

While local governments play a key role in the area of land use planning for cannabis related businesses, the Provincial and Federal and governments are responsible for most aspects of the legalization framework. The challenge for local governments is providing land use regulations that remain consistent with the changing Federal and Provincial legislation.

In the CSRD context, provincial Agricultural Land Reserve (ALR) regulations for cannabis production have been especially significant since ALR land is a desirable place to locate cannabis production facilities. From July 13, 2018 to February 22, 2019 the Agricultural Land Commission (ALC) only considered cannabis grown entirely in the native soil to be considered "farm use". This regulation resulted in several proponents of cannabis production facilities in the CSRD needing to apply for ALC non-farm use permission since their facilities were on ALR land and included concrete floors. A May 8, 2019 information bulletin from the ALC then provided clarity that this regulation had been amended and that all forms of cannabis production are now deemed a "farm use" – meaning that concrete floor facilities no longer require non-farm use permission.

A key amendment proposed to Policy A-71 is to provide consistency with this latest ALR regulation change.

POLICY:

A summary of CSRD land use regulations and how they pertain to cannabis legalization was provided in the June 21, 2018 Board Report at the time that Policy A-71 was adopted. While some Electoral Areas have cannabis specific land use regulations in place, other areas have no land use regulations at all. Policy A-71 "fills the gaps" by providing clear location guidelines for areas with or without land use regulations.

See attached Board report: "2018-06-21_Board_DS_Cannabis_Policy_A-71_0430_20_53.pdf"

See attached Board report: "2018-04-19_Board_Report_DS_0430_2053_cannabis_legalization.pdf"

It is important to note that a cannabis related business referral may also trigger a separate development application review and approval process (e.g., rezoning or Temporary Use Permit). The procedures by which the CSRD processes these development applications is established in Development Services Procedures Bylaw No. 4001.

The proposed amendments to Policy A-71 will provide more clarity for staff, Electoral Area Directors, and proponents of cannabis related business wanting to start a business in the CSRD. A summary of the proposed amendments is provided in the Key Issues/Concepts section of this report.

FINANCIAL:

Development Services Application Fees Bylaw No. 4000 was amended in July 19, 2018 to include fees for cannabis related business referrals. The intent of these fees are to recover costs incurred by the CSRD when processing cannabis related business referrals. The fees charged for processing cannabis related referrals aligns with the existing fee structure in Bylaw No. 4000.

See attached July 19, 2018 Board report: "2018-07-19_Board_DS_BL4000-4_Cannabis_Fees.pdf"

KEY ISSUES/CONCEPTS:

At the June 25, 2019 EAD Committee meeting, staff gave a presentation that summarized the last year in terms of cannabis related business activity in the CSRD.

See attached June 25, 2019 EAD presentation: "2019-06-25_EAD_Cannabis_Policy_Presentation"

Following the presentation, the Committee discussed with staff what changes are necessary to update Policy A-71 and generally agreed to the following statements:

- 30 m is an appropriate parcel boundary setback for cannabis production facilities;
- Cannabis production facilities should not be located in close proximity to residential areas;
- Remove the policy statement about not supporting cannabis production facilities on ALR land;
- Reduce the 300 m separation distance requirement between cannabis related businesses and certain locations (parks, schools etc.);
- Remove the policy statement on cannabis production facilities only being permitted in Industrial zones;
- Cannabis retail stores should be regulated by CSRD land use regulations the same as retail stores selling alcohol or tobacco.

The June 25, 2019 EAD Committee Minutes are available in the July 18, 2019 Board meeting agenda package.

Based on the comments obtained at the EAD meeting, staff have drafted an updated version of Policy A-71. The list below summarizes the key proposed amendments to Policy A-71:

- Addition of more comprehensive listing of information required in CSRD referral packages for cannabis related businesses;
- Removal of the statements:
 - *Where land use zoning exists, cannabis retail sales may only be permitted in commercial zones; cannabis production facilities may only be permitted in industrial zones.*
 - *Cannabis related businesses are not supported on:*
 - *Residential properties* (replaced with 100 m separation distance)
 - *Land within the Agricultural Land Reserve (ALR)*
 - *Areas located within 300 m of schools, parks, and any other public space.*
- Removal of the 300 m minimum separation distance between cannabis related business and daycares, health care facilities, parks, schools, libraries, and playgrounds;
- Addition of the statements:
 - *In cases where land use zoning exists:*
 - *cannabis retail sales may only be permitted in zones that allow retail sales*
 - *cannabis cultivation may only be permitted in zones that allow agriculture or cannabis production*
 - *cannabis processing (in which more than 50% of the farm product is sourced off-site) may only be permitted in zones that allow processing or cannabis production*
 - *In cases where land use zoning does not exist:*
 - *cannabis retail sales are preferred at, or near, existing retail businesses*
 - *cannabis cultivation is preferred in areas with existing agriculture*

- *cannabis processing (in which more than 50% of the farm product is sourced off-site) is preferred in areas where processing or cannabis production is an established use*
- Replacement of the 300 m minimum separation distance with a 100 m minimum separation distance for cannabis production facilities because it is appropriate to provide a buffer between cannabis production facilities, and public places (schools, parks, public beaches, or other public meeting spaces) and residential dwellings;
- Reduction of the minimum setbacks for cannabis production facilities 500 m² or less in area to a 15 m setback to all lot lines and a reduction of the minimum setbacks for cannabis production facilities greater than 500 m² to a 30 m setback from all lot lines. Setback requirement in existing Policy A-71 are 60 m to an exterior lot line, 90 m to front lot line, and 30 m to other lot lines;
- The different minimum setback distances reflect the two different scales of cannabis production – micro (≤ 200 m² of canopy space) and standard (> 200 m² of canopy space);
- The 15-30 m minimum setback is a distance recommended in the provincial *Guide for Bylaw Development in Farming Areas*.

IMPLEMENTATION:

Should the Board endorse the amendments to Policy A-71, staff will replace all existing versions of Policy A-71 with the amended version. Staff will continue to use Policy A-71 when reviewing cannabis related business proposals in the CSRD Electoral Areas.

COMMUNICATIONS:

Should the Board endorse the amendments to Policy A-71, the updated policy will be made available on the CSRD website and at the front counter. It will also be communicated through CSRD social media.

DESIRED OUTCOMES:

That the Board endorse the staff recommendation.

BOARD'S OPTIONS:

1. *Endorse the Recommendation.*
2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

Report Approval Details

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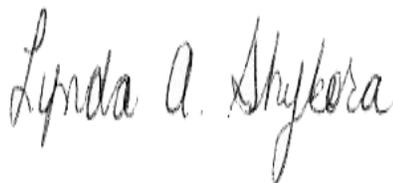
This report and all of its attachments were approved and signed as outlined below:



Corey Paiement - Jul 8, 2019 - 3:13 PM



Gerald Christie - Jul 8, 2019 - 3:41 PM



Lynda Shykora - Jul 9, 2019 - 10:48 AM



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