

Briefing Note

Title	Draft Land Use Bylaw Amendments Pertaining to the Legalization of Cannabis
Issue	As of October 2018, recreational cannabis is legal in Canada. Sturgeon County has engaged the public to inform them of the development of regulations for cannabis-related uses.
Previous Council Direction	<p>March 13, 2018 Motion 074/18: That Council accept the Cannabis Legalization Information Report as information.</p> <p>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.</p> <p>May 8, 2018 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>June 26, 2018 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>
Report	<p><u>Background Information</u></p> <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.</p> <p>Similar changes in provincial legislation have established the framework for systems permitting and regulating cannabis. As a result, municipalities have been delegated several responsibilities. Relevant responsibilities include:</p> <ul style="list-style-type: none"> ○ Location of retail stores and land-use related rules; and ○ Land Use and zoning regulations. <p>Sturgeon County passed an initial set of amendments to the Land Use Bylaw (Bylaw 1405/18: Cannabis Amendments to LUB 1385/17) to define</p>

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 towards cannabis-related industry in Sturgeon County is.

Survey results indicated that most people support retail cannabis uses (79%) and cannabis production and distribution uses (81%) in Sturgeon County. These amendments support this public sentiment by creating a foundation for these business opportunities within the municipality.

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 4: "Survey Comments," and Attachment 3 provides detailed information regarding sizes and capacities of micro-sized versus standard-sized facilities. In short, micro-cultivation may not exceed a plant canopy area of 200 m² (2,150 square feet) and a micro-processing facility may not exceed 600 kilograms of dried cannabis annually. Standard-sized facilities have no cap on their physical size or production capacity.

The current proposals in the Bylaw amendments do not address micro-sized facilities; however, if Council feels that this should be done at the present time, they can be changed prior to first reading. In Administration's opinion, a micro-cultivation facility could be considered as a Non-Residential Type 4 within the Agricultural District.

The results of the engagement sessions have been provided to Council most recently at an Informal Briefing to Council on February 5, 2019.

Administration has compiled a draft of regulations and bylaw amendments addressing the following cannabis-related uses:

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

These amendments add Cannabis Production and Distribution 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.

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.

These 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 still has the ability to create a Direct Control District if they believe that special circumstances or consideration exist. For instance, standard-sized facilities for cultivation and processing may require a redistricting to Direct Control in the AG District.


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

D – Discretionary Use P – Permitted Use

	<p><u>External Communication</u></p> <ul style="list-style-type: none"> • 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. <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> • Federal: <ul style="list-style-type: none"> ○ Bill C-45 – <i>Cannabis Act</i> ○ Bill C-46 – <i>Criminal Code Amendments</i> • Provincial: <ul style="list-style-type: none"> ○ Bill 26 – An Act to Control and Regulate Cannabis ○ Alberta Cannabis Framework ○ Gaming, Liquor, and Cannabis Regulations
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<p>Implication</p>	<p><u>Strategic Alignment:</u></p> <p>Focus Area: Planned Growth and Prosperity</p> <p>Community Outcome: We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment.</p> <ul style="list-style-type: none"> ○ 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>
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	Revenue changes and losses when compared to alternative industrial development due to the Agricultural assessment of cannabis production areas.
Follow Up Action	1. Administration will bring this item to an upcoming Council meeting for first reading of a Land Use Bylaw amendment.
Attachment (s)	<ol style="list-style-type: none"> 1. Draft Bylaw 2. Public Engagement on Cannabis: Survey No. 2 3. Micro vs. Standard Facilities (Attachment 3) 4. Survey Comments Regarding Micro Facilities (Attachment 4)

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