

Health Canada

AAMDC SUBMISSION

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Partners in Advocacy & Business

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The Alberta Association of Municipal Districts and Counties (AAMDC) advocates on behalf of Alberta's rural municipalities. AAMDC members have several common traits: large land masses, relatively small populations, and a lack of a traditional "population center." AAMDC members provide municipal governance to approximately 85% of Alberta's land mass, and therefore have unique concerns and perspectives related to the legalization of recreational cannabis when compared to urban municipalities.

This submission seeks to inform Health Canada of the rural municipal perspective on several cannabis-related issues specific to the proposed approach to the regulation of cannabis released in November 2017. The proposed approach fails to acknowledge that the regulation of cannabis, including the distribution of licences and permits, will have significant impacts to municipalities, particularly rural municipalities, and it will be critical for these regulations to define, in detail, where these regulations will encounter municipal responsibilities and how these impacts will be mitigated. The following submission suggests where Health Canada can integrate municipal references into the regulations. The AAMDC appreciates the opportunity to submit the perspectives on the regulation of recreational cannabis on behalf of the rural municipalities of Alberta.

1. Municipal Role in Cultivation and Processing Licensing

For many rural municipalities, the most significant impact of legalization will be related to the siting of cultivation and processing facilities. Cannabis production and processing has the potential to provide mutual economic benefits to both industry and host municipalities, but to do so the licensing of such facilities must be based in part on alignment with municipal plans and compliance with municipal bylaws. Municipalities hosting such facilities will be impacted in a number of areas, including land use planning, taxation and assessment, emergency response, service delivery, infrastructure planning and maintenance, and others. If properly involved in the license review process, most municipalities will likely welcome such facilities, and ensure they have adequate services and infrastructure. However, if municipal plans and priorities are not considered, municipalities may face unreasonable challenges, which could lead to a contentious relationship between the municipality and facility owner.

One of the most critical components of recreational cannabis production is the relationship between the cannabis facility owner and host municipality. The AAMDC would appreciate clarity as to which entity (facility owner or Health Canada) will be required to give notice to local government, emergency response and policing authorities. Municipalities will need to gain an understanding of which entity will be in contact to notify them of recreational cannabis activities within their jurisdiction. This should be the responsibility of the licence applicant, and should be done prior to submitting the application.

Further, licence applicants should be required to prove that they have engaged with the host municipality prior to the licence being approved and distributed to ensure that the two entities are aware of and in agreement to the activities that will be taking place within their jurisdiction. Before approving any application for recreation cannabis activities within municipal jurisdictions, Health Canada should at least consider municipal plans and how they may be impacted by the approval of the proposed application. In order to have their licences approved, applicants should be required to confirm that they will comply with provincial building codes and municipal bylaws in

addition to any federal requirements, and identify measures that they will take to prevent the escape of odors and any other potential nuisances associated with the facility.

The AAMDC appreciates that this requirement may create an extra step and increased administration for both the licensee and the municipality in the licence application process; however, it would, at least in the initial years of recreational cannabis legalization, facilitate open dialogue and build trust between the two entities. The production of recreational cannabis will initially be unfamiliar to many municipalities, and addressing land use and regulatory concerns related to legalization will be a significant undertaking for rural municipalities to fully understand the implications for hosting a recreational cannabis production facility within their jurisdiction.

2. Authorized Activities for Cannabis Production

It is proposed in the regulations that there will not be a limit the amount of cannabis that could be cultivated under a standard cultivation licence. It will be imperative for the producer to notify and discuss the scale of the production with the hosting municipality prior to license approval, as the scale of a facility will significantly impact the level of municipal services (e.g. water) required. Rural municipalities may not be able to provide the required level of service to a large production facility without compromising the level of service they provide to the community, which is their primary responsibility. In addition, it needs to be clarified if one licence is for one facility or if one licence covers multiple locations of facilities. There may be confusion if one licence allows for multiple locations of production facilities, particularly related to notification requirements for local governments. The AAMDC suggests that each facility should be required to have its own licence.

Under the proposed approach, there will be no restrictions on the ability of a single person, an individual or an organization, to be authorized to conduct multiple activities per site. Municipalities may not be aware that multiple activities will be allowed to take place within one facility, nor aware of the implications this will have on zoning, or land use by laws. Licensees should be required to communicate all intended activities on the site within jurisdiction of the municipality prior to the licence application process to increase the municipality's ability to proactively amend land use zoning and bylaws and have the opportunity to discuss potential impacts the community.

3. Physical Barriers

Physical barriers around the perimeter of the cultivation site should be required to be planned in accordance and collaboration with municipal police and emergency response agencies. Planning physical barriers and security measures in collaboration with local police and emergency response agencies increases a municipality's ability to respond to emergencies in a manner that is effective and efficient. It will also prevent confusion around the responsibilities of each agency and increase clarity of how to work together to ensure the highest level of safety for the community.

In summary, the AAMDC strongly encourages Health Canada to consider the above potential impacts that cannabis cultivation and processing facilities will have on rural municipalities, and better incorporate adherence to municipal plans and existing land uses when reviewing license applications. Health Canada should include, wherever possible, requirements for potential licensees to engage with and consult local municipalities to increase trust and understanding between the licensee and the municipality, and ensure that potential adverse impacts of facilities are mitigated. A healthy and open relationship between the licensee and the municipality will be

a critical component to the success of recreational cannabis facilities within municipal jurisdictions.