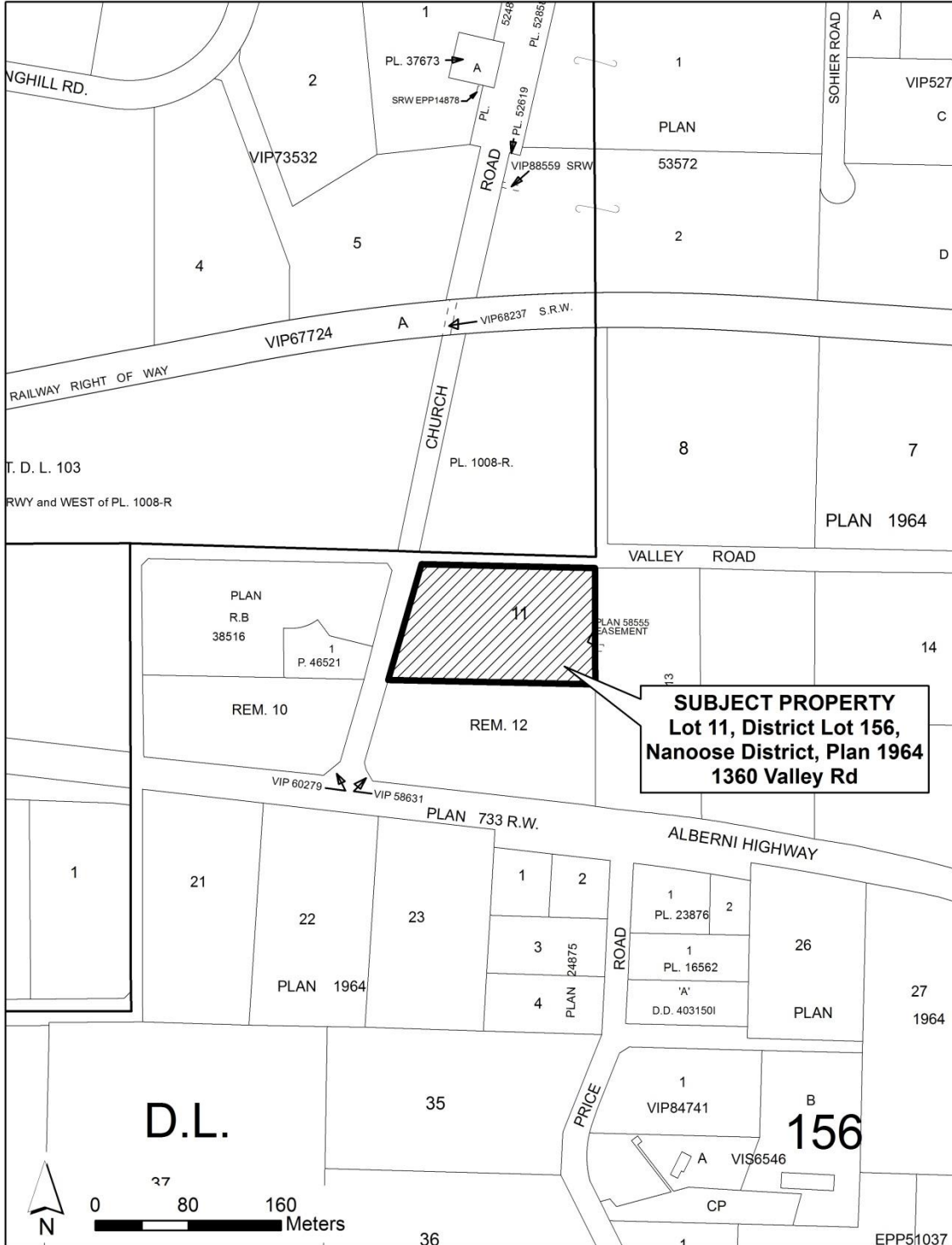
Reviewed by:

- J. Holm, Manager, Current Planning
- G. Garbutt, General Manager, Strategic & Community Development
- P. Carlyle, Chief Administrative Officer

Attachments

1. Subject Property Map
2. Terms and Conditions of Permit
3. Proposed Site Plan and Variances
4. Building Elevations and Plans

Attachment 1
Subject Property Map



Attachment 2

Terms and Conditions of Permit

The following sets out the terms and conditions of Development Variance Permit No. PL2017-099:

Bylaw No. 1285, 2002 Variance

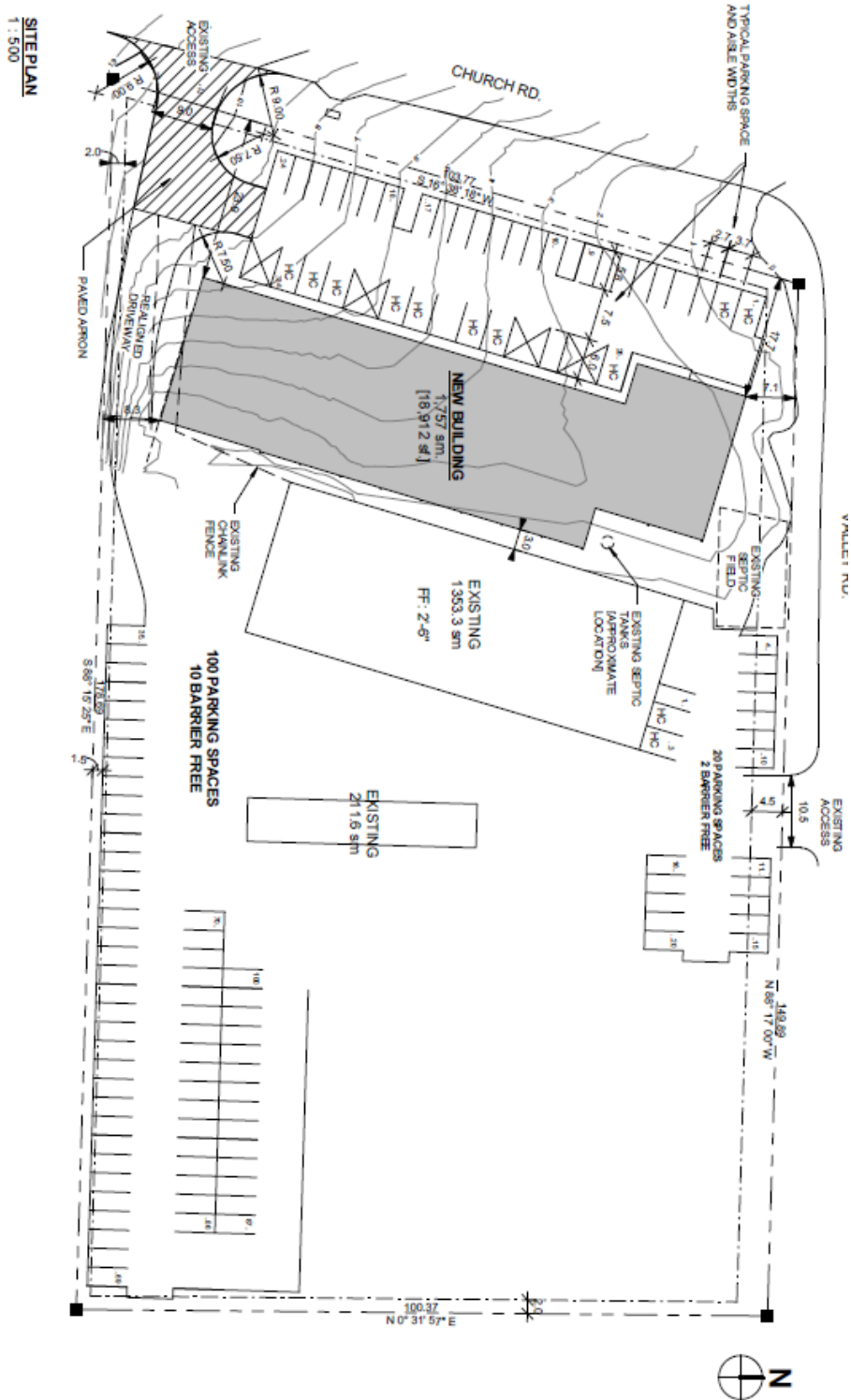
With respect to the lands, “Regional District of Nanaimo Electoral Area ‘F’ Zoning and Subdivision Bylaw No. 1285, 2002” is varied as follows:

1. **Section 4.4.3.f – Maximum Building and Structure Floor Area** to increase the maximum building floor area from 1,500 m² to 2,000 m² for a proposed commercial building.
2. **Section 2.17 Parking – Table 2.2 Required Parking Spaces** to reduce the number of parking spaces required for the existing building supply and lumber outlet from 53 to 20.

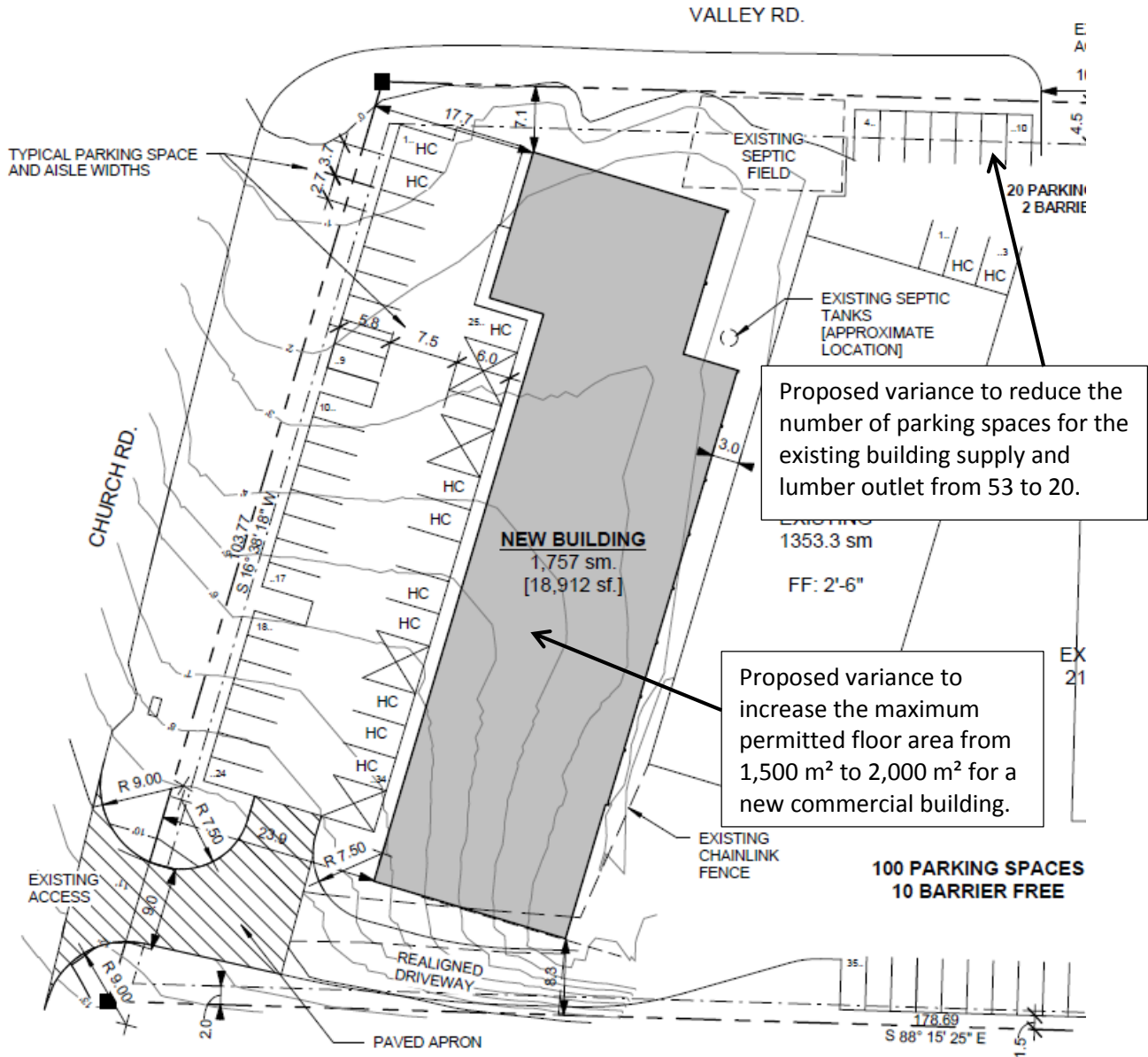
Conditions of Approval

1. The site is developed in accordance with the Site Plan prepared by Carsten Jensen Architect, dated September 20, 2017 and attached as Attachment 3.
2. The proposed development is in general compliance with the plans and elevations prepared by Carsten Jensen Architect, dated September 20, 2017 and attached as Attachment 4.
3. The subject property shall be developed in accordance with the Runoff Control Standards outlined in “Regional District of Nanaimo Zoning and Subdivision Bylaw 1285, 2002” and must provide for the discharge or disposal of all surface runoff or stormwater into stormwater collection and discharge systems that are designed to include grease, oil, and sedimentation removal facilities.
4. The property owner shall obtain the necessary permits for construction in accordance the “Regional District of Nanaimo Building Regulations and Fees Bylaw No. 1250, 2001” as replaced or amended.

Attachment 3
Proposed Site Plan and Variances
(Page 1 of 2)



Attachment 3
Proposed Site Plan - Detail
 (Page 2 of 2)

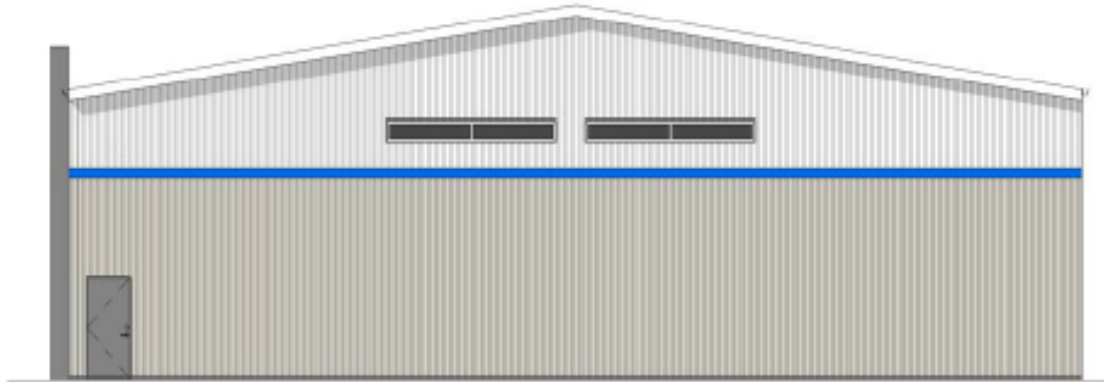


SITE PLAN
 1 : 500

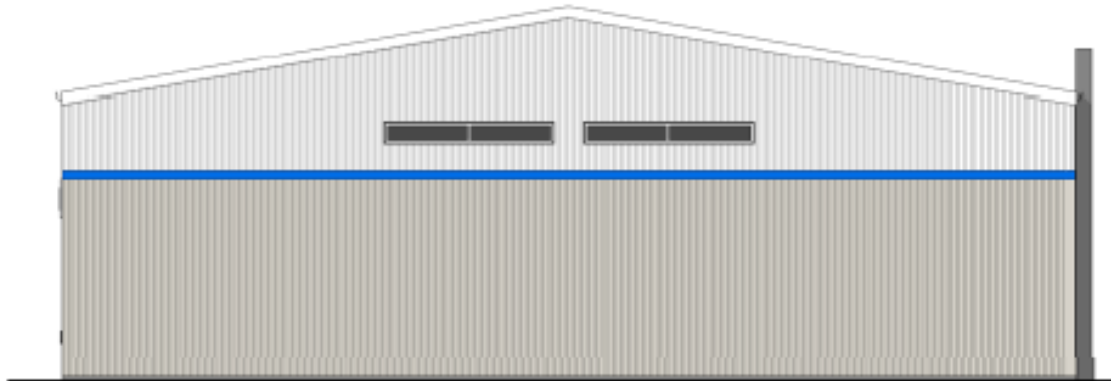
Attachment 4
Building Elevations
(Page 1 of 2)



Attachment 4
Building Elevations
(Page 2 of 2)



NORTH ELEVATION
1 : 150



SOUTH ELEVATION
1 : 150

TO: Electoral Area Services Committee **MEETING:** October 10, 2017
FROM: Nick Redpath
Planner **FILE:** 0125-20-BC-Cannabis
SUBJECT: Government of British Columbia Cannabis Regulation Engagement

RECOMMENDATIONS

1. That the Board receive the Government of British Columbia Cannabis Regulation Engagement report for information.
2. That the Board direct staff to prepare a report on the implications of cannabis legalization to the Regional District of Nanaimo and bring it forward to the Board when the opportunity for local government engagement is provided by the Province.

SUMMARY

The federal government's plan to legalize non-medical cannabis by July 2018 creates a need for regulation by provincial, territorial and local governments. The Province of BC has commenced public engagement to gather input on key issues that will help shape the Province's policy decisions. At this time, the Province has opened an online public feedback form through to November 1, 2017, in order to gather individual public input on aspects of cannabis use and regulation. The Government of BC has indicated that specific engagement with local governments on the implications of non-medical cannabis regulation will occur later this fall. At its convention in September 2017, the Union of BC Municipalities (UBCM) passed a resolution to endorse guiding principles for BC local government advocacy on cannabis legalization, including an expectation that the Province engage in fulsome and meaningful consultation with local governments. Key public input issues identified are Minimum Age, Maximum Possession Limit, Public Consumption, Personal Cultivation, Impairment and Driving, Distribution and Retailing.

BACKGROUND

In 2015, the federal government committed to legalizing non-medical cannabis in Canada. A federal task force on cannabis and regulation was subsequently established to advise on the design of a new legislative framework. A report released by the task force in 2016 provided a comprehensive set of recommendations for all levels of government to consider. On April 13, 2017, the federal government introduced Bill C-45, the *Cannabis Act* in the House of Commons with plans to bring it into force in July 2018, effectively making non-medical cannabis legal in Canada as of that date. The federal government's plan to legalize non-medical cannabis by July 2018 creates a need for regulation by provincial, territorial and local governments.

To engage the public and prepare for legalization of non-medical cannabis, the Government of BC issued a Cannabis Regulation Engagement Press Release (see Attachment 1) on September 25, 2017, that included an online public feedback form and discussion paper. The Cannabis Legalization and Regulation in British Columbia Online Feedback Form (see Attachment 2) encourages input from BC residents on key issues identified by the Province. The online feedback form can be accessed at the following link: <http://engage.gov.bc.ca/BCcannabisregulation/>. The key issues identified include minimum age, public possession and consumption, drug-impaired driving, personal cultivation, and distribution and retail. The online feedback form will be open to the public until November 1, 2017, and is intended to help the Province make decisions about how non-medical cannabis will be regulated upon legalization in 2018. The Cannabis Legalization and Regulation in British Columbia Discussion Paper (see Attachment 3) provides context and options to consider in regard to these key issues to help inform this online public engagement, which are summarized under the Provincial/Territorial and Local Government Implications section of the report.

In addition to the open public feedback process, the Province has indicated that it will provide specific engagement opportunities for local governments and other agencies on non-medical cannabis regulation later this fall.

At its September 2017 convention, the UBCM membership passed a resolution (see Attachment 4) to endorse the following principles to guide UBCM's advocacy with the Province regarding local government's role in a BC framework for cannabis:

- Fulsome and meaningful consultation with local governments;
- provision of adequate provincial funding to cover any responsibilities and increase in administrative burden;
- equitable sharing of tax revenues from cannabis between all orders of government; and
- respect for local choice, jurisdiction and authority, including but not limited to land use and zoning decisions.

The Province has invited UBCM to establish a standing committee on cannabis legalization to create an opportunity for local governments to share their experience, knowledge and concerns as BC's regulatory framework develops.

Federal Framework & Outstanding Issues

The federal government will be responsible for the supply of cannabis (regulation, production and product standards). The federal government will set industry-wide standards around the types of products available, packaging and labelling requirements, serving sizes and potency standards, prohibiting the use of certain ingredients and promotional restrictions. The federal government is also responsible for establishing minimum conditions that provincial and territorial legislation for distribution and retail will be required to meet to ensure consistency. The conditions set by the federal government relate to personal possession limits (maximum 30 grams per adult), personal cultivation (maximum 4 plants per residence) and setting of a minimum age of consumption (18 years). The federal government will also be responsible for the continued oversight of the medical cannabis regime.

Despite the federal legislation giving stakeholders and Canadians a better idea of what the legalized cannabis regime will entail, many unresolved issues exist. These issues include, but are not limited to:

- Federal and provincial tax rates;
- packaging rules and regulations;
- date that edibles will be introduced into the legalized framework;
- restrictions for making cannabis products at home (e.g. foods, drinks);
- information around police enforcement tools and regulations; and
- compensation for provinces, territories and local governments related to enforcement and other resources expended as part of the legalization and regulation of cannabis.

Provincial/Territorial and Local Government Implications

Provincial and territorial governments will assume responsibility for many aspects of non-medical cannabis regulation in their respective jurisdictions. These aspects will include, but are not limited to: distribution and retail; compliance and enforcement regimes; increase of minimum age limits; restrictions on possession and personal cultivation; public consumption; and amendments to road safety laws.

Given the statutory framework local governments operate in within British Columbia, the role of BC local governments in the legalization process are likely to focus on regulations pertaining to retail sales of cannabis (through zoning, business licensing in the case of municipalities) and enforcement of regulation around public consumption in local government facilities. Working within the federal and provincial statutory frameworks, local governments will play a key role in protecting the public health and safety of communities throughout the legalization process.

The Cannabis Legalization and Regulation in British Columbia Discussion Paper, which was released by the Province to inform the public and stakeholder engagement, provides background information and options on the following key policy issues facing BC as non-medical cannabis approaches legalization:

- a) **Minimum Age:** A minimum age of 18 to grow, purchase or have public possession of dried cannabis has been established by the federal government. It is at the discretion of provinces and territories to establish a higher minimum age within their respective jurisdictions.
- b) **Maximum Possession:** A maximum possession limit per adult has been set at 30 grams of dried cannabis by the federal government. Provinces and territories have the authority to decrease, but not increase the maximum limit.
- c) **Public Consumption:** The federal government has prohibited cannabis in federally-regulated places (e.g. trains, planes), but regulation of public consumption will fall under provincial, territorial and local government jurisdiction. Provinces, territories and local governments have the ability to restrict and prohibit where non-medical cannabis is consumed, however, if restrictions are not legislated by the date of legalization, it will be legal to smoke, vape and consume other forms of cannabis in public.
- d) **Personal Cultivation:** Personal cultivation of up to 4 cannabis plants per household, of a maximum size of 100 centimetres is permitted by the federal government. Provinces and territories have the ability to decrease this maximum and also establish further restrictions. These restrictions could include, but are not limited to: Registration for persons growing cannabis plants; restricting where plants can be grown (indoor vs. outdoor); and require certain

security measures to be implemented for persons undertaking personal cultivation of cannabis.

- e) **Drug-impaired Driving:** The federal government has the authority to set a blood tetrahydrocannabinol (THC) limit beyond which a person can be criminally charged with cannabis-impaired driving. The federal government still has not determined what constitutes an illegal blood drug concentration and research into the development of a device that can detect THC levels from individual saliva is ongoing. The Province will have to address the risk of cannabis legalization and potential increased impaired driving through new detection and other methods.
- f) **Distribution:** The federal government has tasked each province or territory with deciding the distribution model for cannabis in its jurisdiction. The three basic models of warehousing and distribution of cannabis to retailers in BC are government, private, or direct. The government distribution model would make the government responsible for warehousing and distribution of cannabis. Licenced producers would send cannabis products to a government distributor, which would then fill orders for cannabis retailers. The private distribution model would allow for private business to be responsible for physical warehousing and distribution of cannabis product under significant government oversight in relation to licensing, inspecting and tracking. The final model is direct distribution. This model would see the Province authorize federally licensed producers to distribute their own products directly to retailers under government oversight.
- g) **Retail:** The federal government authorizes each province and territory to dictate the retail model for cannabis in its jurisdiction. A number of options exist. The Province could establish a public or private retail system, or potentially a mix of both, similar to alcohol. Other options could require that cannabis be sold in dedicated storefronts, or it could allow cannabis to be sold out of existing businesses such as liquor stores or pharmacies. The Province could also establish a direct-to-customer mail-order system. While the federal government allows provinces and territories to decide the retail model in its jurisdiction, if retail regimes are not established by July 2018, the federal government will implement an online retail system as an interim solution.

ALTERNATIVES

1. That the Board receive the Government of British Columbia Cannabis Regulation Engagement report for information.
2. That the Board direct staff to prepare a report on the implications of cannabis legalization to the Regional District of Nanaimo and bring it forward to the Board when the opportunity for local government engagement is provided by the Province.
3. That the Board provide alternate direction to staff.

FINANCIAL IMPLICATIONS

This report is prepared in response to an opportunity provided by the Province to engage individual BC residents on specific issues related to cannabis legalization. As such, no implications to the Board 2017 – 2021 Financial Plan have been identified at this time. A future report to the Board on the implications of

cannabis legalization to the Regional District of Nanaimo, as recommended, can be accommodated within the existing Community Planning budget. The broader financial implications of cannabis legalization to the RDN will largely depend on the policy framework selected by the Province. It is anticipated that the Province will seek specific input from local governments on a draft policy framework later in the fall. The broad financial implications to the RDN of cannabis legalization will be given consideration in a report on the implications of cannabis legalization to the RDN, which is recommended to be brought forward to the Board when the opportunity for local government engagement is provided by the Province.

STRATEGIC PLAN IMPLICATIONS

A focus on Economic Health is one of the strategic priorities in the RDN Strategic Plan 2016 – 2020. In particular, the strategic plan directs that the RDN will foster economic development and support diversification of our regional economy. Certain distribution models being considered by the Province could provide local business opportunities in this emerging sector and promote economic health through the diversification of our regional economy.



Nick Redpath
nredpath@rdn.bc.ca
October 5, 2017

Reviewed by:

- J. Holm, Manager, Current Planning
- G. Garbutt, General Manager, Strategic and Community Development
- P. Carlyle, Chief Administrative Officer

Attachments

1. Cannabis Regulation Engagement Press Release
2. Cannabis Legalization and Regulation in British Columbia Online Feedback Form
3. Cannabis Legalization and Regulation in British Columbia Discussion Paper
4. 2017 UBCM Resolutions for Local Government Role in BC Framework for Cannabis

Legal cannabis: help B.C. lead the way on safety, health | BC Gov News

British Columbia News

Legal cannabis: help B.C. lead the way on safety, health

<https://news.gov.bc.ca/15473>

Monday, September 25, 2017 10:30 AM

Vancouver - Government is inviting British Columbians to share their views about how the Province can keep young people, neighbourhoods and roads safe after Canada legalizes non-medical cannabis next year.

“We want to hear from as many people as possible about how we can best protect our kids, keep our roads safe, and lock criminals out of the non-medical cannabis industry,” said Minister of Public Safety and Solicitor General Mike Farnworth. “It’s critical that we work together to ensure the legalization of non-medical cannabis results in safer, healthier communities.”

Today through Nov. 1, people can share their views about B.C.’s approach to non-medical cannabis legalization at: engage.gov.bc.ca/BCcannabisregulation/

Under the federal government’s new laws, provinces and territories have the power to regulate distribution and retail sales of non-medical cannabis. British Columbia can also upgrade traffic-safety laws to protect people on the roads from cannabis impaired drivers.

“I hope British Columbians will get involved, be heard, and help us shape how we maximize public health and safety when non-medical cannabis is legalized by the federal government next year,” said Farnworth. “While we already have laws banning drug-affected driving, and they remain in effect, this is also an opportunity for people to let us know how we can make them stronger and more effective.”

In addition to the open public engagement process, government will also proactively seek opinions from a representative cross-section of British Columbians on their views concerning non-medical cannabis regulations, with a random telephone survey.

Local governments, Indigenous governments and organizations, and stakeholders from law enforcement, health, agriculture and other sectors will also have specific engagement opportunities with the Province on cannabis regulation later this fall. As well, the Province has invited the Union of B.C. Municipalities to establish a standing committee on cannabis legalization so local governments can share their experience, knowledge and concerns as B.C.’s regulatory framework develops.

“Local governments welcome the start of the consultation process as we move towards creating a made-in-B.C. approach to legalization,” said Union of B.C. Municipalities president Murry Krause. “Our members want to discuss issues like taxation, retail sales and personal cultivation in advance the regulatory framework being set in place. The proposed standing committee sounds like a good vehicle to support discussions.”

Learn More:

Cannabis public engagement: engage.gov.bc.ca/BCcannabisregulation

Information on medical marijuana: <https://www.healthlinkbc.ca/health-topics/aa52518>

Federal information on medical cannabis access and becoming a licensed producer:
<https://www.canada.ca/en/health-canada/topics/cannabis-for-medical-purposes.html>

Contacts

Media Relations

Ministry of Public Safety and Solicitor General
250 213-3602

Attachment 2

B.C. Cannabis Regulation - Online Feedback Form

0%

Are you completing the feedback form as:

- An individual
- A local government (please specify below)
- An Indigenous government / Indigenous organization
- An organization or association (please specify below)
- A business
- Other (please specify below)

If applicable, please specify:

Powered by Interceptum Previous Next

B.C. Cannabis Regulation - Online Feedback Form

6%

The following four questions ask about personal cannabis usage. These questions, along with all questions in the feedback form, are voluntary and will be confidential. All responses will be compiled and analyzed as a group. Responses will not be identified by individual.

Do you currently use cannabis?

- Yes
- No
- Prefer not to say

Powered by Interceptum Previous Next

B.C. Cannabis Regulation - Online Feedback Form

18%

How strongly do you or your organization support the legalization of cannabis?

	Strongly Support	Somewhat Support	Neither Support nor Oppose	Somewhat Oppose	Strongly Oppose	Don't know / No Opinion
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Powered by Interceptum Previous Next

B.C. Cannabis Regulation - Online Feedback Form

21%

Minimum Age

Provinces and territories can choose to set a legal age for a person to possess, purchase and consume cannabis greater than 18 years of age - the age set under the proposed Cannabis Act. B.C. will need to balance the decision to set a higher legal age based on a number of factors. For example, emerging evidence indicates that cannabis use may impact a person's developing brain until the age of 25. However, setting the minimum age too high may not help reduce the illegal market, as those under the minimum age may continue to obtain cannabis from the illegal market. In British Columbia, the legal age to purchase alcohol/tobacco is 19. The age of majority, the age when minors become legal adults, is 19 in B.C.

Do you support setting the minimum age to possess, purchase and consume cannabis in B.C. to 19 (to correspond with British Columbia's age of majority)?

Yes
 No. It should be older than 19
 Don't Know/No opinion

Powered by Interceptum

Previous Next

B.C. Cannabis Regulation - Online Feedback Form

24%

Personal Possession

Provinces and territories have the option of reducing the personal possession limit for adults. A consistent possession limit across provinces and territories would make it easier for the public to understand and comply with. Under the proposed Cannabis Act, adults will be allowed to possess up to 30 grams of dried legal non-medical cannabis in public, and will be able to share up to 30 grams of dried legal cannabis with other adults. (For context, one joint typically contains between .33g to 1g of cannabis). The legislation sets equivalent possession limits for other forms of cannabis (e.g., oils, solids containing cannabis, seeds).

Do you support the proposed federal 30g possession limit?

	Strongly Support	Somewhat Support	Neither Support nor Oppose	Somewhat Oppose	Strongly Oppose	Don't know / No Opinion
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Powered by Interceptum

Previous Next

B.C. Cannabis Regulation - Online Feedback Form

27%

Public Consumption
 Provinces and territories have the option of regulating where people may use cannabis, as the proposed Cannabis Act does not set restrictions on where cannabis can be consumed. B.C. must determine where people may use cannabis without affecting the health and well-being of others similar to public consumption restrictions placed on alcohol and tobacco. For example, you cannot drink alcohol in public unless you are in a licensed place. You cannot smoke tobacco, hold lighted tobacco, or vape tobacco (use or hold an activated e-cigarette) in the following locations:

- Most public and workplaces (except for adult-only vapour product shops where up to two customers can test a vapour product for purchase at the same time);
- Cars with children under the ages of 16;
- Within six metres of doors, air intakes and open windows to indoor public/workplaces;
- K-12 public and private school sites at all times; and
- Health authority property, unless in designated areas.

What is your level of agreement for the following statements?

	Strongly Agree	Somewhat Agree	Neither Agree nor Disagree	Somewhat Disagree	Strongly Disagree	Don't know / No Opinion
Adults should be allowed to use non-medical cannabis in some spaces outside their homes.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Limitations on public consumption of non-medical cannabis should be the same for any form of cannabis (e.g., smoked, vaped, eaten, lotions, tinctures/drops, etc.).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public smoking/vaping of non-medical cannabis should be allowed in any public place where tobacco smoking/vaping is currently allowed.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B.C. should consider establishing licensed establishments, such as tasting lounges or cannabis cafés.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Powered by Interceptum

Previous Next

39%

Drug-Impaired Driving
 B.C. must carefully look at the best ways to deter drug-impaired driving to keep the public safe. Currently, there are two kinds of penalties, or sanctions, for drugs and driving. Under federal law, if police believe a driver's ability to operate a vehicle is impaired by a drug they may pursue criminal impaired driving charges. Under provincial law, if police believe a driver's driving ability is affected by a drug, other than alcohol, they may serve an administrative 24-hour driving prohibition at the roadside and impound the vehicle for that same period – in conjunction with or instead of criminal impaired driving charges.

The proposed federal [Bill C-46](#) would establish new laws and tools under the Criminal Code to help police detect and investigate drug-impaired driving cases. Penalties would depend on the level of THC (Tetrahydrocannabinol, the principal psychoactive constituent of cannabis) in blood and the presence of alcohol or another drug in addition to cannabis at or above set levels. The [penalties](#) range from a fine to a maximum penalty of 10 years in jail (doubling the current maximum of 5 years).

Do you think the legalization of non-medical cannabis will result in increased problems with cannabis-impaired driving in B.C.?

Yes. More British Columbians will be likely to drive impaired after it is legalized.
 No. Those British Columbians who most likely drive impaired by cannabis are already doing it and I don't expect it'll be any more of an issue after legalization.
 Maybe – it is too early to tell, more research will be required.
 Don't Know / No Opinion

Do you think the proposed Criminal Code penalties for drug impaired driving are sufficient, or should B.C. consider additional actions to deter drug-impaired driving?

Yes. The proposed Criminal Code penalties for drug-impaired driving are adequate.
 No. The Province should take additional measures to curb drug-impaired driving.
 Don't know / No opinion

What is your level of agreement for the following actions to reduce drug-impaired driving?

	Strongly Agree	Somewhat Agree	Neither Agree nor Disagree	Somewhat Disagree	Strongly Disagree	Don't know / No Opinion
Public education and awareness campaigns	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increased police enforcement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Longer driving prohibitions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Immediate roadside driving prohibitions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Vehicle impoundment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Remedial drug education and counselling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Zero tolerance for new drivers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If you have other actions you would like to suggest, please tell us:

B.C. Cannabis Regulation - Online Feedback Form

65%

Personal Cultivation

Provinces and territories have the option of regulating personal cultivation of non-medical cannabis. The proposed Cannabis Act allows adults to grow a maximum of four plants per residence, to a height of 100 cm each. Adults cannot designate or transfer this allowance to another residence.

Under the proposed Act, adults will be allowed to alter cannabis at home to prepare different types of products for personal use, such as cannabis-infused food or beverages, but may not use dangerous chemicals or solvents in the process. Provinces and territories may establish restrictions on personal cultivation beyond those set out in [Bill C-45](#).

B.C. has several options regarding restrictions on personal cultivation, such as setting restrictions on where and how non-medical cannabis can be grown at home. B.C. could also establish a registration requirement for persons who want to grow non-medical cannabis for personal use. When considering possible restrictions it may be helpful to keep in mind that it is legal in Canada to grow tobacco and produce wine or beer at home for personal use with very few restrictions.

What is your level of agreement for the following statement?

	Strongly Agree	Somewhat Agree	Neither Agree nor Disagree	Somewhat Disagree	Strongly Disagree	Don't know / No Opinion
B.C. should set additional restrictions on where and how British Columbians can grow non-medical cannabis for personal use at home.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If you agree, what additional restrictions should B.C. set on personal cultivation of non-medical cannabis?

Powered by Interceptum

[Previous](#) [Next](#)

Distribution & retail of non-medical cannabis

Provinces and territories must decide the distribution and retail model for non-medical cannabis in their own jurisdiction. Under the proposed Cannabis Act, provinces and territories are responsible for choosing:

- How non-medical cannabis will be distributed
- How non-medical cannabis will be sold

Distribution is the process of making a product or service available for the consumer or business (for example, a retailer) that needs it. **Retailing** is the process of selling goods or services to a consumer (the end user).

Although the proposed Cannabis Act does not place any restrictions on whether cannabis can be sold with other products such as liquor, there are health and [public safety concerns associated with co-consumption and co-sale of liquor and cannabis](#). As a reference point, none of the U.S. states, that have legalized non-medical cannabis, allow liquor and cannabis to be sold together.

Who should be responsible for distributing non-medical cannabis products?

A government operated distribution organization

A private distribution organization or organizations

Mix of both

Don't know/No opinion

Where should non-medical cannabis be sold?

Government-owned and operated retail stores

Private retail stores

Mix of government and private retail stores

Online mail order only

Don't know/No opinion

Do you support selling non-medical cannabis in liquor stores?

	Strongly Support	Somewhat Support	Neither Support nor Oppose	Somewhat Oppose	Strongly Oppose	Don't know / No Opinion
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If sold in retail stores, which requirements should be considered for regulating retail regardless of who operates the stores? (select your top 3)

Where stores can be located

Whether under age youth are allowed on the premises

Number of stores in a given area

Hours stores are open

Training requirements for staff who work in stores

Background checks on staff

Other products that can be sold in stores

Other (please specify below)

None of the above

Don't know/No opinion

B.C. Cannabis Regulation - Online Feedback Form X

 80%

Do you have any additional comments about Cannabis Regulation in B.C. that you would like to share?

Powered by *Interceptum* [Previous](#) [Next](#)

B.C. Cannabis Regulation - Online Feedback Form X

Thank you for taking the time to complete this feedback form.
Please click "Submit" below to submit your responses.

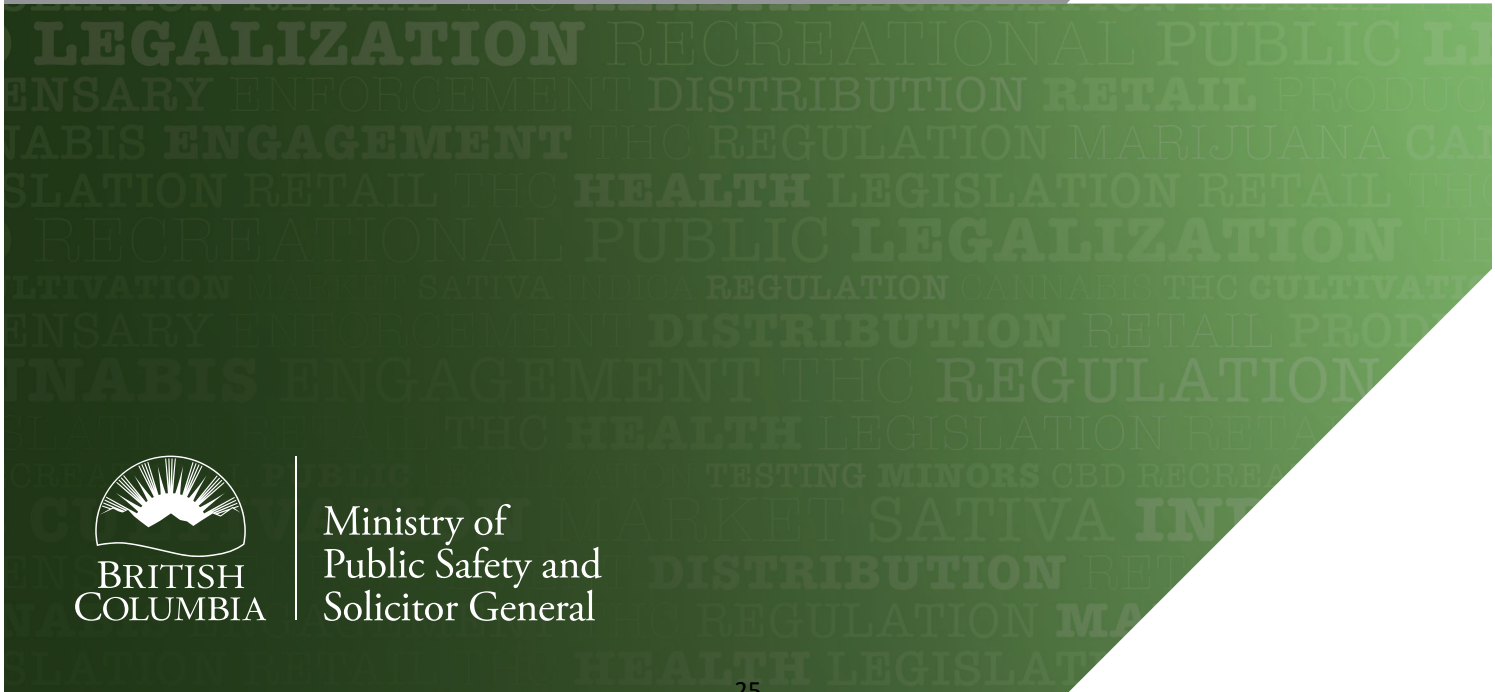
Your feedback will be used along with input from local governments, indigenous groups and organizations as it works to develop a regulatory framework for non-medical cannabis in British Columbia.

Powered by *Interceptum* [Previous](#) [Submit](#)



Cannabis Legalization and Regulation in British Columbia

Discussion Paper



Ministry of
Public Safety and
Solicitor General

Introduction

In 2015, the federal government committed to legalizing non-medical cannabis in Canada. On June 30, 2016, it established the Task Force on Cannabis Legalization and Regulation (the Task Force) to consult and advise on the design of a new legislative and regulatory framework. The [Task Force report](#) was released on December 13, 2016, and provides a comprehensive set of recommendations for governments to consider.

On April 13, 2017, the federal government introduced Bill C-45, the *Cannabis Act* and Bill C-46 (the Act to amend the *Criminal Code*), in the House of Commons. The Bills are currently making their way through the parliamentary process. Bill C-46 amends the *Criminal Code* to simplify and strengthen its approach to alcohol and drug impaired driving, and the federal government plans to move quickly to bring the amendments into force once the Bill receives Royal Assent.

The federal government plans to bring Bill C-45 into force in July 2018; this will make non-medical cannabis legal in Canada as of that date. Bill C-45 is largely based on the recommendations of the Task Force. It seeks to balance the objectives of providing access to a regulated supply of cannabis, implementing restrictions to minimize the harms associated with cannabis use, and reducing the scope and scale of the illegal market and its associated social harms.

The federal government's decision to legalize cannabis creates a corresponding need for provincial and territorial governments to regulate it. While the federal government intends to assume responsibility for licensing cannabis producers and regulating production and product standards, provinces and territories will be responsible for many of the decisions about how non-medical cannabis is regulated in their jurisdictions. These include, but are not limited to: distribution and retail systems; compliance and enforcement regimes; age limits; restrictions on possession, public consumption and personal cultivation; and amendments to road safety laws.

As it considers these important decisions, the BC Government wants to hear from local governments, Indigenous governments and organizations, individual British Columbians, and the broad range of other stakeholders that will be affected by cannabis legalization.

This discussion paper has been prepared to help inform this public and stakeholder engagement. It addresses a number of key policy issues for BC, including minimum age, public possession and consumption, drug-impaired driving, personal cultivation, and distribution and retail. It draws heavily from the analysis of the Task Force, and identifies policy options to consider in developing a BC regulatory regime for non-medical cannabis.

Note that this paper does not address regulation of medical cannabis. For now, the federal government has decided to maintain a separate system for medical cannabis. The Province has a more limited role in the medical cannabis system, and the policy issues and policy choices available are very different, in part because of a history of court cases related to the *Canadian Charter of Rights and Freedoms*.

Minimum Age

While Bill C-45 establishes a minimum age of 18 years to buy, grow, and publicly possess up to 30 grams of non-medical cannabis, provinces and territories can choose to establish a higher minimum age in their jurisdictions. This is consistent with the Task Force recommendations.

- BC could accept the federal minimum age of 18. However, the minimum age to buy tobacco and alcohol in BC is 19. 19 is also the BC age of majority, when minors become legal adults. In addition, since significant numbers of high school students turn 18 before they graduate, a minimum age of 18 could increase the availability of cannabis to younger teens.
- BC could set the minimum age at 19. This would be consistent with the minimum ages for tobacco and alcohol, and with the BC age of majority.
- BC could set the minimum age at 21 or higher. Emerging evidence suggests that cannabis use could affect brain development up to age 25. As a result, many health professionals favour a minimum age of 21.

However, as the Task Force recognized, setting the minimum age too high could have unintended consequences. Currently, persons under 25 are the segment of the population most likely to use cannabis. The greater the number of young users who cannot buy legal cannabis, the more likely that there will continue to be a robust illegal market where they can continue to buy untested and unregulated cannabis.

Finally, it's important to note that a legal minimum age is not the only tool to discourage cannabis use by young persons. As an example, public education campaigns that provide information about how cannabis use can limit academic performance and future opportunities have been found to be effective.

Personal Possession - Adults

Bill C-45 establishes a 30 gram limit on public possession of dried cannabis. Practically, this means that this is the maximum amount that an adult could buy and take home at any one time (for context, one joint typically contains between .33g to 1g of cannabis). The legislation also sets possession limits for other forms of cannabis (e.g. oils, solids containing cannabis, seeds) and the federal government intends to add other types of cannabis products (e.g. edibles) by regulation at a later date.

The 30 gram limit is consistent with the Task Force recommendation and with public possession limits in other jurisdictions that have legalized non-medical cannabis. The reason for public possession limits is that possession of large amounts of cannabis can be an indicator of intent to traffic, so a public possession limit can help law enforcement to distinguish between legal possession for personal use, and illegal possession for the purpose of trafficking.

Provinces and territories cannot increase the public possession limit, but they can set a lower limit. However, a consistent possession limit across the provinces and territories would be easier for the public to understand and comply with.

Personal Possession – Youths

While persons under 18 will not be able to buy or grow cannabis under Bill C-45, they are not prohibited from possessing up to 5 grams of dried cannabis or equivalent amounts for other cannabis products. This is consistent with the Task Force report, which took the position that youth should not be criminalized for possession of relatively small amounts of cannabis. However, provinces and territories can establish laws that prohibit possession by persons under an established provincial minimum age. Such a provincial law would not result in a criminal conviction and would be similar to how BC deals with alcohol – persons under 19 are prohibited from possessing alcohol, and a law enforcement officer can confiscate it and has the option of issuing a ticket.

Public consumption

Bill C-45 will amend the federal *Non-smokers' Health Act* to prohibit cannabis smoking and vaping in certain federally-regulated places (e.g. planes, trains), but regulation of public consumption of cannabis will otherwise fall within provincial and territorial jurisdiction.

BC can restrict where non-medical cannabis can be consumed, and can place different restrictions on different types of consumption (e.g. smoked, eaten). If BC does not legislate restrictions on public consumption by the time Bill C-45 comes into force, it will be legal to smoke, vape, and otherwise consume cannabis in public, including in places where tobacco smoking and vaping are forbidden.

For the purpose of considering potential restrictions on public consumption, it may be helpful to consider cannabis smoking and vaping separately from other forms of consumption.

Cannabis Smoking and Vaping

The Task Force recommended that current restrictions on public tobacco smoking be extended to cannabis. In BC, both tobacco smoking and vaping are currently prohibited in areas such as workplaces, enclosed public spaces, on health authority and school board property, and in other prescribed places such as transit shelters, and common areas of apartment buildings and community care facilities.

BC has a number of options to consider:

- BC could extend existing restrictions on tobacco smoking and vaping to cannabis smoking and vaping – under provincial law, adults would then be allowed to smoke or vape cannabis anywhere they can smoke or vape tobacco. Depending on the regulatory scheme established by the Province, local governments may also be able to establish additional restrictions, such as prohibiting cannabis smoking and vaping in public parks.
- BC could prohibit public cannabis smoking altogether, but allow cannabis vaping wherever tobacco smoking and vaping are allowed. Compared to smoking, vaped cannabis has a reduced odour and is less likely to be a nuisance to passersby. In addition, banning public cannabis smoking could help avoid normalizing cannabis use.

- BC could also prohibit public cannabis smoking and vaping altogether and establish a licensing scheme to allow designated consumption areas, e.g. cannabis lounges. However, it is unlikely that such a licensing scheme could be implemented in time for legalization.

Other forms of consumption:

While edible, drinkable, and topical forms of cannabis will not be commercially available immediately upon legalization, the federal government intends to regulate the production and manufacturing of these products for sale at some point. In addition, adults will be allowed to make their own edible and other products at home.

Public consumption of non-inhaled forms of cannabis would be very difficult to detect and enforce. While BC could legislate restrictions on public consumption of these forms of cannabis, it may be more practical to rely on public intoxication and disorderly conduct laws to manage intoxication issues related to public consumption.

Drug-impaired Driving

With 17% of British Columbians reporting cannabis use within the previous year¹, we know that it's very likely that a number of British Columbians are already driving with cannabis in their system, whether they are impaired or not. In 2016, drugs (cannabis or otherwise) were a contributing factor in fewer than 8% of BC road fatalities; however, legalization raises legitimate concerns about the potential for cannabis-impaired driving to increase, and make our roads less safe.

Drug-impaired driving is already prohibited under the *Criminal Code*, but Bill C-46 would overhaul existing impaired driving provisions and specifically address cannabis impairment. The amendments will provide authority for the federal government to set a blood tetrahydrocannabinol (THC) limit beyond which a person can be criminally charged with cannabis-impaired driving. This is similar to the blood alcohol limits in place for alcohol-impaired driving.

The proposed federal criminal penalties for drug-impaired driving range from a minimum of a \$1,000 fine to up to a maximum of 10 years in jail.

In BC, police who stop an alcohol-impaired driver can charge the driver criminally, but they also have the option of issuing an [Immediate Roadside Prohibition](#) (IRP) or an Administrative Driving Prohibition (ADP) under the BC *Motor Vehicle Act*. Sanctions can include licence prohibitions, monetary penalties, vehicle impoundment, and license reinstatement fees. These programs have been very effective in reducing the number of road fatalities on BC roads.

While the IRP and ADP schemes do not currently apply to drug-impaired driving, police officers in BC do have the option to issue a 24-hour roadside prohibition to a suspected drug-affected driver, with or without a criminal charge.

¹ Canadian Tobacco, Alcohol and Drugs Survey, 2015

One key challenge is that unlike with blood alcohol, there is not enough scientific evidence to link a particular blood THC level with impairment. In fact, it is known that THC can remain in the blood after any impairment has resolved, particularly for frequent users. An IRP or ADP-type scheme would therefore have to rely on other ways to assess impairment, such as a Standard Field Sobriety Test (SFST) conducted by a trained police officer, or evaluation by a Drug Recognition Expert (DRE). The approval of oral fluid screening devices and/or the setting of per se limits by the federal government could also influence the introduction of an administrative regime for drug-impaired driving.

BC could consider one or more of the following to address the risk that cannabis legalization could lead to increased impaired driving:

- BC could launch a public education and awareness campaign to inform British Columbians about the risks and potential consequences of cannabis-impaired driving.
- BC could set a zero-tolerance standard in respect of blood THC content for drivers in the Graduated Licensing Program (drivers with an “L” or “N” designation) and/or for drivers under a specific age threshold.
- BC could invest in SFST and DRE training for more police officers.
- BC could expand the IRP and/or ADP programs to include drug-impaired driving.

Personal Cultivation

Bill C-45 allows adults to grow up to 4 cannabis plants per household, up to a maximum plant height of 100 centimetres. Bill C-45 does not place restrictions on where plants can be located (indoor vs. outdoor) and does not require home growers to put any security measures in place, but it is open to provinces and territories to establish such restrictions.

In considering personal cultivation, the Task Force acknowledged concerns about risks such as mould, fire hazards associated with improper electrical installation, use of pesticides, and risk of break-in and theft. However, it noted that these concerns were largely shaped by experience with large scale illegal grow operations, and found that on balance, allowing small-scale home cultivation of up to four plants was reasonable.

The Task Force recognized the need for security measures to prevent theft and youth access, and for guidelines to ensure that cannabis plants are not accessible to children. The Task Force also suggested that local authorities should establish oversight and approval frameworks, such as a requirement that individuals be required to notify local authorities if they are undertaking personal cultivation.

In thinking about possible restrictions on personal cannabis cultivation, it may be helpful to keep in mind that it is legal in Canada to grow tobacco and to produce wine or beer at home for personal use with

very few restrictions. In particular, the law does not require specific security measures to prevent theft, or access by children and youth.²

BC has several options to consider regarding restrictions on home cultivation of non-medical cannabis:

- BC could adopt a lower limit than 4 plants per household for non-medical cannabis cultivation.
- BC could set restrictions regarding where and how non-medical cannabis can be grown at home. For example, it could: prohibit outdoor cultivation; allow outdoor cultivation but require that plants not be visible from outside the property; and/or require that any outdoor plants be secured against theft.
- BC could establish a registration requirement for persons who want to grow non-medical cannabis at home. However, there would be significant costs associated with administering a registration requirement, and the benefits may be questionable, since those who do not plan to comply with laws on home cultivation may be unlikely to register in the first place.
- If BC decides not to implement one or more of the above measures, local governments could be authorized to do so.

Distribution Model

Under Bill C-45, each province or territory will decide how cannabis will be distributed in its jurisdiction. Distribution is the process by which goods are supplied to retailers that sell to consumers. Distributors are often called wholesalers.

There are three basic models for the warehousing and distribution of cannabis to retailers in BC: government, private, or direct.

- Government distribution – In this model, government would be responsible for warehousing and distribution of cannabis. Licensed producers would send cannabis products to a government distributor, which would then fill orders from cannabis retailers. Government distribution allows for direct control over the movement of cannabis products, but requires significant up-front investment and set-up. The Task Force heard strong support for government distribution, noting that it has proven effective with alcohol.
- Private distribution – In this model, one or more private businesses could be responsible for the physical warehousing and distribution of cannabis. However, significant government oversight would be required in the form of licensing, tracking and reporting requirements, as well as regular audits and inspections.
- Direct distribution – In this model, the province would authorize federally licensed producers to distribute their own products directly to retailers. This model would also require significant

² Parents have a general legal duty to supervise and keep their children safe, but the law does not create specific requirements to protect children from all of the potential dangers that may be present in a home (e.g., alcohol, prescription drugs, and poisons).

government oversight and could make it challenging for smaller producers to get their products to market.

Retail

Under Bill C-45, each province or territory will decide the retail model for cannabis in its jurisdiction. Recognizing that the July 2018 timeline may not give provinces or territories enough time to establish their retail regimes before legalization, the federal government will implement an online retail system as an interim solution.

BC has a number of options for retail:

- BC could establish a public or private retail system, or potentially a mix of both, as currently exists for alcohol. A public system would require significant up-front investment in retail infrastructure, but there could also be additional revenue generated from retail sales. A private system would require a more robust licensing, compliance and enforcement system, but the associated costs could be recovered through licensing fees.

In a private retail system, it could be possible to allow some existing illegal dispensaries to transition into the legal system; in a public system such as that planned in Ontario, this would not be possible.

- BC could require that cannabis be sold in dedicated storefronts, or it could allow cannabis to be sold out of existing businesses such as liquor stores or pharmacies.

One public health concern about co-locating cannabis with other products is that it could expose significant numbers of people to cannabis products who might not otherwise seek them out; this could contribute to normalization or more widespread use. In addition, the Task Force strongly recommended against allowing co-location of alcohol or tobacco sales with cannabis, but recognized that separating them could be a challenge in remote communities where a dedicated cannabis storefront might not be viable.

- BC could establish a direct-to-consumer mail-order system. This could help provide access to legal cannabis for those in rural and remote locations and persons with mobility challenges.

Conclusion

Cannabis legalization presents complex policy challenges for the Province. We expect that, as in other jurisdictions that have legalized, it will take several years to develop, establish, and refine an effective non-medical cannabis regime that over time eliminates the illegal market. The information gathered through this engagement will inform the Province's policy decisions. We appreciate your interest and feedback.

Section SR

SR1 Local Government Role in BC Framework for Cannabis

UBCM Executive

Whereas the federal government intends to legalize cannabis by July 2018, and to date the provincial government has conducted minimal consultation with local government regarding the development and implementation of a BC framework for cannabis;

And whereas within a BC framework for cannabis, it is likely that a substantial portion of the regulatory burden and associated costs—for example, in the areas of compliance and enforcement—will fall on local government:

Therefore be it resolved that the UBCM membership endorse the following principles to guide UBCM's advocacy with the provincial government regarding local government's role in a BC framework for cannabis:

- fulsome and meaningful provincial consultation with local governments;
- provision of adequate provincial funding to cover any responsibilities and increase in administrative burden of any provincial framework that requires local government participation;
- equitable sharing of tax revenues from cannabis between all orders of government; and
- respect for local choice, jurisdiction and authority, including but not limited to land use and zoning decisions.

UBCM Resolutions Committee recommendation: **Endorse**

UBCM Resolutions Committee comments:

The Resolutions Committee understands that legalization of cannabis has emerged as a major policy issue for UBCM and its membership, as local governments stand to face widespread impacts. Recently tabled federal legislation (Bill C-45 and Bill C-46) has provided greater clarity regarding federal and provincial frameworks that may be developed, and potential areas of responsibility for all orders of government. With the expectation that a 'made in BC' framework will be developed by July 2018, the UBCM Executive has put forward Special Resolution 1 (SR1), consistent with current policy, to provide broad organizational direction.

1. Rationale

Special Resolution 1 addresses an emerging policy issue for British Columbia local governments; one that was only recently given some clarity through the tabling of federal legislation (Bill C-45 and Bill C-46). Legislation has provided information on federal, provincial and potential local government areas of responsibility, while also leaving provinces and territories to create their own unique cannabis legalization frameworks. The federal government intends to legalize cannabis by July 2018, leaving provinces and territories little time to develop their frameworks, or allow a federal mail order system to prevail.

With this in mind, the UBCM Executive has proposed SR1 to provide broad organizational direction going forward. SR1 is consistent with past policy (2016-A2 and 2016-A3), the results of UBCM's cannabis survey, and information obtained through participation in local government working groups. UBCM's Community Safety Committee and Healthy Communities Committee have vetted the resolution, which was endorsed by UBCM's Executive in July 2017.

2. Current UBCM Policy

BC local governments endorsed two resolutions at UBCM's 2016 Convention that are directly related to the federal government's initiative to legalize cannabis:

2016-A2 *Marijuana Regulations*

That UBCM request that the federal and provincial governments directly involve local government, through UBCM and FCM, in the process of establishing a regulatory approach to marijuana in Canada, while ensuring that all orders of government are granted adequate time to align and integrate regional and local regulations and practices with new federal laws.

That UBCM call on the federal government to request that a portion of any future federal or provincial tax collected through marijuana sales and distribution be shared with local governments, and that the concept of tax sharing with local governments be forwarded to the task force looking into the new system of marijuana sales and distribution, for consideration.

3. UBCM Cannabis Legalization Survey

On March 29, 2017, UBCM distributed a survey to its membership, seeking input on a number of issues related to the legalization and regulation of non-medical cannabis (e.g. revenue sharing, consultation, implementation, potential repercussions, and attitudes towards legalization) as well as issues related to medical cannabis.

One of the most cited concerns among the 57 respondents was the potential for a transfer of responsibilities to local governments without accompanying funding from other orders of government. When asked to indicate their three primary concerns regarding a legalized cannabis regime, 78.9% of respondents selected “downloading of duties onto local governments” as a concern. Many respondents were also concerned with the potential distribution of revenue, and the necessity for local governments to receive a share, especially if they were to assume new responsibilities. This is consistent with UBCM resolution 2016-A3, which requested that a portion of any future federal or provincial tax collected through cannabis sales and distribution be shared with local governments.

The lack of communication and consultation between federal and provincial orders of government and local governments was also apparent, with only 7.2% of respondents having been directly consulted by the federal government, federal Task Force on Cannabis Legalization and Regulation, or the provincial government. Many respondents refrained or were unable to answer portions of the survey due to a lack of federal/provincial communication.

The survey results are available on the Cannabis Regulation page of the UBCM website:

<http://ow.ly/ub0G30eLye0>

4. Background

On April 13, 2017, following approximately ten months of work by the federal Task Force on Cannabis Legalization and Regulation, the federal government tabled long awaited cannabis legalization and enforcement legislation (Bill C-45 and Bill C-46), with the intention of legalizing cannabis by July 2018.

Federal legislation places emphasis on keeping cannabis away from children, and profits out of the hands of criminals. This is accomplished in part by imposing a set of strict penalties for those who operate outside the legalized system, including but not limited to:

- up to 14 years in jail for selling cannabis to anyone under 18, or using someone under 18 to commit a cannabis-related offence;*
- up to 14 years in jail for taking cannabis across international borders; and*
- up to 14 years in jail for production beyond permitted personal cultivation.*

There are also promotional restrictions, including a ban on any promotion (e.g. celebrity endorsements), packaging or labeling that could be appealing to children. This includes a restriction on selling cannabis through any self-service display or vending machine.

Initially, sales will be restricted to fresh and dried cannabis, oils and seeds, and plants for cultivation. Edibles will be legalized and regulated once appropriate rules for their production and sale are developed. Individuals will initially be able to make cannabis products (e.g. foods, drinks) at home under some restrictions.

Cannabis production, distribution and possession outside the federal medical cannabis program will remain illegal until new laws are in place. This includes a ban on importing and exporting cannabis-related products. The federal government has set aside \$9.6 million for a comprehensive public awareness campaign that will focus on youth, health and safety risks, and surveillance.

a) Federal Responsibilities

As expected, the federal government will be responsible for the supply of cannabis. This entails a number of responsibilities, including:

- *establishing a federal licensing regime for cannabis production;*
- *monitoring and setting requirements for federally licenced producers;*
- *setting industry-wide standards around the following:*
 - *types of products available;*
 - *packaging and labelling requirements;*
 - *serving sizes and potency standards;*
 - *prohibiting the use of certain ingredients;*
 - *promotional restrictions;*
- *seed to sale registry to track products and ensure cannabis comes from a legal source;*
- *restrictions on adult access to cannabis;*
- *establishing criminal penalties for those operating outside the legal system;*
- *enforcing law at the border; and*
- *managing Canada's international treaty commitments.*

The federal government has also been placed in charge of establishing minimum conditions that provincial and territorial legislation for distribution and retail would be required to meet to ensure consistency. These minimum conditions are in areas such as minimum age of consumption, personal possession limits, and personal cultivation.

Should provinces and territories fail to enact legislation regulating cannabis sales prior to the date of legalization, there are provisions in place that will allow recreational cannabis to be purchased by individuals through mail orders from federally licenced producers.

b) Provincial Responsibilities

There are a number of responsibilities transferred to provincial and territorial governments as part of Bill C-45; some are constrained by minimum federal conditions, while others are at the discretion of provinces and territories. These responsibilities include:

- *setting a minimum age for consumption (minimum set at 18 by the federal government);*
- *establishing distribution and personal possession limits within the federal maximum of 30 grams per adult, 5 grams per "young person" aged 12-18 (adults and young persons are permitted to distribute limited quantities of cannabis, but are not permitted to sell cannabis);*
- *regulation of personal cultivation operations (maximum number of plants set at 4 per residence with a 100 cm height limit by the federal government);*
- *creating restrictions around where adults can consume cannabis (e.g. public places, vehicles, designated lounges, etc.);*
- *licensing distribution and retail operators (where cannabis will be sold), and carrying out associated compliance and enforcement activities;*
- *establishing provincial zoning rules; and*
- *amending provincial traffic safety laws to address impaired driving.*

c) *Other Issues*

In addition to Bill C-45, the federal government concurrently tabled Bill C-46, providing for new enforcement powers related to cannabis and alcohol. Essentially, it will be considered impaired driving to have “a blood drug concentration that is equal to or exceeds the blood drug concentration for the drug that is prescribed by regulation” within two hours of operating a motor vehicle. How this will be measured and determined is not clear. The federal government still has not determined what constitutes an illegal blood alcohol or blood drug concentration. Research continues into the development of a device that can detect tetrahydrocannabinol (THC) levels from an individual’s saliva.

As part of this legislation, the police will have the authority to request a roadside alcohol breath test at any time, but may only request a cannabis saliva sample if they have reason to suspect an individual has been using cannabis.

Despite legislation giving stakeholders and Canadians a better idea of what a legalized regime will entail, it still leaves unresolved issues. These issues include, but are not limited to:

- federal and provincial tax rates;*
- packaging rules and regulations;*
- date that edibles will be introduced into the legalized framework;*
- restrictions for making cannabis products at home (e.g. foods, drinks);*
- information around police enforcement tools and regulations; and*
- compensation for provinces, territories and local governments related to enforcement and other resources expended as part of the legalization and regulation of cannabis.*

See also resolutions B88 and C2.

Conference decision: