

## Request for Decision

<b>Title</b>	<b>Bylaw 1436/19 - Land Use Bylaw Amendments Pertaining to the Legalization of Cannabis (First Reading)</b>
<b>Proposed Motion</b>	That Council give first reading to Bylaw 1436/19.
<b>Administrative Recommendation</b>	In light of the new federal and provincial framework for cannabis effective October 2018, Administration recommends and brings forward for first reading the adoption of an amendment to Sturgeon County’s Land Use Bylaw that includes special regulations for cannabis related uses and permissions for cannabis related uses in certain land use districts.
<b>Previous Council Direction</b>	<p><u>March 13, 2018</u> 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><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>June 26, 2018</u> Motion 187/18: That Council give second reading to Bylaw 1405/18.</p> <p>Motion 188/18: That Council give third reading to Bylaw 1405/18.</p>
<b>Report</b>	<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>As a result of regulatory changes at the federal and provincial levels, municipalities have been delegated several responsibilities. Relevant responsibilities include:</p> <ul style="list-style-type: none"> <li>○ Location of retail stores and land-use related rules; and</li> <li>○ Land use and zoning regulations.</li> </ul>

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Sturgeon County passed an initial set of amendments to the Land Use Bylaw (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.

This set of amendments support indicated public sentiment by creating a foundation for cannabis-related 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 the attachment titled, "Survey Comments Re Micro Facilities"; and the attachment titled, "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 have been added to Bylaw 1436/19.

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

Administration has compiled a draft of regulations and bylaw amendments addressing 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 will be required. 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 300m from a dwelling on an adjacent parcel, and only one micro-sized cannabis facility is permitted per parcel. The setback between a standard-sized facility and a dwelling on an adjacent parcel is 400m.

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 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**

	<p><u>External Communication</u></p> <ul style="list-style-type: none"> <li>• Research involving other municipalities, including inquiries into their practices and results when making cannabis-related bylaw amendments.</li> <li>• Discussion at Regional Development Officers’ Forum regarding how other municipalities in the region are approaching this topic.</li> <li>• Two public engagement sessions (May 3 and December 4, 2018) have been held, each including a drop-in session and an online public survey.</li> </ul> <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> <li>• Federal: <ul style="list-style-type: none"> <li>○ Bill C-45 – <i>Cannabis Act</i></li> <li>○ Bill C-46 – <i>Criminal Code Amendments</i></li> </ul> </li> <li>• Provincial: <ul style="list-style-type: none"> <li>○ Bill 26 – An Act to Control and Regulate Cannabis</li> <li>○ Alberta Cannabis Framework</li> <li>○ Gaming, Liquor and Cannabis Regulations</li> </ul> </li> </ul>
<p><b>Implication of Administrative Recommendation</b></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"> <li>○ Sturgeon County has a thriving business environment that supports a strong economic foundation.</li> <li>○ Transparent and consistent bylaws, policies and processes that enable responsible land development in the County.</li> </ul> <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>
<p><b>Alternatives Considered</b></p>	<p>1. Council can refer the bylaw to Administration for more information, prior to considering first reading of the bylaw.</p>

	2. Council can refuse to grant first reading of the bylaw, which would result in the County not proceeding with the necessary preparation for the legalization of cannabis.
<b>Implications of Alternatives</b>	<p><u>Strategic Alignment</u></p> <ul style="list-style-type: none"> <li>Alternative 1: Administration believes that there is enough information for Council to approve first reading of the bylaw, thereby advancing to a Public Hearing to gather public input on the proposed amendment. This also provides the affected landowners opportunity to state any concerns or support that they may have.</li> <li>Alternative 2: If Council refuses to grant first reading, the proposal will be defeated.</li> </ul> <p><u>Organizational:</u></p> <ul style="list-style-type: none"> <li>Alternative 1: Administration will revise the Bylaw, as required.</li> <li>Alternative 2: If first reading is refused, Administration will deal with cannabis inquires on an ad hoc basis.</li> </ul> <p><u>Financial:</u></p> <ul style="list-style-type: none"> <li>Alternative 1: This will require additional staff time.</li> <li>Alternative 2: Administration will close the amendment file.</li> </ul>
<b>Follow up Action</b>	Administration will coordinate the scheduling and advertising of the Public Hearing.
<b>Attachment(s)</b>	<ol style="list-style-type: none"> <li>1. Bylaw 1436/19</li> <li>2. Public Engagement on Cannabis: Survey No. 2</li> <li>3. Micro vs. Standard Facilities</li> <li>4. Survey Comments Re Micro Facilities</li> </ol>
<b>Report Reviewed by:</b>	<p> Colin Krywiak, Manager, Current Planning &amp; Development</p> <p> Collin Steffes, General Manager, Integrated Growth</p> <p> Reegan McCullough, County Commissioner – CAO</p>

### Strategic Alignment Checklist

**Vision:** Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.

**Mission:** Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.

Focus Areas	Not consistent	N/A	Consistent
<b>Strong Local Governance and Regional Leadership</b>			
<i>We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Consistent with neighborhood role (see MDP), master plans, policies</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Considers fiscal stability and sustainability</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Has a positive impact on regional and sub-regional cooperation</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Respect the Natural Environment</b>			
<i>We acknowledge the importance of a healthy environment and will minimize and monitor our impact on ecosystems (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Compliance with Provincial and Federal regulations and/or legislation</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Ensure effective environmental risk management</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Community Identity &amp; Spirit</b>			
<i>We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Promotes and/or enhances residents' identification with Sturgeon County</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Enhances service provision through community partnerships</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Supports Sturgeon County's cultural history</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Planned Growth and Prosperity</b>			
<i>We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Considers cumulative costs and long-term funding implications</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Targets growth around current or planned infrastructure</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Maintain and Enhance Strong Communities</b>			
<i>We are committed to a safe, secure community, where our residents are respected and provided with access to opportunities. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Positive impact on residents' quality of life</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Supports and promotes volunteer efforts</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Provides programs and services that are accessible to all residents</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Operational Excellence</b>			
<i>We have the organizational capability to deliver consistent and defined levels of service to all stakeholders in a professional, efficient, and cost-effective manner</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Staff have the knowledge, skills and capability to perform their jobs</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Streamlines operational processes and policies</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Promotes engagement and professional interaction with stakeholders</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>