

Briefing Note

Title	2:00 p.m. - Continuation of Public Hearing for Bylaw 1463/19 – Land Use Bylaw Amendments Pertaining to the Legalization of Cannabis
Issue	To provide an opportunity for members of the public to provide comments regarding Bylaw 1436/19.
Previous Council Direction	<p><u>June 25, 2019</u> The public hearing was recessed until August 27, 2019 to allow for continued advertising to the public.</p> <p><u>May 14, 2019</u> Motion 161/19: That Council give first reading to Bylaw 1436/19.</p> <p><u>June 26, 2018</u> Motion 187/18: That Council give second reading to Bylaw 1405/18. Motion 188/18: That Council give third reading to Bylaw 1405/18.</p> <p><u>May 8, 2018</u> Motion 144/18: That Council give first reading to Bylaw 1405/18, to amend Land Use Bylaw 1385/17 to add Cannabis definitions.</p> <p><u>March 13, 2018</u> Motion 075/18: That Council direct Administration to initiate the process to amend the Land Use Bylaw to add definitions in anticipation of the legalization of cannabis. Motion 074/18: That Council accept the Cannabis Legalization Information Report as information.</p>
Report	<p><u>Background Information</u> This public hearing is a continuation of the public hearing opened on June 25, 2019. At the June 25 Council meeting, Administration proposed amendments to the Bylaw that were substantial enough to require a continuation of the public hearing in order to receive additional public input arising from these proposed amendments.</p> <p>This briefing note provides the same background as the original briefing note, and also outlines and elaborates upon Administration’s proposed changes.</p>

As of October 2018, changes to federal laws have allowed for the legalization of recreational cannabis use, production, distribution and sales. These amendments also provide for the sale of edible cannabis products becoming legal one year following the enactment of the original legislation. Therefore, edible cannabis products will become legal by October 2019, allowing for additional cannabis-related uses such as “edible lounges” or consumption venues.

As a result of regulatory changes at the federal and provincial levels, municipalities have been delegated several responsibilities. Relevant responsibilities include:

- Location of retail stores and land-use related rules; and
- Land Use and zoning regulations.

Sturgeon County passed an initial set of amendments to the Land Use Bylaw (LUB) (Bylaw 1405/18 - Cannabis Amendments to LUB 1385/17) to define cannabis-related uses and exclude these uses from occurring until further due diligence at the County level is completed.

In 2018 and early 2019, Sturgeon County conducted two public engagement sessions. These sessions assessed where cannabis-related facilities would be most appropriately located, what regulations are most appropriate and what the general sentiment is towards cannabis-related industry in Sturgeon County.

The attached set of amendments, including the modifications proposed by Administration at the June 25, 2019 public hearing, support the indicated public sentiment by creating a foundation for cannabis-related business opportunities within the municipality and also protecting resident interests.

Some other survey questions had responses that were almost evenly split. In these cases, Administration has taken an approach that balances the public responses with strategic planning goals.

During the second public engagement session, the County received comments and feedback regarding micro-sized versus standard-sized facilities for cultivation and processing. Comments from the survey addressing this issue are included in Attachment 5 “Survey Comments Regarding Micro Facilities,” and Attachment 4 “Micro vs. Standard Facilities” (previously presented to Council) provides detailed information regarding sizes and capacities of micro-sized versus standard-sized facilities.

Following Administration’s presentation to Committee of the Whole on March 26, 2019, provisions for micro-production and distribution were added to Bylaw 1436/19.

New definitions (*Cannabis production & distribution, micro & Cannabis production and distribution, standard*) were added to differentiate between micro and standard scales of production as listed uses.

Administration has compiled a draft bylaw amendment that addresses the following cannabis-related uses:

- Cannabis production & distribution;
- Cannabis retail; and
- Cannabis consumption venues.

These amendments add *Cannabis Production and Distribution, Standard* as permitted uses in Industrial Districts I3, I4 and I5, and as a discretionary use in the AP (Airport Support) District. They provide detailed special regulations for these uses.

Cannabis Production and Distribution, Micro is added wherever standard sized facilities are allowed; in addition, micro sized uses are added as discretionary uses in the AG – Agricultural district.

The proposed amendment proposes to “combine” both medical and recreational cannabis uses in order to treat them the same. Thus, cannabis is no longer referred to as either “medical” or “recreational”. The definition for exclusively medical-related cannabis uses, *Medical Marijuana Production Facility*, is removed in this set of amendments.

Special regulations for both standard and micro sized cannabis facilities require that landscaping and noise assessment and mitigation requirements may be imposed by the development authority. Further, a mitigation plan outlining how noise, odour, traffic, dust, and other impacts will be mitigated for standard-sized facilities. A public engagement session may also be required by the development authority for either size of cannabis facility.

Micro-sized cannabis facilities must be set back a minimum of 100 metres from a dwelling on an adjacent parcel districted AG and a minimum of 300 metres from a dwelling on an adjacent parcel districted R1 - R6. Only *one* micro-sized cannabis facility is permitted per parcel.

Amendments proposed by Administration at the June 25, 2019 public hearing changed the micro setbacks from a flat 300-metre setback, to 100 metres from a dwelling on an adjacent parcel districted AG. This change was proposed to reduce the dead zones that would sterilize most land from potential micro-cannabis development. The proposed setback between a standard sized facility and a dwelling on an adjacent parcel is 400 metres.

An additional setback of 150 metres that cannot be varied by the development authority is proposed between micro-cannabis facilities and provincial healthcare facilities, schools and municipal and school reserve.

This setback also comes following the recommendations received at the June 25, 2019 public hearing.

The amendments also propose to add *Industrial Hemp* as a permitted use in the Agricultural District in both AG-Major and AG-Minor. In addition, *Industrial Hemp* is added as a use that is exempt from requiring a development permit under Sturgeon County’s Land Use Bylaw.

Retail cannabis uses are provided for in the County’s commercial districts. Detailed regulations for retail stores are also added to the special regulations of the Land Use Bylaw. Administration has found no significant instances where retail stores would be precluded due to the proximity of a commercially zoned parcel to a school or other development requiring minimum setbacks.

Cannabis consumption venues are defined in the proposed amendment, and this use is specifically omitted from similar uses that could be otherwise interpreted to include cannabis consumption venues.

The following table summarizes the new cannabis-related uses (both confirmed uses and proposed uses), the districts they are proposed in and whether they are permitted or discretionary uses.

Council retains the ability to create a Direct Control District if they believe that special circumstances exist.

	Retail, Cannabis	Cannabis Production & Distribution Minor	Cannabis Production & Distribution Standard	Cannabis Consumption Venue	Industrial Hemp
C1 – Highway Commercial	D				
C2 – Local Commercial	D				
C3 – Neighbourhood Commercial	D				
I3 – Medium Industrial Unserviced		P	P		
I4 – Medium Industrial Serviced		P	P		
I5 – Heavy Industrial		P	P		
AG - Agricultural		D			P
AP – Airport Support		D	D		

D – Discretionary Use P – Permitted Use

External Communication

- Research involving other municipalities, including inquiries into their practices and results when making cannabis-related Bylaw amendments.
- Discussion at Regional Development Officers’ Forum regarding how other municipalities in the region are approaching this topic.
- Two public engagement sessions (May 3 and December 4, 2018) have been held, each including a drop-in session and an online public survey.
- Advertisement for the public hearing was deployed throughout Sturgeon County. An advertisement was placed in two newspapers circulating in Sturgeon County, in accordance with the requirements of the *Municipal Government Act*. The public hearing was also advertised at Sturgeon County’s Open House (June 7, 2019), on the municipality website, through signage in the main lobby of Sturgeon County Centre, and on social media.
- The secondary notification for the continuation of the public hearing mirrored advertisement for the initial public hearing. An advertisement of the public hearing continuance was placed in the same newspapers in accordance with the requirements of the *Municipal Government Act*. Signage in the main lobby of the Sturgeon County Centre was adjusted to reflect the new information, and updated information was further circulated via the municipality’s website and social media.

Relevant Policy/Legislation/Practices:

- Federal:
 - Bill C-45 – *Cannabis Act*
 - Bill C-46 – *Criminal Code* Amendments
- Provincial:
 - Bill 26 – An Act to Control and Regulate Cannabis
 - Alberta Cannabis Framework
 - Gaming, Liquor, and Cannabis Regulations

Implication

Strategic Alignment:

Focus Area: Planned Growth and Prosperity

Community Outcome: We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment.

- Sturgeon County has a thriving business environment that supports a strong economic foundation.
- Transparent and consistent bylaws, policies and processes that enable responsible land development in the County.

	<p><u>Organizational:</u></p> <p>Amending the Land Use Bylaw to create new regulations for the classifications described above makes assessment of applications and inquiries for cannabis-related uses more consistent and thorough.</p> <p>Having consistent regulations in place makes communication with outside stakeholders and interested parties easier.</p> <p><u>Financial:</u></p> <p>Dependent on the final set of regulations approved.</p> <p>Minimal cost difference from cannabis-related facilities being approved as uses versus other activity types in industrial areas.</p> <p>Revenue changes and losses when compared to alternative industrial development due to the Agricultural assessment of cannabis production areas.</p>
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Follow Up Action	<ol style="list-style-type: none"> 1. If determined necessary, refine Bylaw 1436/19. 2. Bring Bylaw 1436/19, as amended, forward to Council for consideration of second and third readings.
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Attachment (s)	<ol style="list-style-type: none"> 1. Bylaw 1436/19 2. Public Engagement on Cannabis: Survey No. 2 3. Micro vs. Standard Facilities 4. Survey Comments Regarding Micro Facilities
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Report Reviewed by:	<p> Colin Krywiak, Manager, Development Services</p> <p> Collin Steffes, General Manager, Integrated Growth</p> <p> Reegan McCullough, County Commissioner – CAO</p>
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