

Public Release
January 18, 2019



**Town of Aurora
Additional Items to
Special Meeting of Council Agenda**

Monday, January 21, 2019
7 p.m., Council Chambers

- **Revised Special Meeting of Council Agenda Index**
- **Item 2 – CS19-004 – Proposed Private Cannabis Retail Stores in Aurora – Additional Information**



**Town of Aurora
Special Meeting of Council
Agenda (Revised)**

Monday, January 21, 2019
7 p.m., Council Chambers

1. Approval of the Agenda

Recommended:

That the agenda as circulated by Legislative Services be approved.

2. Declarations of Pecuniary Interest and General Nature Thereof

3. Public Consultation

Note: The Public Consultation speakers list will be limited to Aurora residents, as the Alcohol and Gaming Commission of Ontario will only consider comments from Aurora residents regarding this matter.

4. Consideration of Items Requiring Discussion

1. CS19-001 – Proposed Private Cannabis Retail Stores in Aurora

Recommended:

1. That Report No. CS19-001 be received for information.

**2. CS19-004 – Proposed Private Cannabis Retail Stores in Aurora –
Additional Information**

(Added Item)

Recommended:

1. That Report No. CS19-004 be received for information.

5. Confirming By-law

Recommended:

That the following confirming by-law be enacted:

XXXX-19 Being a By-law to Confirm Actions by Council Resulting from a Special Meeting of Council on January 21, 2019.

6. Adjournment



**Town of Aurora
Council Report**

No. CS19-004

Subject: Proposed Private Cannabis Retail Stores in Aurora – Additional Information

Prepared by: Patricia De Sario, Town Solicitor

Department: Corporate Services

Date: January 21, 2019

Recommendation

- 1. That Report No. CS19-004 be received for information.**

Executive Summary

This report provides additional information to assist Council with its decision of whether to opt-out and prohibit private cannabis retail stores within Aurora that has become available since Report No. CS19-001 was distributed to Council and made public on December 21, 2018. This report also provides a summary of the comments received by the public. Council needs to decide by resolution by January 22, 2019.

- O.Reg 468/18, as amended, allows for 25 retail store authorizations across the province
- O.Reg 468/18, as amended, places restrictions on retail store authorizations, including that they will be issued only for stores that would be located in a municipality that has a minimum population of 50,000 (provided that the municipality has opted-in)
- As a result of the limit on the number of retail store authorizations, there is the same limit on the number of retail operator licences that may be issued
- Feedback from the community has been gathered from multiple sources and remains mixed
- The Region has no position on whether its local municipalities should prohibit or permit private cannabis retail stores within their municipalities, even though the decision will impact the amount of funding that it will receive

Background

Report No. CS19-001 discusses the legalization of recreational cannabis and provides Council with information to consider in making its decision of whether to opt-out and prohibit private cannabis retail stores within Aurora. Report No. CS19-001 contains information that was available up to December 21, 2018. Additional changes to the regulatory framework have been released and are set out in this report.

Amendment to O.Reg 468/18

Due to national supply shortages of cannabis, the province amended O.Reg 468/18, being a regulation made under the *Cannabis Licence Act, 2018* (the "Regulation"), to provide for a temporary limit on the number of retail store authorizations issued before April 1, 2019 to only 25. This limit will be in place until December 13, 2019, at which time these sections that now form part of the Regulation will be revoked.

Analysis

O.Reg 468/18, as amended, allows for 25 retail store authorizations across the province.

The amended Regulation also sets out five regions in the province (i.e. Toronto Region, Greater Toronto Area (GTA) Region, North Region, West Region and East Region). York Region is within the GTA Region along with Peel, Durham and Halton. Out of the twenty-five (25) retail store authorizations to be issued, a maximum of six (6) retail store authorizations would be allocated to stores located in the GTA Region.

O.Reg 468/18, as amended, places restrictions on retail store authorizations, including that they will be issued only for stores that would be located in a municipality that has a minimum population of 50,000 (provided that the municipality has opted-in).

While the limit is in place, only one retail store authorization will be issued to the same person, organization or affiliate. Further, no retail store authorizations will be issued to a licensed producer or for a store that would be located in a municipality with a population of less than 50,000. In the GTA Region, 17 municipalities have a population of over 50,000, including Aurora. To date, only three (3) of these 17 municipalities have opted-in (Ajax, Oshawa, Burlington) and the remaining five (5) municipalities, including Aurora, will be making their decision on Monday, January 21st. Although Whitchurch-

Stouffville has decided to opt-in and permit cannabis retail stores, it's population is less than 50,000 and therefore, it will not have a private cannabis retail store in this first round.

The limitation on population is so that private cannabis retail stores are initially allocated to larger communities to increase accessibility and thereby, assisting in combatting the illegal market. In addition to these restrictions, the proposed location must still be within a municipality that has opted-in to permit private cannabis retail stores within the municipality.

As a result of the limit on the number of retail store authorizations, there is the same limit on the number of retail operator licences that may be issued.

On January 11, 2019, the Alcohol and Gaming Commission of Ontario (the "AGCO") held an expression of interest ("EOI") lottery to determine who may apply for the initial twenty-five (25) retail operator licences. Only those EOI applicants selected may apply for a retail operator licence and a retail store authorization. The application had to identify one (1) of the five (5) regions in which the person or organization would like to locate a cannabis retail store and each applicant was able to identify up to five regions (one (1) per region). Out of 17,320 EOI applications submitted, 13,453 applications identified the GTA Region for a proposed private cannabis retail store. The results of the EOI lottery are posted on the AGCO website and six (6) applicants were selected for the GTA Region, with a wait list of 20 other applicants.

Any selected applicant must still apply and go through the process discussed in Report No. CS19-001 if they would like to operate a private cannabis retail store. They are required to submit their retail operator licence applications by January 18, 2019, together with a non-refundable fee of \$6000.00 and a letter of credit in the amount of \$50,000.00. The AGCO wants to ensure that twenty-five (25) private cannabis retail stores are operating by April 1, 2019, therefore, if not, the AGCO will draw on the letters of credit submitted with the application as follows:

Date unopened	Penalty
April 1, 2019	\$12,500
April 15, 2019	\$12,500
April 30, 2019	\$25,000

Feedback from the community has been gathered from multiple sources and remains mixed.

The public have been given several venues for sharing their thoughts on opting in or out of having private cannabis retail stores in Aurora. In addition to residents delegating at the Special Council Meeting on January 21, residents have been able to share their thoughts on the issue online and by phone. The intention of gathering the feedback is to provide a snapshot of comments and concerns of the community and is not intended to act as a definitive public referendum on the matter.

Only 13 phone calls have been logged by Access Aurora relating to the consideration of whether private cannabis retail stores should be permitted in Aurora.

- Six (6) residents inquired with general questions but provided no opinion
- One (1) caller noted support for opting in
- One (1) caller noted support for opting out
- Five (5) inquiries were received from businesses looking for information on whether the Town will allow retail outlets or not.

The Town also utilized the online public consultation tool, PlaceSpeak, to solicit thoughts from Aurora residents on whether or not they were in favour of opting in or not. PlaceSpeak uses geo-verification technology which increases authentication and makes it less vulnerable to bots and fake accounts. The tool is also more likely to capture the opinions of community members who may not use Facebook or feel uncomfortable vocalizing their opinions in such a public forum. While the consultation had more than 860 views and 182 comments, there were 137 individuals who stated their opinions. Twenty four were in favour of private cannabis retail stores and 75 were against.

Mayor Mrakas posted a poll on Facebook which generated approximately 2,300 votes and 108 comments (as of January 15, 2019). The results of the poll indicated that 1,104 Facebook users were in favour of private cannabis retail stores in Aurora and 1,196 were against. While the Facebook poll did not allow multiple votes per user, the poll was not restricted by location so users outside of Aurora were free to participate. In addition, it is possible, indeed likely, that there is some duplication of feedback across platforms.

Staff are cognizant of the fact that public feedback may be influenced by a variety of factors. With the societal stigma around cannabis use, some members of the

community may feel reluctant to publicly share their opinions. In contrast, there may be less stigma associated with publicly voting in favour of opting out.

Attached to this report is a summary of the results.

The Region has no position on whether its local municipalities should prohibit or permit private cannabis retail stores within their municipalities.

The legislation requires that the local municipality decide whether to prohibit private cannabis retail stores within its municipality. As such, the Region has stated that it has no position on this issue.

The Region's Medical Officer of Health and Regional Solicitor presented to Regional Council on December 13, 2018. The presentation is attached to this report and provides information on the health risks of cannabis.

According to an allocation table posted on the Ministry of Finance's website (<https://www.fin.gov.on.ca/en/budget/oclif/allocation.html>), the Region will receive a first payment of \$478,284.00. The second payment to the Region will depend upon the decisions of its local municipalities.

Advisory Committee Review

None.

Legal Considerations

Refer to Report CS19-001.

Financial Implications

Refer to Report CS19-001.

Communications Considerations

Communications is aware that this is a contentious issue in the community. Following a Council decision at the January 21, 2019 meeting, the Town will communicate the decision to opt-in or out via social media. The following morning, a formal media release will be sent out and posted to the News and Notices section of the website.

Should Council vote in favour of opting in and permit private cannabis retail stores in the Town of Aurora, Communications will update the Cannabis section of the Town's website with comprehensive information, particularly as it relates to the monitoring and enforcement of retail outlets and how concerns may be addressed.

Link to Strategic Plan

Enabling a diverse, creative and resilient economy by promoting economic opportunities that facilitate the growth of Aurora as a desirable place to do business and supporting small business and encouraging a more sustainable business environment.

Alternative(s) to the Recommendation

None.

Conclusions

Council needs to decide by January 22nd, 2019 as to whether they would like to permit private cannabis retail stores within the Town of Aurora.

Attachments

Attachment 1 – Online Cannabis Consultation – Summary of Results

Attachment 2 – Region Presentation

Attachment 3 – Municipalities in the GTA Region and Toronto that have opted-out/in

Attachment 4 – Amended resolution to opt-in and permit private cannabis retail stores

Previous Reports

CS19-001 - Proposed Private Cannabis Retail Stores in Aurora

January 21, 2019

Page 7 of 7

Report No. CS19-004

Pre-submission Review

Manager of Communications, Director of Corporate Services and Chief Administrative Officer

Departmental Approval



**Techa van Leeuwen
Director
Corporate Services**

Approved for Agenda



**Doug Nadorozny
Chief Administrative Officer**



ONLINE CANNABIS CONSULTATION

SUMMARY OF RESULTS

SUMMARY



In order to gauge the community's feelings on allowing private cannabis retail stores in Aurora, Corporate Communications ran an online community consultation on PlaceSpeak. In this consultation staff asked residents to share their thoughts on private recreational cannabis retail stores in Aurora. Below are the results, along with a cross-section of comments received.

In addition to this consultation, Mayor Mrakas conducted a Facebook Poll on the topic, the results of which are shared at the end of this document.

45

DAYS

282

UNIQUE VIEWS

137

PARTICIPANTS

182

COMMENTS

24

FOR
RETAIL
OUTLETS

75

AGAINST
RETAIL
OUTLETS

Of the 137 participants in this consultation, 24 individuals said they were for opting-in for private retail cannabis stores in Aurora, while 75 individuals thought that Aurora should opt-out. There were four individuals who were against legalization in general and the remaining 35 participants subscribed to the thread to view the discussion, but did not comment.

COMMENTS

Below is a cross section of comments received from Aurora residents throughout the consultation.

IN FAVOUR OF PRIVATE CANNABIS RETAIL STORES IN AURORA

 has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail Outlets](#)
5 days ago

It's legal and controlled so there is no issue with allowing a retail outlet in Aurora. Toronto, Barrie and many other surrounding towns have opted in. Let's not lose our leverage with provincial government and revenue sharing by being short sighted. This is not an opioid and it is currently available thru dealers so your kids are already exposed.

[Read less ...](#)

 has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail Outlets](#)
3 days ago

If we opt out we will lose funding now and in the future. There are only 25 licenses being issued now for all of Ontario. There is no chance of stores loading up along our boundaries.

The AGCO will be overseeing where the stores go, they are not new to this, they have done it with the LCBO for decades.

Let's move forward fellow residents, not backwards because of a few fear mongering holdouts. Read, Research, Be Informed.

There is so much more to be afraid of with alcohol and we don't see anyone calling to ban bars/restaurants or shut down the LCBOs because of those irresponsible people who choose to drink and drive.

<https://www.investopedia.com/articles/insights/110916/economic-benefits-legalizing-weed.asp>

[Read less ...](#)

 has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail Outlets](#)
a month ago

As long as it is restricted to an specific area on the city [and that area is far from Schools, I do not see any issue. I am OK with Cannabis Retail Outlets.](#)



██████████ has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail](#)

[Outlets](#)

a month ago

I wish that I understood more about politics, laws, etc. I find all of this quite confusing. I'm 27. But average 27 years olds I'm assuming don't have a good understanding of politics from my social circles. Anyway, I've have been using marijuana since a teenager, and it's really not that much of a difference honestly if you talk to the youth of today whether or not pot is going to be legal because well mostly everybody has been smoking it all the time anyway. So yes heck yes let us bring in retail outlets in to Aurora increase jobs as well! Jobs are so scarce and this could really bring jobs.

[Read less ...](#)



██████████ has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail](#)

[Outlets](#)

10 days ago

I see no difference between retail cannabis and retail alcohol or cigarettes. All of the items are prohibited to sell to minors. We've relied on properly trained retail staff to adhere to the rules and only sell to non-minors. Keeping it "away from children" is a parental responsibility too. I can guarantee you that illegal black market cannabis is available in aurora as I've seen/smelled people of all ages smoking it prior to Oct 17. Not allowing retail cannabis doesn't keep marijuana away from aurora.

[Read less ...](#)

AGAINST PRIVATE CANNABIS RETAIL STORES IN AURORA



██████████ has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail](#)

[Outlets](#)

3 days ago

I believe opt out is the best option at this moment. I have been living in this town more than 30 years. For everyone's love, this is a wonderful town. Everyone respects each other and I have heard many lovely stories between neighbours. The pot shop is a controversial topic. I can see a very divided options in this discussion. I firmly believe that people need more informed discussion and understanding of this, especially what products these private pot shops will sell, and how this will impact the community such as the subsequence legislations, enforcements and by-laws. Personally, I will never support a street front pot shop, if the town can avoid that.

[Read less ...](#)



██████████ has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail Outlets](#)

3 days ago

Please keep Cannabis out of Aurora. Many neighbour towns have chosen to opt-out, that's a clear signal that the residences of those towns didn't want to live around cannabis retail outlets, why would Auroran want them? It will attract traffics, crimes and impaired drivers to this quiet town.



██████████ responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail Outlets](#)

3 days ago

We should opt-out as once opted-in there's no go back. But there's always option to opt-in in the future. We can see how opt-in cities doing and it's impact as result . So we should observe first instead of making any decisions at this stage and risk our beloved town.



██████████ has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail Outlets](#)

a month ago

Please do not allow retail sales of Cannabis in Aurora. The town does not need to profit from the proceeds of sales of a substance that harms people's cognitive functions. We already have problems with too many youth vaping (the tobacco industry is poised to make billions from people being hooked on the nicotine in vaping pens). We don't need to support cannabis as there will be adverse effects to our youth such as pedestrians having to breathe second-hand cannabis smoke. Plus the ever-increasing amounts of THC in today's cannabis. The federal government has created an unnecessary problem by legalizing cannabis and letting the municipalities and local police deal with the costs of enforcing the laws.

[Read less ...](#)



██████████ has responded to [Retail Cannabis Sales in Aurora](#) in [Cannabis Retail Outlets](#)

4 days ago

I strongly suggest the town to opt-out for now, I don't see any benefits to not be aligned with our neighboring York region cities who have mostly opted-out. We do not need to be an anomaly in the area, or be the Cannabis retail capital of the North. I don't see any benefits that would outweigh the risks. Once we opt-in, we cannot opt out; however the city can still opt-in later on if choose to do so, and can do so after reviewing how it has affected the other cities (who have opt-in now).

[Read less ...](#)

ONLINE CANNABIS CONSULTATION

SUMMARY OF FACEBOOK POLL



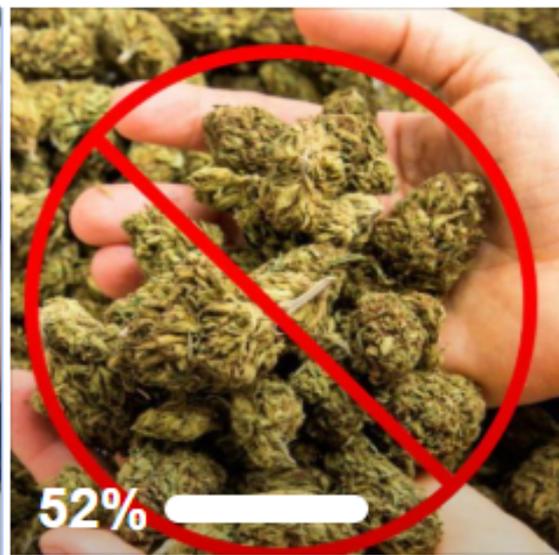
Mayor Tom Mrakas created a poll — in Aurora, Ontario.

December 28, 2018 at 9:51 AM · 🌐

Town of Aurora - Opt-In or Opt-Out of allowing cannabis retail stores ?



OPT-IN ✓



OPT-OUT

18

DAYS

2300

VOTES

108

COMMENTS

1104

FOR
RETAIL
OUTLETS

1196

AGAINST
RETAIL
OUTLETS



CANNABIS: LEGISLATIVE UPDATES AND BOARD OF HEALTH RESPONSIBILITIES

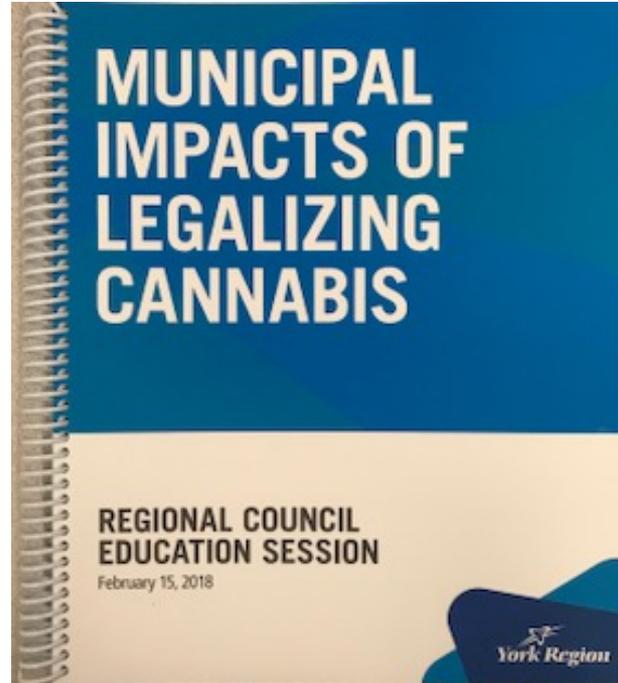
Dr. Karim Kurji
Medical Officer of Health

Joy Hulton
Regional Solicitor



PRESENTATION OVERVIEW

- Health impacts of cannabis
- Public Health Standards
- Legislative updates
- Opting in/out
- Smoking and Consumption Bylaws
- Financial Implications



INFORMATION ABOUT CANNABIS

Dr. Karim Kurji, Medical Officer of Health

WHAT ARE THE INGREDIENTS OF CANNABIS?

- 600 compounds, 104 cannabinoids*
- Two most significant cannabinoids: THC and CBD

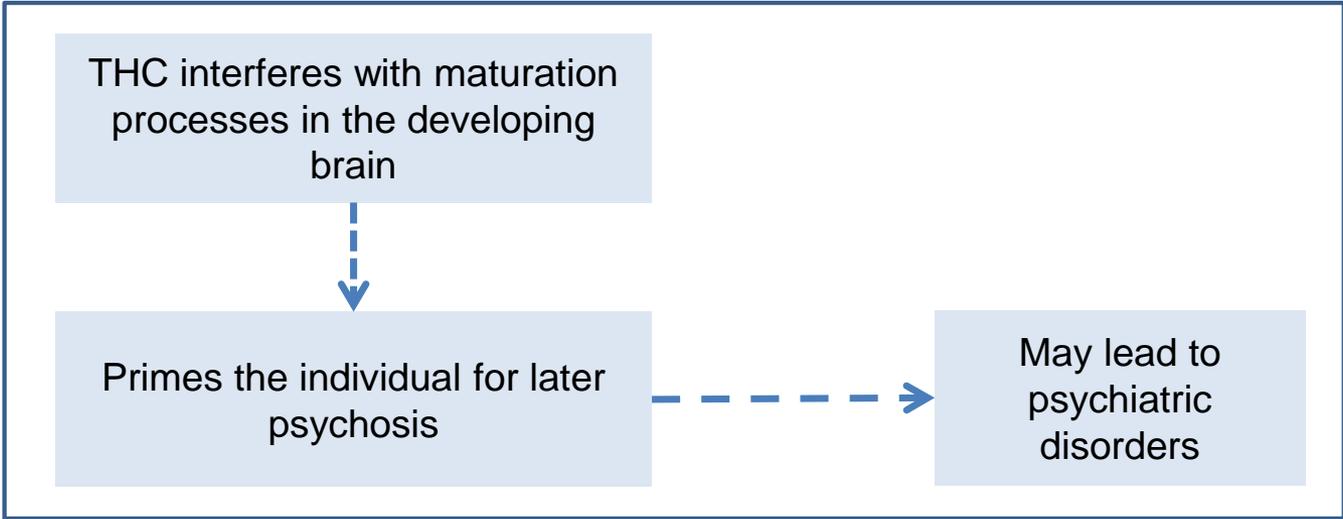
	THC	CBD
Chemical compound	Delta-9-Tetra hydrocannabinol	Cannabinol
Side effects	May be harmful	Possibly helpful
Potency (1975)	3%	3%
Potency of illegal products (2018)	25-35%	<0.1%
Potency of legal products(2018)**	0-27%	0-17%
Types	Fresh and dried cannabis, cannabis oils, plants and seeds, hash, hash oil	

*US National Academy of Sciences, Engineering and Medicine (2017) <https://www.nap.edu/read/24625/chapter/1>

**Potency of dried flower, oil and pre-rolled products sold at the Ontario Cannabis Store

WHAT ARE THE SIDE EFFECTS OF CANNABIS?

Impairs impulse control, working memory, decision-making, executive function, and academic performance



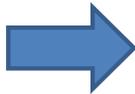
- Higher Risk**
- Adolescence
 - Higher THC content
 - Frequency
 - Synthetics
 - History of psychosis
 - Pregnancy

SMOKE-FREE ONTARIO ACT, 2017 AND ONTARIO PUBLIC HEALTH STANDARDS

WHAT HAS CHANGED?

2006

- Protection from second-hand tobacco smoke in enclosed workplaces, enclosed public places, school properties, hospitals and some outdoor recreational areas



2017

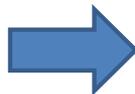
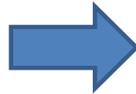
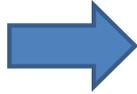
- Protection from second-hand tobacco and cannabis smoke with added protection from second-hand vapour from e-cigarettes
- Enhanced protection from smoke and vapour in several additional outdoor areas
- Disclosure of all convictions of tobacco and e-cigarette sales to minors on Public Health's website



WHAT HAS CHANGED, cont'd

2006

- Access to tobacco products restricted to 19 years of age and older
- Display, handling and promotion restrictions for retailers who sell tobacco
- Tobacconist retailer registration administered by the Ministry of Health and Long-Term Care



2017

- Access to tobacco products and vapour products restricted to persons 19 years of age and older (now under one Act)
- Similar display and handling restrictions added for retailers that sell vapour products (promotion is permitted)
- Tobacconist retailer registration administered by the local health unit
- New specialty vape store registration created and administered by the local health unit

WHAT DOES ENFORCEMENT LOOK LIKE IN YORK REGION?

- Mandatory annual inspections of York Region's 500+ tobacco vendors and 400+ vapour product retailers by Public Health
- Inspections are carried out by 6 Tobacco and Electronic Cigarettes Control Officers, funded by the Ministry
- Inspections resulted in 727 warnings being issued and 308 charges being laid

WHAT DID INSPECTION LOOK LIKE IN 2018?

Types of Inspections	Number*
Total number of required annual inspections	2591
<ul style="list-style-type: none"> Youth access inspections of tobacco vendors (2 x 550) 	1100
<ul style="list-style-type: none"> Youth access inspections of vapour product retailers 	431
<ul style="list-style-type: none"> Display, handling and promotion inspections of tobacco vendors 	550
<ul style="list-style-type: none"> Display, handling and promotion inspections of vapour product retailers 	431
<ul style="list-style-type: none"> Inspections of secondary schools 	79
Total number of inspections completed**	3705

*Totals as of November 20, 2018

**Includes re-inspections and complaint inspections

WHAT ARE WE DOING TO RAISE AWARENESS?

- Initiatives to provide education and raise awareness on the health effects of cannabis use, risks and promote lower-risk cannabis use guidelines
- Provide school boards with curriculum support, resources and assist in delivery of peer-led modules on alcohol, cannabis and other drugs
- Education workshops provided to community partners and stakeholders (e.g., Emergency and Transitional Housing staff and Children's Aid Society)

LEGISLATIVE UPDATES
Joy Hulton, Regional Solicitor

ONTARIO'S CANNABIS LEGISLATION

- The Ontario Legislature passed the *Cannabis Statute Law Amendment Act, 2018* on October 17, 2018, which:
 - amends the renamed *Cannabis Control Act, 2017*
 - enacts the *Cannabis Licence Act, 2018*
 - amends the *Ontario Cannabis Retail Corporation Act, 2017* and the *Liquor Control Act*
 - amends the *Smoke-Free Ontario Act, 2017* and makes a consequential amendment to the *Highway Traffic Act*

ONTARIO'S CANNABIS REGULATIONS

The following regulations have an impact on municipalities:

- Retail store authorization and siting:
 - O. Reg. 468/18 (General) under the *Cannabis Licence Act, 2018*
- Smoking prohibitions:
 - O. Reg. 268/18 (General) under the *Smoke-Free Ontario Act, 2017*

CANNABIS LEGALIZATION - MUNICIPAL CONCERNS

- Location of cannabis retail stores
- Enforcement of restrictions on use in prohibited locations
- Lack of provincial regulation of home cultivation
- Complaints about home cultivation, public use and intoxication, and odour
- Implications in two-tier municipalities
- Funding, training and lack of resources

YORK REGION – MUNICIPAL CANNABIS WORKING GROUP

- Reports to Municipal CAO's group
- Goal: work collaboratively to establish a common approach to cannabis legalization
- Comprised of staff from municipalities within York Region and York Regional Police representing:
 - Building Standards
 - Policing
 - Bylaw Enforcement
 - Prosecutions
 - Fire
 - Public Health
 - Legal

OPTING IN / OPTING OUT

OPTING IN / OPTING OUT

- To opt-out of hosting cannabis retailers a municipality must:
 - Pass a resolution; and
 - Notify the Alcohol and Gaming Commission of Ontario within 3 business days of passing resolution and **no later than** January 22, 2019
- If a municipality fails to notify the AGCO of a resolution to opt-out, by law, it will be considered to have opted in
- A decision to opt-in is not reversible
- Upper-tier municipalities cannot pass a resolution to opt-in or opt-out

RETAIL STORES — APPLICATION PROCESS

The Alcohol and Gaming Commission of Ontario's (AGCO) must:

- Review and approve siting and authorization of retail stores and operators
- Ensure retail stores are not located <150m from a school, including private schools
- Ensure applicant has confirmed location complies with local zoning bylaws
- Receive and review public input
- Conduct inspections of retail stores

RETAIL STORES - APPLICATION PROCESS

- Municipalities have no planning or business licensing authority over these retail stores but will have **15 calendar days** to provide feedback on proposed retail store authorization
- The AGCO will provide notice:
 - by displaying a notice at the location of the proposed cannabis retail store specified in the application; and
 - by posting a notice on the Commission's website

The AGCO will not provide municipalities with direct notice of applications

RETAIL STORES - AGCO PROCESS

Submissions to the AGCO must be:

- from the municipality, and, if the municipality is a lower-tier, the upper-tier it is part of
- from residents of the municipality of the proposed store location
- limited to matters of Public Interest as defined in the regulation
- submitted no later than **15 calendar days** from first notice

RETAIL STORES - AGCO PROCESS

Public Interest is defined in the regulation as:

1. Protecting public health and safety
2. Protecting youth and restricting their access to cannabis
3. Preventing illicit activities in relation to cannabis

RETAIL STORES — MUNICIPAL RESPONSE

- Given the restrictions on public/municipal input into store applications, AMO recommends that municipal councils that opt-in also adopt a “Municipal Cannabis Retail Policy Statement” to address local concerns
- Municipalities may also consider designating senior staff to respond to AGCO notices of application
- The Region and local municipalities should consider how Regional comments may be provided in response to applications

RETAIL STORES — NEXT STEPS FOR MUNICIPALITIES

- Adopt a council resolution to opt in or out and submit to the AGCO by January 22, 2019
- If opting in, develop a Municipal Policy Statement outlining municipal concerns/comments and submit to the AGCO with request that it be considered as Public Interest
- Delegate staff to respond to applications
- Develop a framework for Regional input into local applications

SMOKING AND CONSUMPTION BYLAWS

MUNICIPAL ENFORCEMENT - *SMOKE -FREE ONTARIO ACT, 2017 (SFOA)*

- Under Bill 36, the SFOA, 2017 was amended to align public use of tobacco and cannabis
- In York Region, Tobacco and Electronic Cigarettes Control Officers enforce the SFOA
- Offences relating to possession of cannabis remain matters for police enforcement

ENFORCEMENT OF SMOKING RESTRICTIONS

	Public Places ¹ (includes parks, public facilities)	Workplace	Private Residence	Vehicle (Car or Boat)	Illicit Sales
Municipal Bylaw Enforcement	Yes Where there are bylaws controlling the smoking of cannabis	Yes Where bylaws include retail, commercial and business premises	No	No	No
Police	Yes²	Yes²	No	Yes³	Yes⁴
Public Health SFOA Tobacco and Electronic Cigarettes Control Officers	Yes Playgrounds, sports areas, hospital, school and community centre properties	Yes Enclosed workplaces, public places & restaurant patios	No Except for common areas of multi-unit residences	Yes Only workplace vehicles (e.g fleet)	No – cannabis & contraband sales Yes – tobacco and e-cigarette sales to minors

¹May be subject to stricter local municipal bylaws

²Where police intervention is required

³SFOA delegates this to the Police

⁴*Cannabis Control Act* delegates this to the police

SMOKING AND CONSUMPTION BYLAWS

- Bill 57, introduced in the Ontario legislature on November 15, 2018, and received Royal Assent on December 6, 2018
- Amends Section 115 of the *Municipal Act, 2001* to:
 - include cannabis; and
 - clarify that “smoking” includes the holding of lighted tobacco or cannabis the consumption of tobacco or cannabis through the use of an electronic cigarette
- Bylaws enacted under section 115 do not apply to public highways

MUNICIPAL ENFORCEMENT — MUNICIPAL SMOKING BYLAWS

- With the inclusion of cannabis in section 115 of the *Municipal Act, 2001* municipalities have the express authority to enact stricter bylaws to regulate smoking of tobacco and cannabis in public places
- Stricter provisions in municipal bylaws prevail over the restrictions in the SFOA, 2017

SMOKING AND CONSUMPTION BYLAWS

- Regional and local Councils may want to consider a consistent Region-wide approach to public recreational cannabis consumption
- This could be achieved in a variety of ways:
 - Regional bylaw that can be enforced locally
 - Local municipalities adopt a model bylaw
 - Regulate use of facilities (i.e. transit facilities)
- Consider local enforcement using administrative penalties

FINANCIAL IMPLICATIONS

MUNICIPAL CONCERNS - COSTS

- Many Local and Regional municipal programs are directly impacted by the sale and use of cannabis regardless of the existence of retail stores
 - Business licensing*
 - Building inspection
 - Bylaw enforcement
 - Fire services
 - Long-term care
 - Parks
 - Paramedic services
 - POA Courts
 - Police
 - Property Standards
 - Public Health (enforcement, education)
 - Social Housing
 - Transit
 - Zoning

** Does not apply to retail stores*

ONTARIO CANNABIS LEGALIZATION IMPLEMENTATION FUND

- The Province is committed to providing municipal governments with \$40 million from its share of the federal excise tax on cannabis over two years
- Should Ontario's revenue over the first two years exceed \$100 million, the Province will provide 50% of the surplus only to those municipalities that have not opted-out

CANNABIS REVENUE SHARING — FUNDING SPLIT

- Default funding split between upper-tier and lower-tier municipalities is 50/50; **municipalities are allowed to adjust the split**
- Peel Region reached an agreement with Brampton and Mississauga whereby Peel will keep 75% of the revenue allocated, in recognition that the costs associated with legalization will be disproportionately borne by the regional government
- Upper-tier municipality funding allocation will be dependent on opt-out decisions made by the lower-tier municipalities

CANNABIS REVENUE SHARING — DISBURSEMENT SCHEDULE

- First payment allocation notice was received – the Region will receive \$478,284 based on 2018 MPAC household numbers
- Opted-out municipalities will also receive their funding allocation from the 1st payment, but only \$5,000 as the 2nd payment

Early January 2019
Prior to January 22 Opt-
Out Deadline

- 1st \$15 million
- **ALL** municipalities will receive funds on a per household basis
- York Region will receive \$478,284

2019
Following Municipal
Opt-Out Decisions by
January 22

- 2nd \$15 million
- Opt-In municipalities will receive funds on a per household basis
- Opt-Out municipalities will only receive \$5,000 each

3rd Payment
Disbursement date TBD

- Remaining \$10 million for unforeseen circumstances
- Priority will be given to municipalities not opted-out

ESTIMATED CANNABIS LEGALIZATION EXPENDITURES IN YORK REGION

Estimated annual cost for the Region and its local municipalities:

	\$M	Share
Police cost at full implementation	\$4.5	
Other Regional Costs*	<u>\$2.4</u>	
Regional Costs	\$6.8	62%
Local Municipal*	<u>\$4.2</u>	38%
Total	\$11.0	100%

* Estimates prepared in early 2018 by Regional staff. Regional costs include public health, paramedic services, social services, legal, and courts. Local municipal includes fire, inspections, building permits, parks and recreation.

ESTIMATED CANNABIS LEGALIZATION EXPENDITURES IN YORK REGION

York Region is expected to receive between \$0.5 million and \$1.3 million* over two years, subject to municipal opt-out decisions

- To date, Markham and Richmond Hill have passed by-laws to forbid recreational smoking or vaping cannabis on public property. However, decisions to opt-out of allowing cannabis retail stores are yet to be made
- Assuming no local municipality opts out: estimated \$1.3 million
- Assuming all local municipalities opt-out: estimated \$0.5 million

Funding offered for cannabis legalization is <10% of costs

* Based on 2018 MPAC household numbers. York Region's first payment of \$478,284 is based on the actual 2018-2019 First Payment- Allocation Notice from MoF. Lower-tier allocations are estimated by staff.

NEXT STEPS FOR MUNICIPALITIES

1. Adopt a council resolution to opt in or out and submit to the AGCO by January 22, 2019
2. If opting in, develop a Municipal Policy Statement outlining municipal concerns/comments and submit to the AGCO with request that it be considered as Public Interest
3. Delegate staff to respond to applications
4. Develop a framework for Regional input into local applications

THANK YOU

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Attachment 3 – Municipalities in the GTA Region and Toronto that have opted-out/in

*As of January 16, 2019



Attachment 4

Proposed resolution to opt-in and permit private cannabis retail stores

1. That Report No. CS19-001 be received;
2. That Council of The Corporation of the Town of Aurora opts-in and permits cannabis retail stores within the Town of Aurora;
3. That Council request the AGCO to consider the following restrictions as a matter of public interest when reviewing retail store authorization applications for proposed stores within the Town of Aurora:
 - a. That private cannabis retail stores not be permitted within 150 metres from daycares, nurseries, parks, group homes or addiction and counselling facilities, the Aurora Community Centre, the Aurora Family Leisure Complex, the Stronach Aurora Recreation Complex, the Aurora Public Library and Town Hall and any other similar public gathering uses;
 - b. That private cannabis retail stores not be permitted within 150 metres of each other.
4. That staff be authorized to review the Alcohol and Gaming Commissions of Ontario's proposed retail store authorization applications for cannabis stores located in Aurora and provide submissions within 15 days of notice of the application;
5. That the Town Clerk provide written notice and a copy of this resolution to the Registrar of the Alcohol and Gaming Commission of Ontario, in accordance with section 41(5) of the *Cannabis Licence Act, 2018*;
6. That the Chief Administrative Officer and the Treasurer, or its designate, be authorized to enter into any agreements in regard to intergovernmental funding relating to the implementation of cannabis; and
7. That a copy of this resolution be forwarded to the Region of York and all lower tier municipalities within York Region for their information.