

Cannabis Legalization Update

Update on Administration's Recommended Actions

Recommendation

That the April 3, 2018, Citizen Services report CR_5708, be received for information.

Executive Summary

Administration developed key strategic principles to guide the development of bylaws and processes regarding cannabis legalization. The purpose of this report is to outline the key principles and priorities guiding decision-making related to the four primary cannabis related areas of zoning, business licensing, public consumption and waste management. Priorities outlined by the federal and provincial governments are also included. This report also outlines some of the upcoming considerations and decisions that will be presented to Council in future reports.

Report

The Government of Canada announced that cannabis will be legalized in the summer of 2018. Federal and provincial direction and restrictions outline the scope of decisions within municipal jurisdiction.

Federal and Provincial Direction

Each order of government has a scope of responsibility related to cannabis legalization (Attachment 1). Municipalities have the authority to:

- Set greater separation distances than set out by the provincial regulations, or add additional buffer zones to best suit their communities' needs (including separation distances from recreation centres, libraries, parks and similar use facilities);
- Specify any separation distances between cannabis retail stores;
- Regulate store hours;
- Regulate public consumption of cannabis within restrictions set by other orders of government.

The federal and provincial governments have outlined key principles that will be used to drive public policy as it relates to the legalization of cannabis (Attachment 2).

City of Edmonton Principles and Priorities

Administration has developed Edmonton-centric principles and priorities that align with both provincial and federal direction. These principles will be used to guide the development of bylaws and processes related to the expected cannabis legalization within the City of Edmonton and are summarized as follows:

Principles

1. Public health and safety - City regulations are developed to support education and the evolution of the legal cannabis market.
2. Business friendly - City regulations are developed to integrate the cannabis industry into the Edmonton economy.
3. Community Balance - City regulations reflect balanced perspectives of Edmontonians related to cannabis.

Priorities

1. Implement a cannabis retail sector, including clear land use zoning and business licence regulations
2. Provide a clear regulatory structure for economic development activities
3. Develop clear consumption bylaws
4. Balance immediate and long term social impacts
5. Mitigate workplace impacts

City of Edmonton Considerations

Cannabis legalization will affect the zoning, business licence, public places and waste management bylaws.

Zoning

Administration has developed the land use zoning framework for the cannabis sector to align with the principles and priorities of the federal and provincial governments' respective cannabis policies. It is also based on alignment with the Government of Alberta cannabis regulations, including feedback from public engagement activities, and Administration's principle of a business friendly environment to all legal industries wishing to locate in the city.

The proposed cannabis land use separation and buffering distances are summarized in the April 3, 2018, Urban Form and Corporate Strategic Development report CR_5516, Text Amendment to Zoning Bylaw 12800 Land Use Framework for Cannabis Legalization.

Business Licence

Amendments to the Business Licence Bylaw (Bylaw 13138) are required to issue licences for legal cannabis related businesses. These proposed requirements will include hours of operation and age verification. Proposed amendments to the Business Licence Bylaw will be presented to Urban Planning Committee on May 1, 2018.

Public Places

Administration will use public engagement responses about public consumption to support amendments to the Public Places Bylaw (Bylaw 14614). Administration is also in consultation with Alberta Health Services to better understand potential health risks of second-hand cannabis smoke inhalation. Proposed amendments will be presented to City Council on May 23, 2018. Three options for regulating public consumption include:

1. Prohibit all public consumption of cannabis;
2. Allow for public consumption except in areas prohibited by provincial regulations and in areas where smoking tobacco is currently prohibited under the City's Public Places Bylaw; or,
3. Regulate public consumption of cannabis in a more restrictive manner than the provincial legislation, but still allow for some opportunities for public consumption, such as in designated areas in festivals or in parkland not used for specific recreational purposes.

Waste Management

Waste Services is reviewing operations in other jurisdictions to determine issues and best practices to manage waste, address concerns, and may recommend changes to the Waste Management Bylaw (Bylaw 17555). Changes to the bylaw would support principles of public health by minimizing the access to cannabis waste and also the mitigation of possible odour from waste products. The jurisdictional scan will be completed in early May 2018 and will include a review of packaging and other consumer products, which Administration anticipates will be compatible with the current collection and processing systems. Proposed amendments will be presented to City Council if required.

Public Engagement

Administration engaged internal stakeholders for the development of the strategic principles.

Public engagement including focus groups, public survey and insight survey was conducted in November and December 2017 to gather public opinion related to cannabis retail locations and consumption. Engagement focused on public consumption was also conducted in February 2018.

Additional public engagement sessions to inform the permitting and licensing process are planned for April 2018.

Corporate Outcomes and Performance Management

Corporate Outcome(s): Edmonton is a Safe City			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Ensure development of a livable, safe and sustainable community through effective implementation of bylaw amendments.	Total number of bylaw amendments required for cannabis legislation.	N/A	All relevant bylaw amendments for review completed and presented to Council Committee in April and May 2018.

Corporate Outcome(s): Edmonton has a globally competitive and entrepreneurial business climate			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Create opportunities for small to medium sized business in Edmonton to provide services consistent with regulations.	Number of small and medium sized businesses whose primary line of business is cannabis (within the regulations).	N/A	Transparent process to allow small and medium sized business permit applications to be included in review.

Attachments

1. Levels of Government, Areas of Responsibility and Current Regulations
2. Summary of Federal and Provincial Priorities and Principles

Others Reviewing this Report

- C. Campbell, Deputy City Manager, Communications and Engagement
- L. McCarthy, Deputy City Manager, Urban Form and Corporate Strategic Development
- R. G. Klassen, Deputy City Manager, Regional and Economic Development
- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services