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**TO:** GENERAL COMMITTEE

**SUBJECT:** PROPOSED ZONING BY-LAW AMENDMENT: DEFINITION AND VARIOUS STANDARDS RELATING TO CANNABIS PRODUCTION

**WARD:** ALL

**PREPARED BY AND KEY CONTACT:** M. SNOW, PLANNER, ZONING, EXT.4378

**SUBMITTED BY:** A. BOURRIE, RPP, DIRECTOR OF PLANNING AND BUILDING SERVICES, EXT. 4485

**GENERAL MANAGER APPROVAL:** A. BOURRIE, RPP, ACTING GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT

**CHIEF ADMINISTRATIVE OFFICER APPROVAL:** M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

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### **RECOMMENDED MOTION**

1. That a public meeting be scheduled to consider amendments to Zoning By-law 2009-141, as amended, that may be appropriate to address cannabis production in the City of Barrie as a result of new legislation enacted by the Government of Canada making recreational cannabis legal.

### **PURPOSE & BACKGROUND**

#### Purpose

2. The purpose of this Staff Report is to provide background information on the City of Barrie's current policies and regulations regarding the production of Medical Marihuana. Staff recommends proposed changes to the City's Zoning By-law be considered to reflect new legislation enacted by the Government of Canada in regards to cannabis, including its production and use.

#### Background

3. In 2015 the City of Barrie passed By-law 2015-068 to establish a definition and zoning standards for the production of Medicinal Marihuana. Medical Marihuana Production Facilities are permitted in the General Industrial (GI) zone. At the time of the passing of the By-law, medical marihuana was the only legal production and use permitted in Canada. The provisions of the by-law reflect this.
4. On October 17<sup>th</sup>, 2018, Canada legalized cannabis for recreational purposes with the passing of *The Cannabis Act* (2017). This Act permits Canadians to smoke, purchase and grow cannabis for recreational purposes, in addition to the medical permissions that had been previously enjoyed.
5. The *Cannabis Act* states that individuals are permitted to grow four plants per residence for personal use. Individuals and groups are permitted to grow cannabis for sale to authorized retailers subject to obtaining the appropriate license from Health Canada. At this time, Health Canada issues licenses for the production of cannabis regardless of whether it is for recreational use or medical use.

6. As cannabis can now be produced and consumed for medical and recreational purposes it is appropriate to explore how this change in the law should be reflected in the City's Zoning By-law.
7. It is important to note that retail sales are not being addressed in these proposed changes to the Zoning By-law because Ontario legislation leaves the siting of retail cannabis stores up to the Alcohol and Gaming Commission of Ontario (AGCO).

## **ANALYSIS**

8. The definition of a Medical Marihuana Production Facility is found in Section 3.0: Definitions of Zoning By-law 2009-141. The current definition of a Medical Marihuana Production Facility is *"a wholly enclosed building, structure or part thereof, used to possess, produce, sell, provide, ship, deliver, transport or destroy marihuana or cannabis by a Licensed Producer authorized by Health Canada according to the Marihuana for Medical Purposes Regulations SOR/2013-119 or any successor thereto, through a Licence issued by the City of Barrie, as required."* The appropriateness of the definition will be addressed in any recommendations to Council.
9. Significant work was done in 2015 to select appropriate locations for medical marihuana production facilities. At that time, these uses were directed to the General Industrial (GI) zone.
10. The zoning standards for a Medical Marihuana Production Facility are outlined in Section 7.0: Industrial Provisions. Key standards to note for this use in the GI zone include a minimum setback of 10 metres from residential zones and a required 3.0m landscape buffer area abutting lots that are not zoned industrial. These standards are applicable for all uses in the GI zone, not only a Medical Marihuana Production Facility. The parking standard that would apply for a Medical Marihuana Production Facility is 1 space per 70m<sup>2</sup> of gross floor area, which to date has been adequate for this use.
11. Since the legalization of recreation cannabis, the demand for cannabis production facilities has grown exponentially. Staff receive several inquiries each week for new cannabis production facilities, both for medical and recreational purposes.
12. Although production is permitted through the federal government license process, municipalities have the ability to define, in the Zoning By-law, where production can occur.
13. A statutory public meeting under *The Planning Act* is required before changes to the Zoning By-law can be considered by Council.
14. Staff believe that following information related to cannabis production should be presented at the public meeting. Through the public consultation process information may be provided that would alter this material. Public input will be addressed in the Staff Report and corresponding recommendation for a Zoning By-law amendment to Council.
  - a) Definition change to reflect both medical and recreational cannabis production.
    - i) Amend the terminology from "Medical Marihuana Production Facility" to "Cannabis Production Facility" with the understanding that both medical and recreational cannabis can be legally produced with a Health Canada License. The act of producing cannabis is not altered by the end user or purpose of the cannabis use for either medical or recreational purposes. The establishing of a cannabis production use for recreational purposes in the Zoning By-law does not impact land use matters. The ability to consume recreational cannabis is not impacted by whether the City permits cannabis production facilities for recreational cannabis in the Zoning By-law.

- ii) Any facility that requires a Health Canada License for the production of Cannabis is considered a Cannabis Production Facility under the City's bylaw. Examples of licenses for production beyond recreational personal use are micro-cultivation licenses, cultivation licenses and licenses for research.
  - b) The appropriate location for cannabis production facilities for both medical and recreational purposes would continue to be in the General Industrial (GI) zone.
  - c) The zone standards in the General Industrial (GI) zone with respect to cannabis production facilities are not proposed to be amended at this time.
15. Any amendments to the Zoning By-law surrounding cannabis production facilities may require subsequent amendments to the City's Licensing By-law. The Licencing By-law currently limits cannabis production facilities to Medical Marihuana therefore an amendment may be required to permit recreational production.
16. Staff are suggesting to schedule the required statutory public meeting at General Committee in May or June before Council breaks for the summer recess.

#### **ENVIRONMENTAL MATTERS**

17. There are no environmental matters related to the recommendation.

#### **ALTERNATIVES**

18. An alternative can be to not hold a public meeting and not proceed with a zoning amendment to address the legalization of recreational cannabis and the corresponding lack of definition and recreational cannabis reference in the Zoning By-law. This alternative is not desirable as there is no clear way for Planning Staff to consider recreational cannabis production in the City of Barrie. Staff believe the City's Zoning By-law should respond to the change in legislation as it relates to cannabis.

#### **FINANCIAL**

19. There are no financial implications for the Corporation resulting from the proposed recommendation. Potentially, without the recognition of this change in legislation in the Zoning By-law, the City may be less likely to attract new cannabis production facilities which may limit the potential for new businesses in this emerging market.

#### **LINKAGE TO 2018-2022 STRATEGIC PLAN**

20. The recommendation(s) included in this Staff Report support the following goals identified in the 2018 - 2022 Strategic Plan:
- Growing Our Economy**  
By explicitly recognizing the legalization of cannabis in the Zoning By-law the City is poised to respond to new businesses that may look to locate within the City of Barrie.
  - Building Strong Neighbourhoods**  
An important aspect of land use planning is compatibility. By hosting a statutory public meeting to explore proposed amendments to the Zoning By-law to permit uses in specific zones, the City is able to direct land uses to specific and appropriate areas.