

COMMITTEE-OF-THE-WHOLE MEETING AGENDA
MONDAY, JUNE 18, 2018 AT 5:00 P.M.
LEDE ROOM, LEDUC CIVIC CENTRE
1 ALEXANDRA PARK, LEDUC, ALBERTA
PAGE 1

*Admin.
Est. of Time*

I. APPROVAL OF AGENDA

II. ADOPTION OF PREVIOUS NOTES

- a) Approval of Notes of the Joint City of Leduc/Town of Beaumont Committee-of-the-Whole Meeting held Wednesday, May 23, 2018
- b) Approval of Notes of the Committee-of-the-Whole Meeting held Monday, June 11, 2018

III. DELEGATIONS & PRESENTATIONS

B. McKenzie,
Executive Director /
S. McIntosh,
Community &
Business Program
Lead

- a) Leduc-Nisku Economic Development Association Tourism Project

15 minutes

IV. BUSINESS ARISING FROM PRESENTATIONS

V. IN-CAMERA ITEMS

Ken Brizel, CEO /
Rosy Amlani, CFO

- a) Introduction to Alberta Centre for Advanced MNT*
(*Microsystems and Nanotechnology) Products
("ACAMP")
FOIP s. 16 & 24

15 minutes

G. Thomas

- b) Airport Vicinity Protection Area
FOIP s. 21, 24 & 25

30 minutes

VI. RISE AND REPORT FROM IN-CAMERA ITEMS

VII. REPORTS FROM COMMITTEE & ADMINISTRATION

J. Cannon /
C. Thorn

- a) Economic Update

30 minutes

J. Cannon

- b) Fiscal Pressures

20 minutes

C. Chisholm

- c) Public Consumption Cannabis Discussion

30 minutes

S. Losier

- d) Land Use Cannabis Discussion

30 minutes

S. Losier

- e) Business Licencing Cannabis Discussion

30 minutes

VIII. GOVERNANCE

IX. COUNCIL CALENDAR UPDATES

**COMMITTEE-OF-THE-WHOLE MEETING AGENDA
MONDAY, JUNE 18, 2018 AT 5:00 P.M.
LEDE ROOM, LEDUC CIVIC CENTRE
1 ALEXANDRA PARK, LEDUC, ALBERTA
PAGE 2**



X. INFORMATION ITEMS

- a) Grants to Organizations *15 minutes*
- b) Appointment of a Council Member to the Edmonton
Metropolitan Region Board Integrated Transportation &
Transit Systems Working Group *10 minutes*

XI. ADJOURNMENT

I.

APPROVAL OF AGENDA

This is your opportunity to make an addition, deletion or revision
to the Agenda

UNCONFIRMED

**MINUTES OF THE CITY OF LEDUC/TOWN OF BEAUMONT
JOINT COMMITTEE OF THE WHOLE MEETING
WEDNESDAY, MAY 23, 2018**

Town of Beaumont

Mayor J. Stewart
Councillor K Barnhart
Councillor B. Daneluik
Councillor P. Hendriks
Councillor S. Munckhof-Swain
Councillor M. Stout
Councillor S. vanNieuwkerk

M. Schwartz, Town Manager
E. Mohammed, General Manager,
Integrated Growth and Infrastructure

City of Leduc

Mayor B. Young
Councillor B. Beckett
Councillor B. Hamilton
Councillor T. Lazowski

P. Benedetto, City Manager
S. Davis, City Clerk

Regrets: Councillors G. Finstad,
L. Hansen and L. Tillack

1. Dinner and Networking – 1 hour

2. Call to Order

Mayor B. Young called the formal meeting to order at 6 pm.

3. Review of Agenda

MOVED by Councillor B. Hamilton (Leduc) that the agenda be approved as presented.

Motion Carried Unanimously

4. Roundtable on Vision for this Term

Each Council member provided some background information on themselves and answered the following questions:

- a. Why did you run?
- b. What is surfacing as your councils' priorities?

The members of Administration also introduced themselves.

Councillor T. Lazowski (Leduc) left the meeting at 6:11 pm.

5. Views on Regional Collaboration

Mayor B. Young and Mayor J. Stewart invited Council members to post questions, or comments, they may have in relation to regional collaboration initiatives such as: Edmonton Metropolitan Region Board; Edmonton Global; and any other initiatives underway such as Fire, Transit, and Broadband.

The responses provided are Attachment 1 to these minutes.

6. Adjournment

The meeting was adjourned at 7:01 pm.

MAYOR J. STEWART,
Town of Beaumont

MAYOR B. YOUNG,
City of Leduc

M. SCHWIRT,
Town Manager

S. DAVIS,
City Clerk, City of Leduc

TOWN OF BEAUMONT & CITY OF LEDUC JOINT COMMITTEE-OF-THE-WHOLE MEETING

Wednesday, May 23, 2018

EMRB	
Questions	Outcomes
<p>How do we share regional successes locally?</p> <p>How to establish a stronger, more influential voice at the table?</p> <p>How does EMRB have a stronger advocacy voice with the province?</p>	<p>Recreation Services</p>

Edmonton Global	
Questions	Outcomes
<p>Cost/Benefit?</p> <p>How can we ensure Edmonton Global has the right information to work for us?</p> <p>Friend or foe?</p> <p>Why?</p> <p>Edmonton Global = Edmonton Focus?</p> <p>Do we need a "Southeast" division to drive Economic Development here?</p> <p>Leduc/Leduc County/Beaumont Global?</p> <p>Regional vs. Sub-regional Economic Development?</p>	<p>Economic Co-operation</p> <p>Improved broadband connections throughout Region, including smaller communities.</p>

Other Items of Discussion

Regional Fire

Yes - Regional Fire

Fire Services / Integrated

Regional Police

Regional Emergency Services

Regional Housing

Regional Transit X2

Regional Transit Group

Regional Transit Cooperation

Transit – Regional Service Opportunities

Regional Recreation Cooperation

How to bring Beaumont into the Airport opportunities?

How can we collectively lobby the Province/Federal Government for priorities?

A joint tax commitment to fund affordable housing in the region

Mental Health Treatment & Prevention

FCSS

Regional Sports Facility – Become a leader in Alberta!

Sub-regional Collaboration – forming a group

Broadband

Regional Collaboration i.e. on big events (Triathlon or Summer Games)

COMMITTEE-OF-THE-WHOLE MEETING NOTES
MONDAY, JUNE 11, 2018
PAGE 46



Present: Mayor B. Young, Councillors G. Finstad, B. Hamilton, L. Hansen, T. Lazowski and L. Tillack

Absent: Councillor B. Beckett

Also Present: P. Benedetto, City Manager and S. Davis, City Clerk

Mayor B. Young called the meeting to order at 5:02 pm.

I. APPROVAL OF AGENDA

MOVED by Councillor L. Hansen that the Committee approve the agenda as presented.

Motion Carried Unanimously

II. ADOPTION OF PREVIOUS NOTES

a) Approval of Notes of the Committee-of-the-Whole Meeting held Monday, May 28, 2018

MOVED by Councillor G. Finstad that the notes of the Committee-of-the-Whole meeting held Monday, May 28, 2018, be approved as presented.

Motion Carried Unanimously

III. DELEGATIONS & PRESENTATIONS

There were no delegations or presentations.

IV. BUSINESS ARISING FROM PRESENTATIONS

V. IN-CAMERA ITEMS

MOVED by Councillor L. Tillack that Committee-of-the-Whole move In-Camera at 5:03 pm to discuss:

a) Long Term Facilities Master Plan
FOIP s. 24 & 25

Motion Carried Unanimously

MOVED by Councillor L. Hansen that the Committee-of-the-Whole move In-Public at 5:59 pm.

Motion Carried Unanimously

VI. RISE AND REPORT FROM IN-CAMERA ITEMS

a) Long Term Facilities Master Plan
FOIP s. 24 & 25

COMMITTEE-OF-THE-WHOLE MEETING NOTES
MONDAY, JUNE 11, 2018
PAGE 47

C. Kjinserdahl, Project Lead, Urban Designer, and R. Baxter, Principal-In-Charge, HOK, Inc., made a presentation. D. Melvie, General Manager, Community and Protective Service, made a PowerPoint presentation (Attached).

C. Kjinserdahl, R. Baxter, D. Melvie, B. Knisley, Director, Facility and Property Services, and P. Benedetto, City Manager, answered the Committee's questions.

VII. REPORTS FROM COMMITTEE & ADMINISTRATION

a) Cannabis Update Report

S. Losier, Manager, Current Planning, and J. Paquette, Planning Intern, made a PowerPoint presentation (Attached), which provided their analysis of the Town of Langford Model relative to cannabis retailing. They also provided information on other Alberta municipalities' approaches relative to land use, business licensing fees and hours of operation.

Administration recommended that, if a different fee structure or different hours of operation for cannabis retailers is desired, a separate amending bylaw would be in order.

**RESPONSIBLE
DEPT.**

IP

S. Losier, B. Loewen, City Solicitor, P. Benedetto, City Manager, and M. Pieters, General Manager, Infrastructure and Planning, answered the Committee's questions.

Councillor G. Finstad requested Administration bring forward a report on the number of liquor vendors in the City of Leduc in November/December of 2018.

b) Condominium Research Overview

I. Sasyniuk, General Manager, Corporate Services, advised that the research is being done and will be presented in a report coming forward to the June 25, 2018, Committee-of-the-Whole meeting. After the June 25, 2018, meeting, Administration will set up a meeting with the individual representing the condominium in question.

I. Sasyniuk answered the Committee's questions.

The Committee recessed at 6:54 pm.

The Committee reconvened at 9:10 pm.

c) Long Range Planning Unit – Projects Overview

K. Jones, Long Range Planner II, and C. Labrecque, Manager, Long Range Planning, made a PowerPoint presentation (Attached).

C. Labrecque, K. Woitt, Director, Planning & Development, and P. Benedetto, City Manager answered the Committee's questions.

COMMITTEE-OF-THE-WHOLE MEETING NOTES
MONDAY, JUNE 11, 2018
PAGE 48

VIII. INFORMATION ITEMS

There were no information items.

IX. ADJOURNMENT

The meeting adjourned at 9:35 pm.

B. Young
MAYOR

S. Davis
CITY CLERK

ADOPTION OF PREVIOUS NOTES

Notes of the Committee-of-the-Whole Meeting
– June 11, 2018

* VI.a. Long Term Facilities Master Plan

Attachment Removed Pursuant to Sections 24 & 25 of the FOIP Act.

Cannabis Update Report

2018-CoW-044



Outline

- The Langford model
- Other Alberta municipalities' approaches
 - Land use
 - Business licensing fees
 - Hours of operation
- Next steps

The Langford Model

- “Retail Sales of Cannabis and Cannabis Related Products” Request for Proposal
- Open for 1 month, closed June 1st
- Up to 5 cannabis retailers to be permitted, on temporary-use permits, and the City will take an undetermined percentage of profits
- None allowed within:
 - 500m of other cannabis retailers
 - 300m of schools or group daycares (>8 children)
 - 150m of parks

The Langford Model

Administration’s Analysis

- Merit-based, but unclear on weighting of criteria
- Requirements mirror those of AGLC’s cannabis retailer licensing process, guidelines similar to directives in City of Leduc’s proposed regulations
- In Alberta, temporary use permits are only for permitted uses, or uses similar to permitted uses
- Requires complete do-over of City of Leduc’s approach

The Langford Model

Issues of clarity, practicality, timing

Administration's Recommendation

Considering the regional context and where we are at in our own process, an RFP approach similar to Langford is not desirable for the City of Leduc.

Other Municipalities Approaches

Land use

- Little consistency
- Aligned on keeping retail stores away from schools and residential districts

Other Municipalities Approaches

Business Licensing

- Fees
 - Depends on stratification of licensing scheme; hard to justify charging higher fees for cannabis businesses when all other businesses pay a uniform licensing fee

Other Municipalities Approaches

Business Licensing

- Hours of Operation
 - Trend leaning towards same hours as liquor stores thus far (10 AM – 2 AM)
 - Some restricting closing to 10 or 11 PM
 - Many have not disclosed this aspect of their regulations yet

Next steps

- Administration recommends the Committee consider whether it wishes to explore a different fee structure or different hours of operation
- Should Council decide to do so, Administration would recommend a separate amending bylaw
- Bylaw 971-2017 doesn't need to be held back

Next steps

- Provide direction to Administration on any desired changes to proposed Bylaw 970-2017
- If no changes are required, direct Bylaw 970-2017 come forward at the June 11 Council meeting for 3rd reading;
- If minor changes are required, direct Bylaw 970-2017 come forward at the June 25 Council meeting for 3rd reading;

Next steps

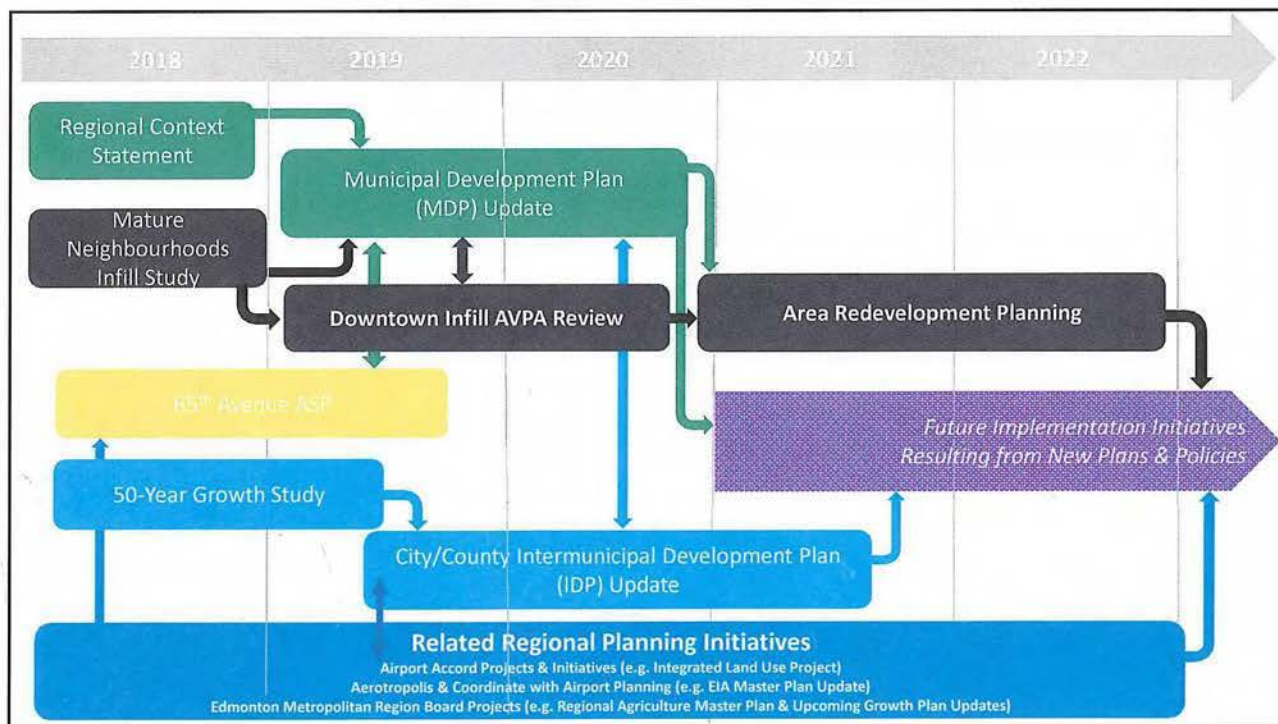
- If major changes are required, direct Bylaw 970-2017 come forward at the June 11 Council meeting to be defeated.
- This would require starting a new process and require 3-6 months before returning to Council.

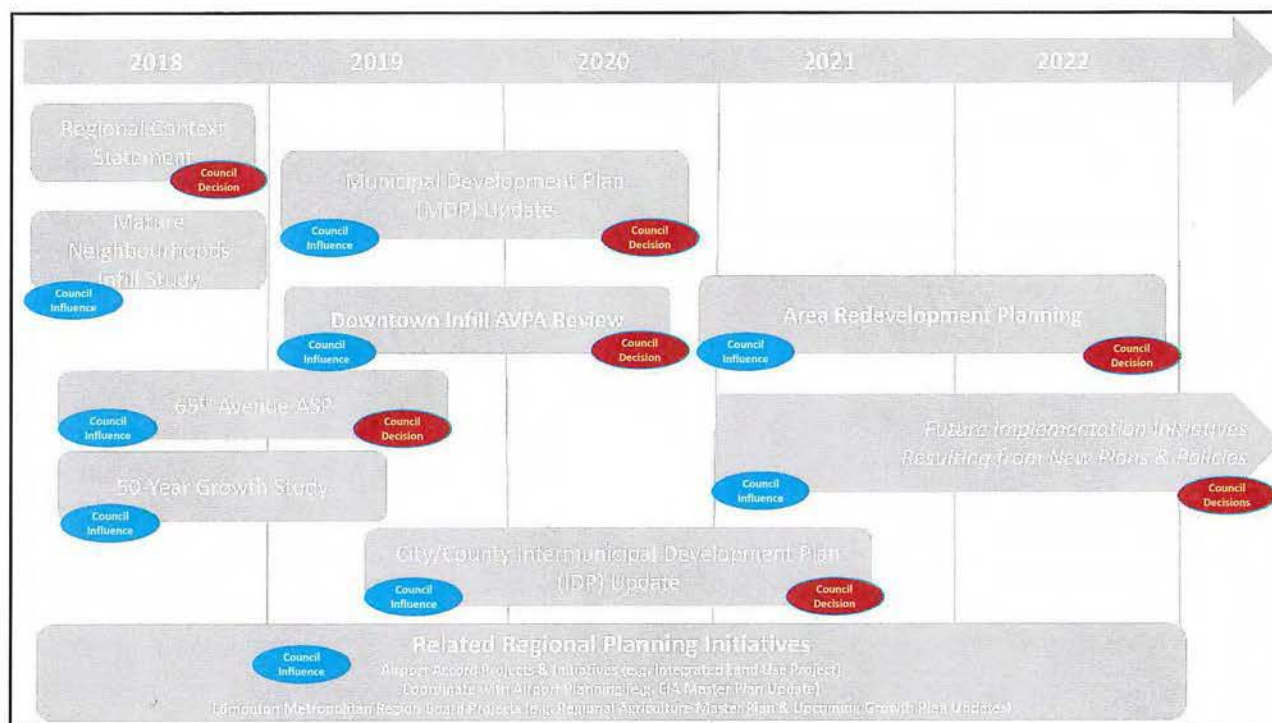
Next steps

Questions ?

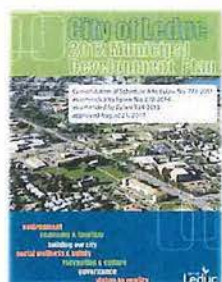
Long Range Planning Unit

Overview of Major Projects





Regional Context Statement



Purpose: Review Leduc's Municipal Development Plan (MDP) to test conformance with Edmonton Metropolitan Region Growth Plan.

Priority Level: Very High. Update required for EMRGB compliance by October 2019.

Council's Role: Decision. Requires Council review & approval.

Timeline: January, 2018 – September, 2018



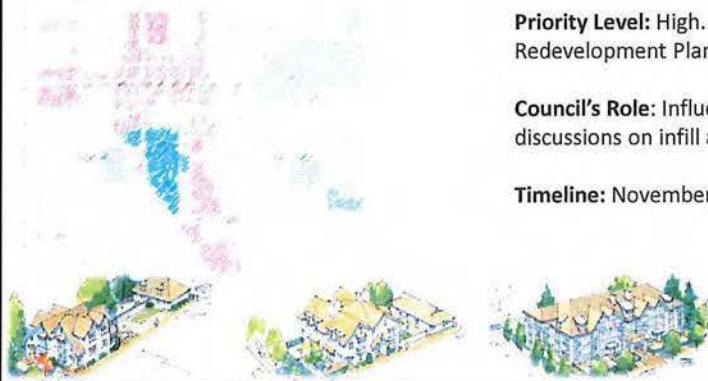
Mature Neighborhoods Infill Study

Purpose: Informative study to review infill opportunities & constraints in Leduc's oldest core neighbourhoods.

Priority Level: High. Key input for MDP review, future Area Redevelopment Planning and Downtown AVPA review.

Council's Role: Influence – utilize Study for MDP policy discussions on infill and downtown AVPA review.

Timeline: November, 2017 – September, 2018



New Area Structure Plan: 65th Avenue ASP

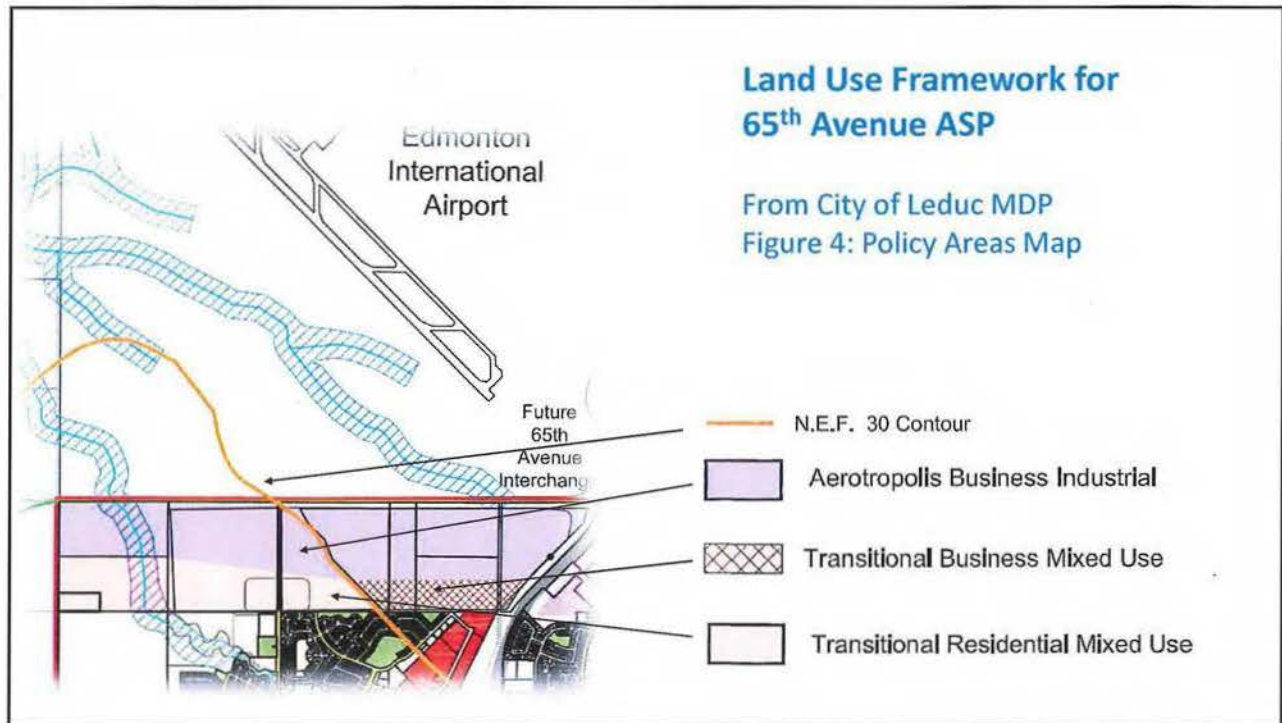
Purpose: Create new land use plan for area south of the EIA/north of Bridgeport.

Priority Level: High. Advances Aerotropolis & 65th Ave initiatives & provides developer certainty.

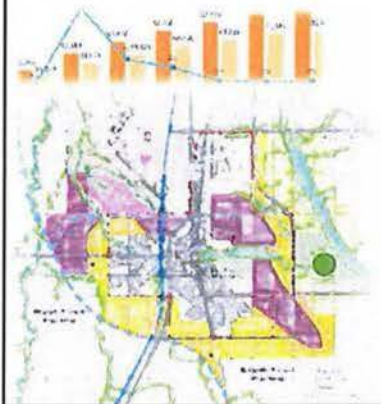
Council's Role: Influence and decision.

Timeline: May, 2019 to October, 2019





50-Year Growth Study



Purpose: Produce long-term population & employment projections. Analyze potential long-term growth direction options for City of Leduc.

Priority Level: Very High. Key input for IDP & MDP reviews; influence on future EMRB Growth Plan updates.

Council's Role: Influence by providing input & feedback.

Timeline: June, 2018 – July, 2019

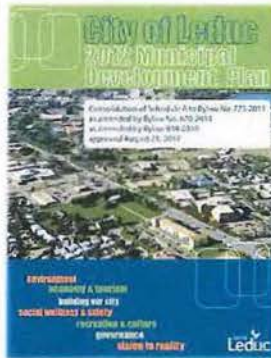
Municipal Development Plan (MDP) Update

Purpose: Review and update Leduc's MDP, our City's main comprehensive statutory land use plan.

Priority Level: Very High. EMRGB requires all member MDP's to be in compliance by October, 2020.

Council's Role: Influence & decision.

Timeline: January, 2019 – October, 2020



Targeted Downtown AVPA Review



Province of Alberta

MUNICIPAL GOVERNMENT ACT

EDMONTON INTERNATIONAL
AIRPORT VICINITY PROTECTION
AREA REGULATION

Alberta Regulation 55/2005



Purpose: Review provincially legislated Airport Vicinity Protection Area Regulation (AVPA) for downtown residential unit exemption.

Council's Role: Influence and lobby Province, EIA, others.

Phase 1: Mature Infill Study analysis. (2018)

Phase 2: Review infill policies during MDP update. (2019/2020)

Phase 3: Develop strategy and negotiate with Province (2020).



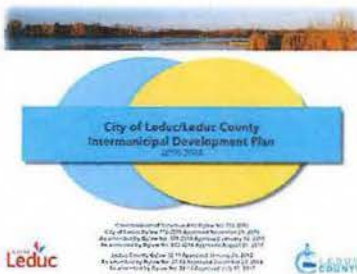
Intermunicipal Development Plan (IDP) Review

Purpose: Review & update the Intermunicipal Development Plan with Leduc County.

Priority Level: High. Highest-level land use plan to confirm/direct future growth for areas bordering City of Leduc/Leduc County.

Council's Role: Influence and decision.

Timeline: mid-2019 to mid-2021.



Area Redevelopment Planning

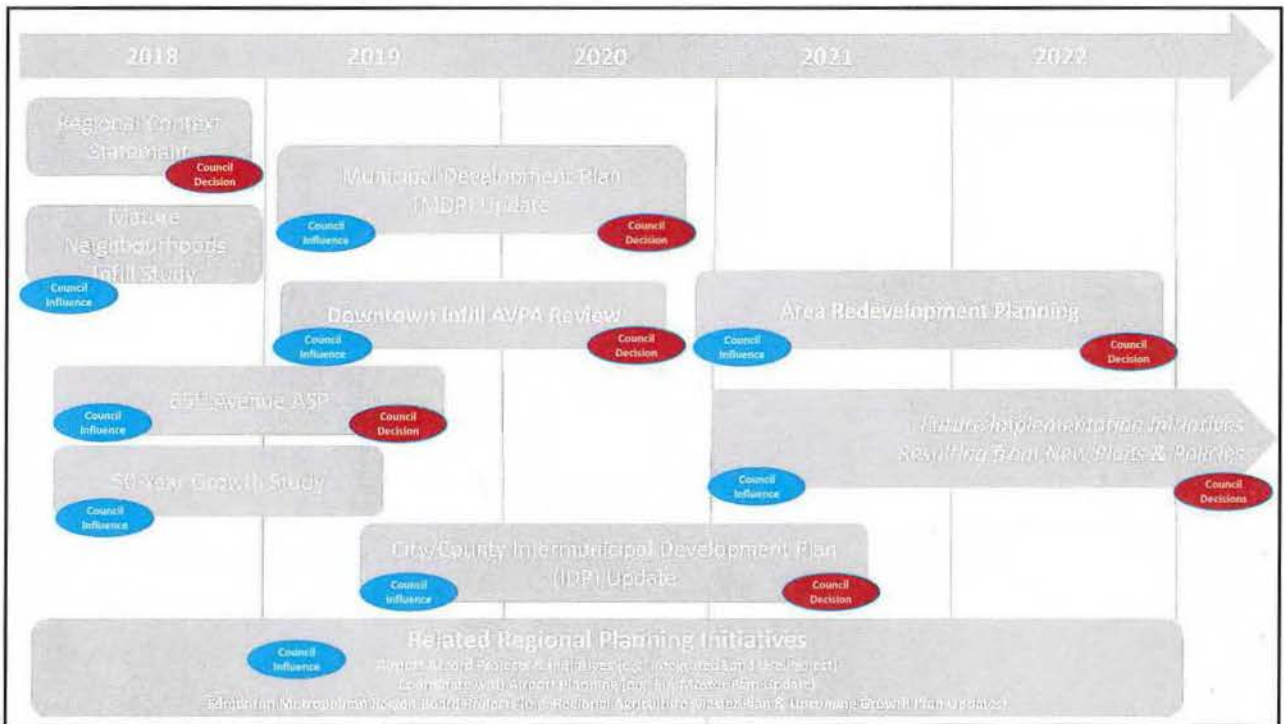
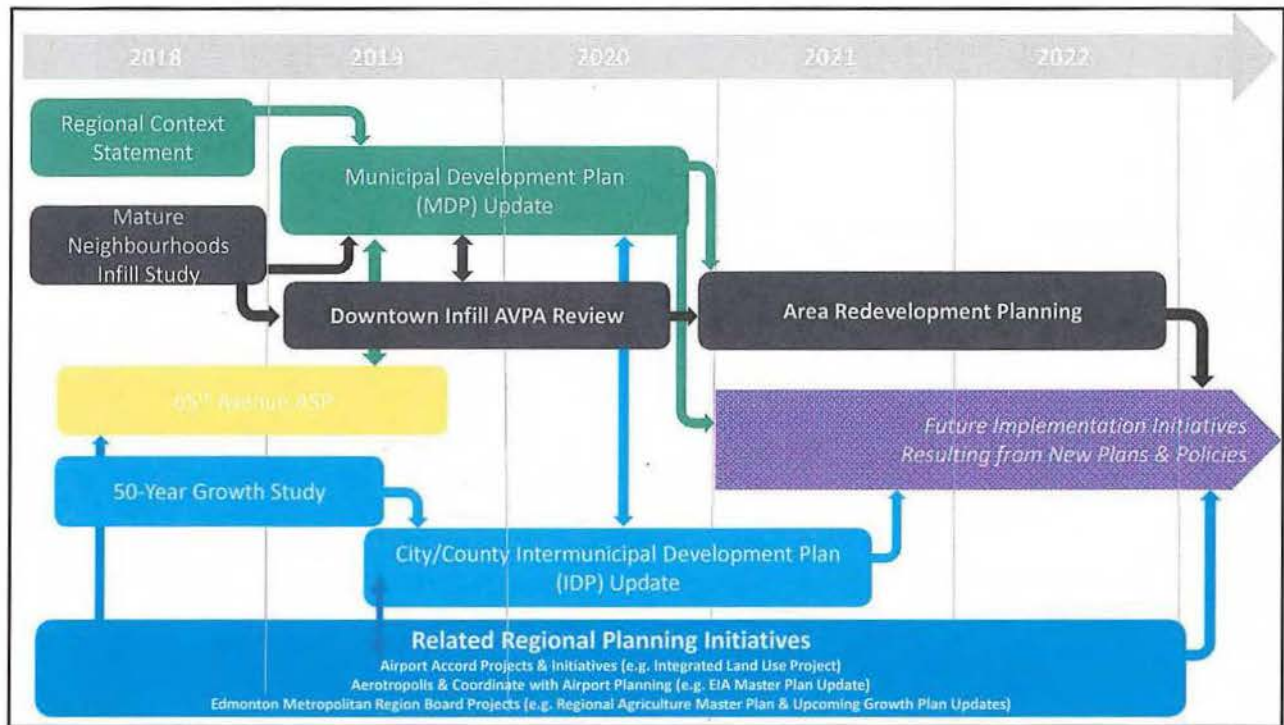
Purpose: Key land use planning initiative to create statutory plans for Mature Neighbourhoods.

Priority Level: High. Uses direction from EMRGB, MDP update and inputs from Mature Infill Study and AVPA review to proactively plan Leduc's oldest core neighbourhoods.

Council's Role: Influence and decision.

Timeline: 2021, following Mature Infill Study and MDP update.





DELEGATIONS & PRESENTATIONS

Leduc-Nisku Economic Development Association
Tourism Project

Presented by:

B. McKenzie, Executive Director

S. McIntosh, Community & Business Program Lead

IV.

**BUSINESS ARISING
FROM
PRESENTATIONS**

IN-CAMERA ITEMS

Introduction to Alberta Centre for Advanced MNT* (*Microsystems and Nanotechnology) Products ("ACAMP")

(Exception to Disclosure – Sections 16 & 24 of the FOIP Act)

Presented by:

Ken Brizel, CEO /
Rosy Amlani, CFO

IN-CAMERA ITEMS

Airport Vicinity Protection Area

(Removed Pursuant to Sections 21, 24 & 25 of the FOIP Act)

Presented by
G. Thomas

VI.

RISE AND REPORT FROM IN-CAMERA ITEMS

MEETING DATE: June 18, 2018

SUBMITTED BY: Jennifer Cannon, Director, Finance

PREPARED BY: Jennifer Cannon, Director, Finance
Charles Thorn, Manager, Financial Analytics, Finance
Sylvia Ahn, Financial Analyst, Finance

REPORT TITLE: Economic Update

REPORT NUMBER: 2018-CoW-041

REPORT SUMMARY

This report provides an economic scan of Alberta at present with year over year comparisons where appropriate to provide context of the ever-changing economic environment that affects the City of Leduc. The intention of the report is to enable informed decision-making and provide linkage to the City of Leduc where possible.

BACKGROUND

PREVIOUS COUNCIL/COMMITTEE ACTION:

The Economic Update has been presented to Council on an annual basis since 2016.

ECONOMIC UPDATE:

The Economic Update was implemented in 2016 with the intention of assisting in the preparation of the annual budget. The aim is to provide Council with an understanding of the current economic situation in the City of Leduc, the province and the country as a whole, as well as to help guide in decision making by providing a forecast of the future economic outlook.

It is important to recognize that this report has been prepared at a “point in time” and as such, may not reflect the most current day-to-day news that has become available. This further emphasizes the need to be proactive and adaptable.

Overview

The Economic Update will discuss a number of economic indicators specific to Alberta and Canada, including real GDP, economic structure, oil sector, unemployment rate and other considerations, as well as indicators specific to Leduc, including offsite levies, building permits, population and pressures on the residential/non-residential assessment ratio.

Real GDP

Statistics Canada states, “Real GDP is used by policy makers, financial institutions and other businesses to help determine the health of the nation. Since real GDP measures the volume of goods and services produced, an increase in its value is a sign of a healthy economy while a decline indicates that the economy is not functioning to its full capacity. Real GDP relates directly to other key macroeconomic variables such as employment, business cycles, productivity and long-term economic growth.”

Table 1: 2018 Real GDP Percentage Change

Real GDP Forecasted % Change			
Organization	2017	2018	2019
ATB	3.9%	2.8%	2.2%
BMO	4.1%	2.2%	2.1%
CIBC	3.8%	1.9%	1.9%
National Bank	4.2%	2.7%	1.9%
RBC	4.2%	2.2%	2.0%
Scotiabank	4.3%	2.5%	2.3%
TD	4.3%	2.4%	2.0%
Average	4.1%	2.4%	2.1%

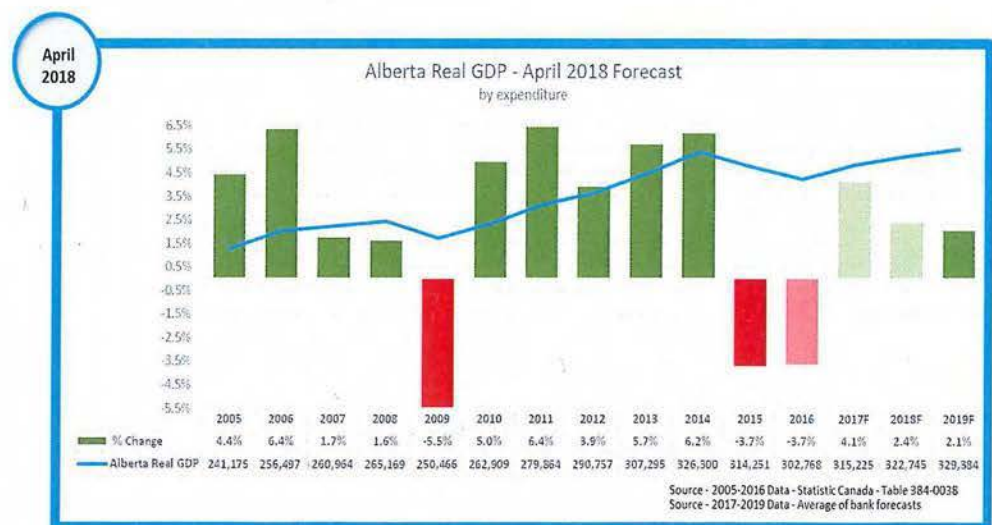
For Q1 (2018), an average GDP forecast was calculated based on the forecasts of 7 Canadian banks. The current forecast in Table 1 shows an expected increase of 4.1% in 2017, an increase of 2.4% in 2018 and an increase of 2.1% in 2019. The change in real GDP for 2017 was forecasted to be 2.0% according to last year's estimates, but has been revised to 4.1% in the current year. The increase in the forecast for 2017 is indicative of the economic gains made during the year. A large driver of this growth was the recovery from the wildfires in Fort McMurray.

It is estimated that \$5.3 billion will be reinvested in Alberta's economy between 2017 to 2019 in order to clean up and rebuild in and around Fort McMurray. Of this amount, \$3.6 billion will be funded by the insurance industry through policyholder compensation and the remainder will be funded by provincial and federal governments. The Conference Board of Canada has stated that this spending will add 0.4% or \$1.1 billion to Alberta's GDP in 2017 followed by growth of 0.2% and 0.1% in 2018 and 2019, respectively.¹ Economists predict that the excellent pace of growth experienced in 2017 is unlikely to be repeated. This can be seen by the lower change in real GDP forecast for 2018, which has increased slightly from 2.1% to 2.4% in the current year.

The GDP numbers change regularly as it is common practice for banks to continuously update their forecasts and over time, the forecasts can shift considerably. Last year, a decrease in real GDP of (2.6%) was forecasted for 2016. However, Chart 1 reveals that the actual decrease for that year was (3.7%). Economic growth in Alberta is forecasted to slow to a steady 2% change in real GDP over the 2018-19 horizon, which Table 1 illustrates. According to Chart 1, economic activity (blue line) will continue to see a gradual incline in the near future, which is in line with economic predictions that Alberta will experience growth at a steady 2% change in GDP.

On right: **Chart 1: Alberta Real GDP – April 2018 Forecast**

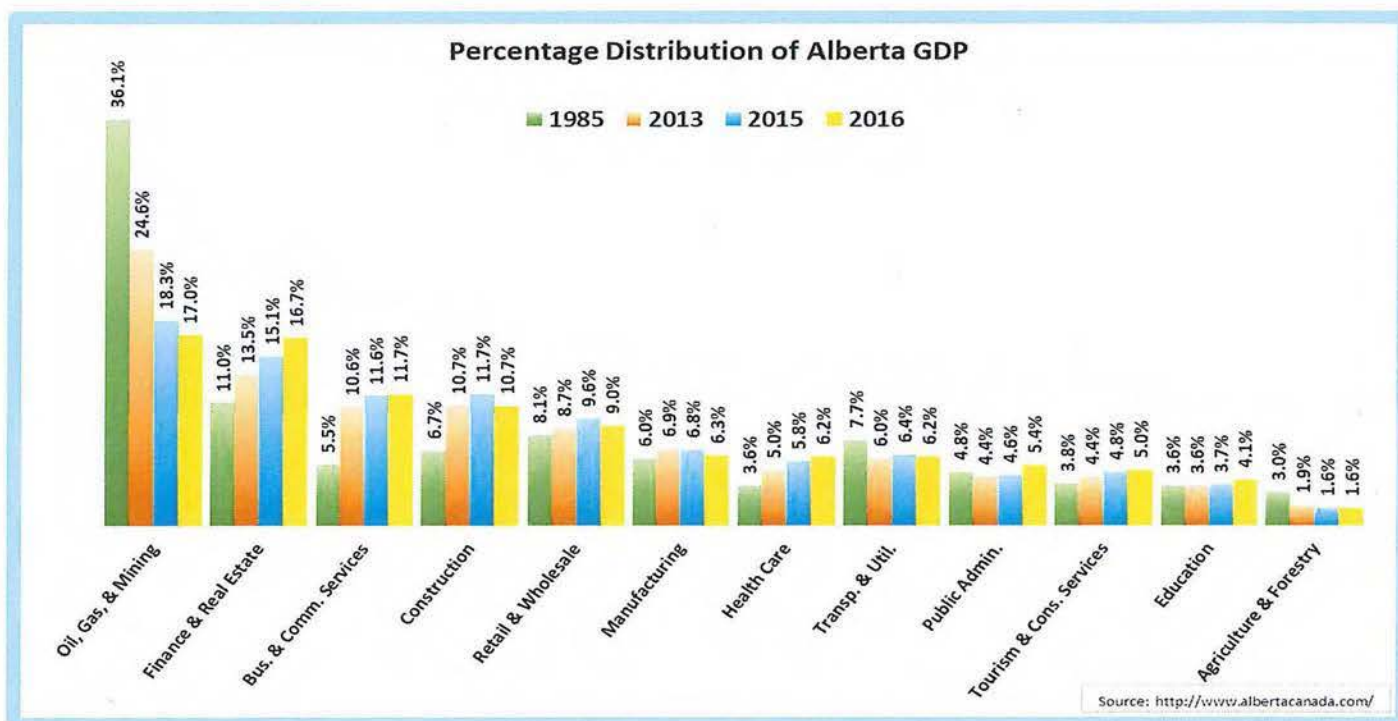
As illustrated by the graph, if steady growth continues to occur, GDP levels are expected to reach pre-recession levels by 2019. Prior to the recession, Alberta experienced high economic activity in 2014 with \$326 billion of real GDP. Chart 1 shows that by 2019, the province will be in line with 2014 levels.



Structure of the Economy

Since 1985, the structure of the Alberta economy has shifted considerably. Chart 2 has been sorted from highest to lowest percentage of GDP based on available data from 2016. Oil, gas and mining is the area that has had the most drastic shift. In 1985, this industry accounted for over 36% of GDP, but decreased to 18.3% in 2015 and further slipped to 17% in 2016. The numbers clearly show what a declining oil industry have meant to the Alberta economy since 1985 to 2016.

Chart 2: Percentage Distribution of Alberta GDP



Most of the other categories have either been holding relatively steady or have been increasing. The exceptions are transportation and utilities and agriculture and forestry, which are both lower than their 1985 levels.

Although oil, gas and mining remains the largest industry in Alberta, the trend shows that it has been making up a smaller piece of a smaller pie as the economy has contracted. The one silver lining of this trend is that the economy has become more diversified. If there are sizeable increases in the price of oil, it is likely that this category's contribution to GDP would increase.

The finance and real estate sector has held its position since 1985 as the second largest industry in Alberta. However, it is important to note that this industry has experienced the largest gain across the board of 1.6% between 2015 and 2016 and is only a few tenths of a percentage point away from becoming the largest industry in the province. The business and communication services sector has surpassed the construction industry since 2015 and is now the third largest, overall.

The provincial government is also taking steps to diversify the economy, budgeting funds in 2020 to 2022 for tax credit programs to promote new investments in new industries, which support private sector capital projects, as well as in the technology industry.²

Oil Sector

Chart 3: WTI Oil Daily Spot Price

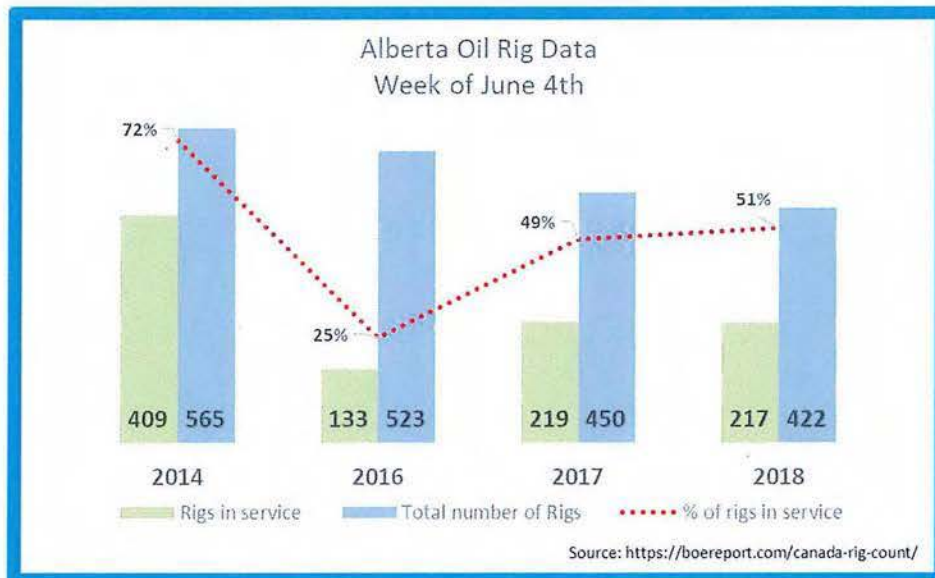


As can be seen in Chart 3, West Texas Intermediate (WTI) fuel prices are expected to improve in the near future. This is corroborated by the Government of Alberta's April 2018 Economic Trends report, which states that WTI reached a 3-year high of almost US\$70 per barrel. However, the profile of the recovery is expected to take a long time and potentially be volatile. Due to this extended recovery profile, expectations are that Alberta will see muted investment activity in the energy sector, which will result in modest growth prospects over the medium term.³ Aside from oil prices, the oil sector is also impacted by legislation and political uncertainty.

It is important to note that although WTI is used as a benchmark in oil pricing, the heavy crude oil that is more prevalent in Alberta is the Western Canada Select (WCS) stream, whose price is quoted at Hardisty.⁴ The following are a few points to consider about WCS:

- While world oil prices are recovering, there is a large differential between WTI and WCS prices. In April 2018, WTI sold at US\$70 per barrel, whereas WCS sold at US\$50 per barrel.⁵ This indicates that Canadian producers are earning less for their oil compared to their U.S. counterparts.
- There is tight transportation capacity in Western Canada. Existing pipelines are operating at maximum capacity, which has resulted in oil being backed up into storage tanks and access being apportioned.⁶
- While crude-by-rail shipments have helped to relieve some of the backed up oil and bring it to market, some Canadian railways are reluctant to carry larger quantities of oil while producers wait for the pipelines to be built. These railways prefer partners with long-term objectives that provide a more stable line of business.⁷
 - This overall lack of transportation capacity has caused WCS to be traded at a discount to WTI and its price to be volatile.

Chart 4: Alberta Oil Rigs in Service Data



To provide additional information regarding the oil sector, Chart 4 shows that although the number of oil rigs in service has held steady from 2017 to 2018, there are fewer rigs overall, which has caused the utilization rate to appear to be higher than in the prior year. Based on the figures in the chart, it can be seen that there is currently an insufficient number of rigs to return to 2014 activity levels.

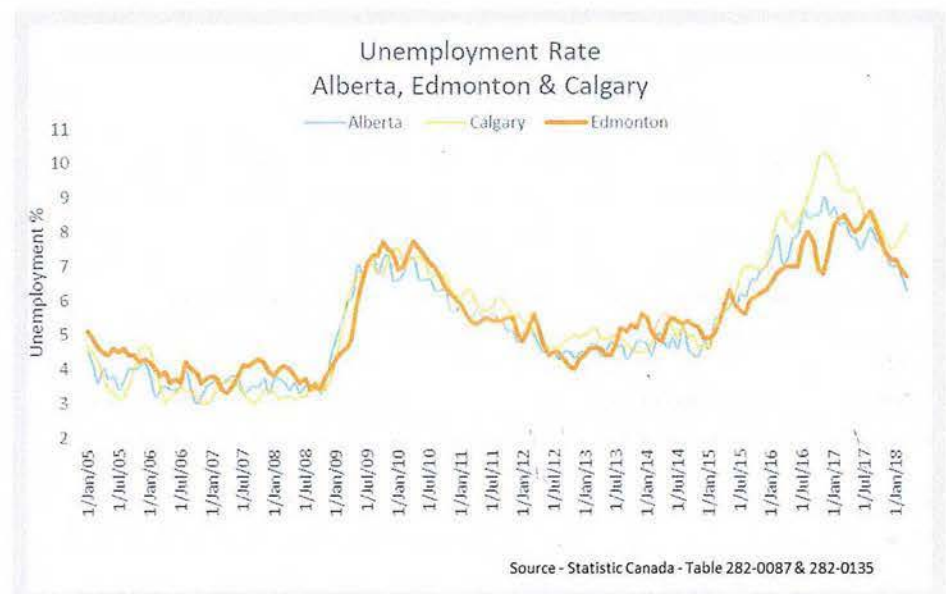
The chart also shows that while the percentage of oil rigs in service is still significantly lower than in 2014, it is trending upwards.

Unemployment Rate

The unemployment rate in Alberta has decreased since the peak of the recession in 2016. At the end of 2016, the unemployment rate in Alberta was 8.5%. As of the end of March 2018, the unemployment rate was 6.3%, which represents a decrease of 26%. It is interesting to note that although Calgary has experienced a greater reduction in its unemployment rate than Edmonton, the latter is sitting at a lower overall rate.

On right: **Chart 5: Comparison of Unemployment Rates in Alberta, Edmonton and Calgary**

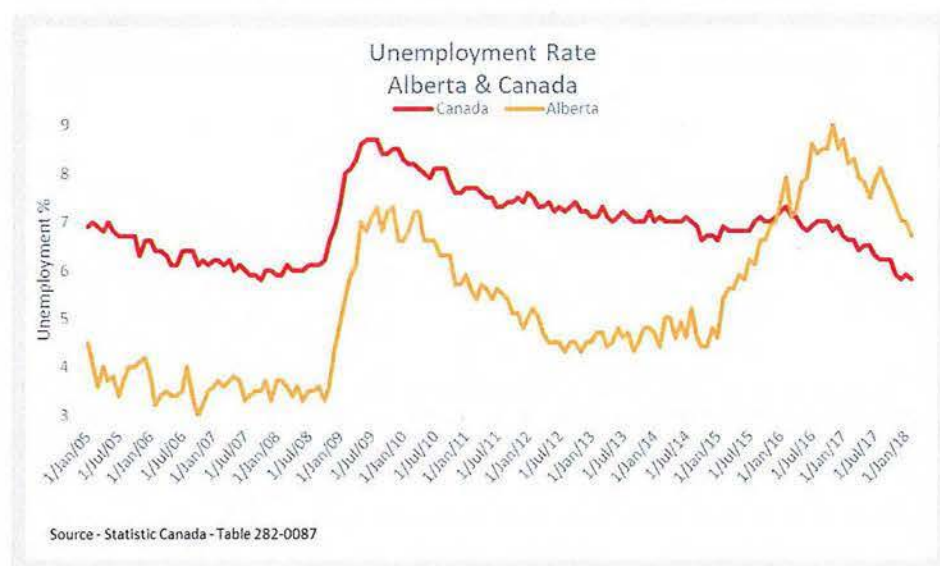
Chart 5 shows that for the same period between the end of 2016 to the end of March 2018, Calgary's unemployment rate decreased from 10.2% to 8.2% and Edmonton's from 7.4% to 6.7%.



As employment advances again this year, the provincial unemployment rate is forecast to fall until it averages 6.8%. This improvement can be attributed to rising employment over the next four years as the expanding economy provides jobs for people entering the labour market.⁸ One of the effects of lower unemployment is that the province will collect more in personal income tax and this will impact its bottom line.

However, given the depth of the recession and the prolonged recovery, the unemployment rate will not move near pre-recession rates until 2021.

Chart 6: Comparison of Unemployment Rates in Alberta and Canada

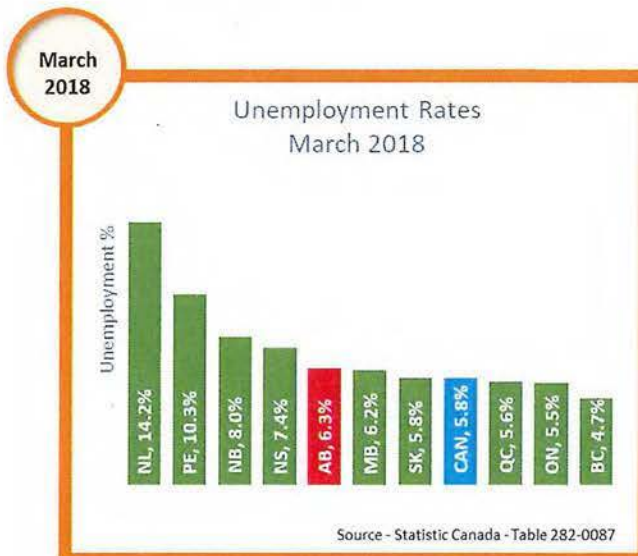
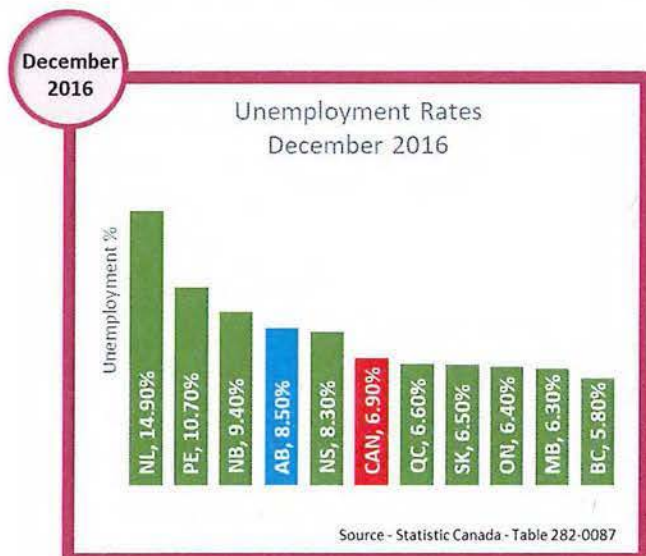


When comparing Alberta's unemployment rate to the rest of Canada, it has also improved since this time last year. Although Alberta's rate continues to be higher than that of Canada's, the gap between the two has decreased from last year, as can be seen in Chart 6. Continued improvement in the labour market, especially in the goods-producing sectors, should bolster earnings growth. In turn, this will continue to support other sectors within the province, particularly retail and housing.⁹

Although there were three strong months of job gains at the end of 2017, during which the province gained 38,000 jobs, early 2018 has seen a slight decrease. However, the quality of jobs in Alberta, which is based on labour market security and earnings potential, has steadily improved. Full-time jobs are up 88,800 in early 2018 compared to a year ago. This is the strongest performance of any province in the country.¹⁰ In March 2018 alone, 8,300 jobs were added to the economy, which is the strongest monthly job gain so far this year.¹¹ Job gains have been concentrated in manufacturing, natural resources and finance, insurance and real estate.¹²

Furthermore, Albertans have been earning higher wages in the first quarter of 2018. Wages are 2.5% higher when compared to the same time period last year.¹³ Wages are forecast to expand by 3% annually between 2019 and 2021.¹⁴ As mentioned previously, improving wages in the current year will continue to support the province's retail and housing sectors.¹⁵

Chart 7: Comparison of Provincial Unemployment Rates – December 2016 vs. March 2018



When considering Alberta's unemployment rate, reviewing it holistically across the country provides additional context. At the end of 2016, Alberta was at 8.5%, making it the 4th highest province in unemployment (Chart 7 above). This was the point at which the impact of the economic downturn was fully realized. As of March 2018, the unemployment rate has improved significantly and is sitting at 6.3%. However, this rate is still higher than the national average of 5.8%. It is important to recognize that unemployment is a lagging indicator.

Other Considerations

There are a number of issues and events that may have an impact on the economy. Although the impacts are not clear at this point, it is necessary to mention these issues, which have been arranged from macroeconomic impacts on the City of Leduc to microeconomic impacts. (Refer to the next page.)

COMMITTEE-OF-THE-WHOLE INFORMATION ITEM

GROWING TRADE PROTECTIONISM	<ul style="list-style-type: none"> In early 2018, President Trump imposed tariffs on steel of 25% and aluminum of 10%, which became applicable to Canada on June 1, 2018 Canada has responded with retaliatory tariffs of more than \$16 billion on steel, aluminum and other consumer goods¹⁷ The U.S. tariffs would result in: <ul style="list-style-type: none"> lost exports to U.S. of US\$3.2 billion annually higher production costs which mean more expensive products more expensive steel and aluminum products imported from U.S. risk of job losses Alberta exports hundreds of millions of dollars of steel to U.S. and thus, would be directly impacted by the tariffs Foreign steel could flood into Canada and further damage various industries¹⁸
NAFTA NEGOTIATIONS	<ul style="list-style-type: none"> Conference Board of Canada predicts that termination of the agreement would cause, in the first year alone: <ul style="list-style-type: none"> 0.5% decline in the economy loss of approximately 85,000 jobs decrease of \$8.9 billion in real merchandise exports \$3.3 billion reduction in real business investment spending¹⁹ Business Development Bank of Canada predicts that the loonie would depreciate against U.S. dollar by as much as 5%²⁰ Economists anticipate favourable outcome, which is needed to unleash business investment and hiring and rekindle consumer spending
CARBON COMPETITIVENESS INCENTIVE	<ul style="list-style-type: none"> New emissions reduction framework, which replaced the Specified Gas Emitters Regulation on January 1, 2018 Eligibility thresholds remain the same, while emission performance credit usage limits have increased Credits issued under the old framework will expire over time²¹ Expected to: <ul style="list-style-type: none"> attract investment in clean technology protect and create jobs diversify Alberta's economy reduce carbon pollution
TRANS MOUNTAIN PIPELINE EXTENSION	<ul style="list-style-type: none"> The government of Canada purchased the pipeline from Kinder Morgan Inc. for \$4.5B with the intention of selling it to the private sector The project is anticipated to: <ul style="list-style-type: none"> inject \$7.4 billion into Canada's economy through project spending allow the export of more oil create new jobs create job-related training opportunities increase taxes collected at all 3 levels of government²² Without the extension, oil that is transported to BC may be limited Another proposed pipeline is Eagle Spirit Energy Pipeline, which would follow a different route through northern BC into Alaska where fuel could be loaded onto tankers and shipped overseas²³
CARBON LEVY	<ul style="list-style-type: none"> Alberta's carbon levy increased from \$20 to \$30 per tonne on January 1, 2018 <ul style="list-style-type: none"> This results in an additional \$0.025 per litre at the gas pumps Low- and middle-income Albertans (approximately 60% of households) will receive increased rebates to offset the increase in tax²⁴ Some farmers and businesses have seen increased overall expenditures and reduced profit margins due to this carbon tax²⁵ Municipalities, including the City of Leduc, will also experience higher costs in the form of increased fuel and utility expenses
INTEREST RATES	<ul style="list-style-type: none"> Bank of Canada has held its benchmark interest rate at 1.25% in 2018 as the economy was not able to remain at full capacity on its own With inflation on target and the economy operating at close to potential, rates are expected to rise before the summer²⁶ 5-year conventional mortgage rate raised from 5.14% to 5.34% in May 2018 Increases in rates may increase the debt load of consumers and result in reduced discretionary income
MORTGAGES	<ul style="list-style-type: none"> New mortgage rules implemented on January 1, 2018 This includes a new stress test, which requires borrowers of uninsured mortgages to qualify at a new minimum rate Purpose of this test is to ensure that borrowers can afford mortgage rate increases Bank of Canada predicts that up to 10% of purchasers could be disqualified under this new policy, which may discourage potential buyers from buying properties and in turn, cause the real estate market to contract throughout the country²⁷
AEROTROPOLIS	<ul style="list-style-type: none"> Development of Alberta's Aerotropolis is well underway: <ul style="list-style-type: none"> Expanded airport distribution facility is open and servicing new cargo shipments Outlet mall was opened in May 2018 Expected to: <ul style="list-style-type: none"> attract restaurants and hotels create a demand for office buildings²⁸ create 62,000 new jobs in the Edmonton metropolitan area over next 25 years (35,000 of those in Leduc)²⁹ help boost the provincial economy May strain non-residential growth in Leduc due to competition

Macro

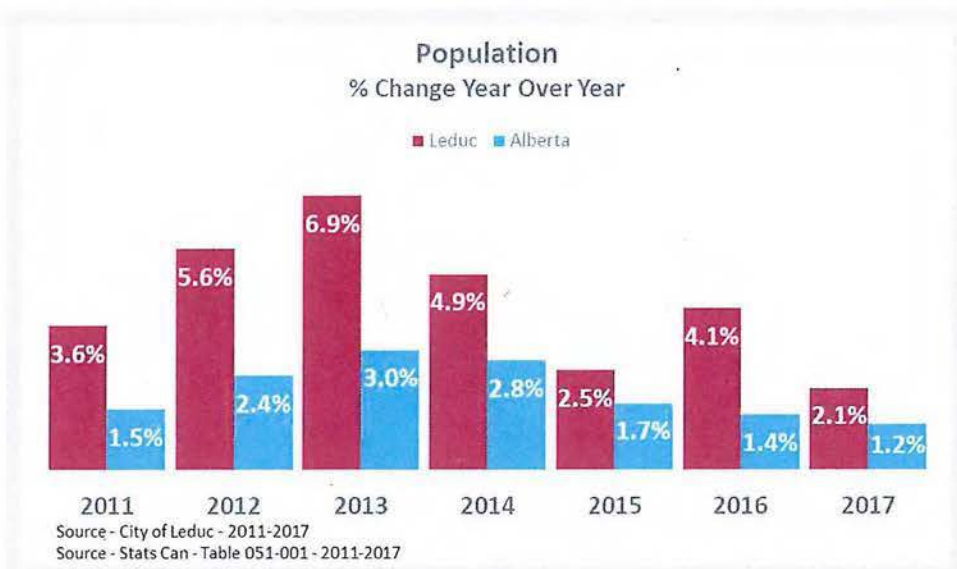
Micro

LEDUC INDICATORS

The City of Leduc is seeing signs of recovery as there has been an improvement in economic conditions, which is forecasted to continue. During the downturn and through the early stages of the recovery, the City of Leduc has been proactive in dealing with the changing economic environment. The focus on long term financial sustainability that Council and Administration has maintained over the course of the economic recession has enabled the City to continue to provide the high service levels that citizens have come to expect. Stable and smoothed levels of taxation through the use of multi-year mill rate strategies have permitted the City to respond to the unpredictable economic environment, while being able to maintain or, in some instances, enhance service levels. There are several indicators that Administration uses to understand and help forecast future trends and more specifically, growth. These include population, offsite levies, building permits and the residential/non-residential assessment ratio.

Population

Chart 8: City of Leduc Population Change



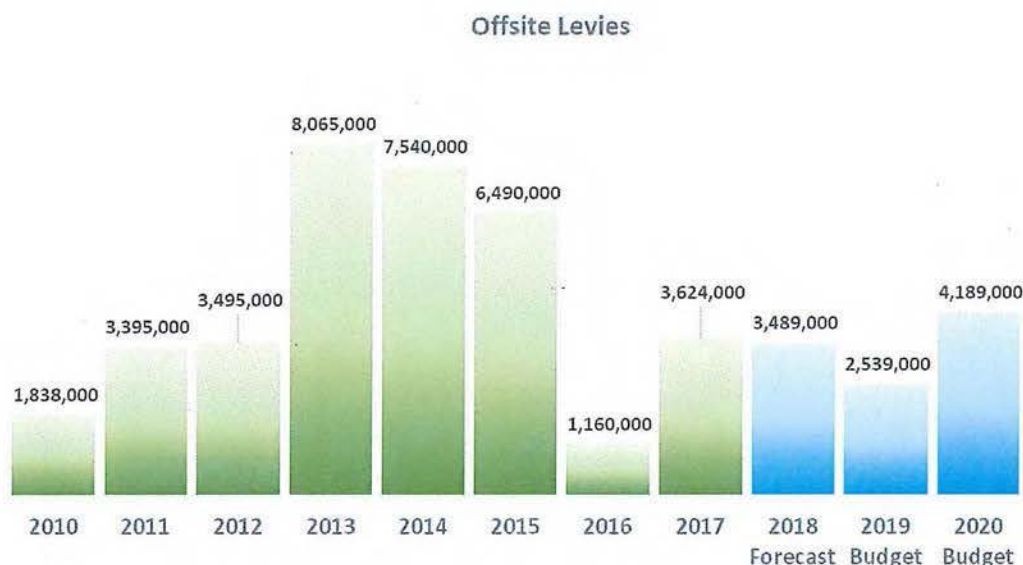
In 2017, the City of Leduc's population growth continued, but at the lowest level in the last 7 years at 2.1%. Leduc Census 2017 showed that the population was 31,130, which is an increase of 83% since 2006. Important to note, however, is that over the period of 2011 to 2017, the City's population growth has been stronger than that of Alberta and at times, the gap between the two has been substantial.

In some years, the City of Leduc has been in the situation of "hyper" growth and while 2017 is not as strong as other years, it is still experiencing continued residential growth due to population increase.

Over the past year, there has been significant growth at the Aerotropolis. Current projects that have opened or are nearing completion include: the Premium Outlet Collection mall, Costco, Century Mile Race Track Entertainment Centre and Marriott Fairfield. The current and future projects will likely continue to drive strong population growth that, in turn, will fuel residential assessment growth. This will undoubtedly cause a strain on the ideal 60/40 (residential/non-residential) assessment ratio which underpins the foundation that supports long term fiscal sustainability for the City of Leduc.

Offsite Levies

Chart 10: Annual Offsite Levies Values



Offsite levy contributions are used to complete infrastructure associated with growth. There is a correlation between GDP, offsite levy contributions and building permits in that they typically trend similarly; therefore, this linkage can be used to help anticipate future growth trends. From an internal perspective, the City of Leduc has been using the link between offsite levy contributions and building permits for years to assist in forecasting growth. The connection that exists between these two is that offsite levy contributions are an early indicator and will precede building permits.

Chart 10 (above) and 11 (below) shows this relationship. The peak in offsite levy contributions in 2013 is mirrored in 2014 for the building permits. It is important to note that there is a lag from when development is initiated through offsite levy contributions and when taxable assessment growth will materialize. For residential development, the lag is typically a year while non-residential development may take two years or more to be realized.

For 2018, it is projected that offsite levy contributions will be \$3.49M, which is all residential. Of this amount, \$970k is for the first of two payments; this indicates uncaptured growth. The "new" offsite levy projections include smaller developments in Southfork, Black Stone, Robinson, West Haven and Deer Valley. The remaining \$2.5M is the second payment of the offsite levies from last year; this indicates that much of this residential growth will be captured in 2018. As stated above, the projected offsite levies are for residential only with none of them projected for non-residential. To provide perspective, if non-residential offsite levies were projected for 2018, the taxable assessment would typically materialize two years later in 2021. As there are no projections in 2018, this suggests that the City will not experience material growth related to non-residential until 2022. This early indicator is in line with GDP in that the non-residential sector is a bit slower to respond. This will place a strain on the target ratio of 60/40 for residential/non-residential assessment. With this being said, the City continues to focus on economic development opportunities and if these efforts deem successful, this can have an unpredicted positive impact. With development occurring immediately outside of our doorstep, it is important for continued focus on economic development, as it is apparent that the opportunity exists.

Leduc Building Permit Values

From 2012 to 2014, the City of Leduc's permit values increased considerably year over year followed by declines in 2015 and 2016. Permit values in 2016 were at the lowest amount during the 2006-2017 period. However, from 2016 to 2017, building permit values have increased by 31%, which is positive news for the City. Although building permits are increasing, they are still significantly below 2014. This may not be a fair comparison, however, as building permit values in 2014 were among the highest that the City of Leduc has experienced.

Chart 11: City of Leduc Annual Building Permit Values



A fairer comparison would likely be to take the 10-year average from 2007 to 2016, which is \$222M. The value for 2017 is 27% lower than the 10-year average. Up to the end of April 2018, permit values were \$46.8M, which is almost double the amount of permits that were issued during the same period last year. When new growth is taken into sole consideration, excluding expansions and alterations to existing properties, the permit values are \$42.4M. What is notable is that when expansions and alterations are excluded, only \$400k is related to non-residential with the remainder being residential.

Building Permit Value per Year 2005-2017 (Sorted by highest to lowest)	
Year	Amount
2007	329,360,067
2014	324,553,162
2013	277,006,935
2015	255,531,262
2008	212,706,399
2012	199,683,980
2009	184,730,346
2006	165,092,170
2010	162,578,405
2017	160,847,899
2011	148,261,062
2016	122,826,870
2005	97,572,234

To left: **Table 2: Annual Building Permit Values (Descending Order)**

To provide another method to view permit information, Table 2 sorts the building permit values from highest to lower for the years between 2005 and 2017. This clearly demonstrates the impact the contraction of the economy has had on the City of Leduc. In the last 13 years, only three years have had lower permit values than 2017 and these numbers do not take inflation into consideration. With that being said, 2018 is already showing permit strength and all indications are that it will exceed 2017.

Chart 12: Total Permit Revenue as a Measure of Sustainability

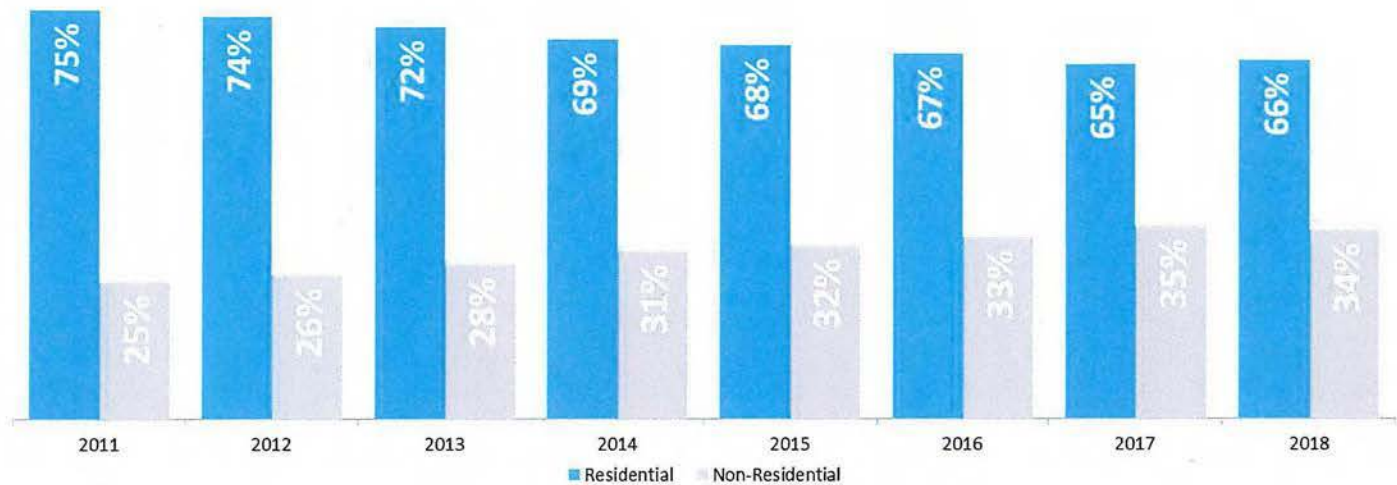


The rise in permit value has had a corresponding impact on permit revenues. The increase in permits in 2017 has resulted in permit revenue exceeding the sustainable threshold for 2017 by \$62k. This is an improvement from 2016, when revenues fell short by \$149k. It is important to mention that non-sustainable revenues are moved to reserves to fund future capital and one-time projects. Although there is an anticipated increase over the sustainable limit, the amount being transferred is fairly immaterial in the next few years and this will cause pressure on the reserves and the associated capital projects it is intended to support.

Pressure on the 60/40 Residential / Non-residential Assessment Ratio

As Chart 13 demonstrates, from 2011 to 2017, the City of Leduc has been making steady forward momentum towards the 60/40 assessment ratio. In 2018, this trend saw some slippage with the increase of residential development over that of the non-residential. Recognizing that this ratio reinforces long term fiscal sustainability, it is important to understand that in the next few years, there are a number of considerations that will most likely impact this assessment ratio in a negative manner.

Chart 13: Residential / Non-residential Assessment Split



The continued development of the Aerotropolis area will have an effect on the assessment ratio. The development occurring at the EIA is creating a very appealing area for other “new” non-residential businesses to locate, some of which could have made the City of Leduc home. It is also important to recognize the current businesses that are located within the City of Leduc; as this new development continues, it may place pressure upon them. Both of these factors could have a negative effect on the ratio. A second aspect that affects the City of Leduc is that the increase in jobs generated by the development of the Aerotropolis area will stimulate increased population, resulting in increased residential development.

Another factor affecting this ratio is that the 2018 forecast for offsite levy contributions shows zero projections for non-residential development. Typically, it takes two years from the time the non-residential offsite levy contribution occurs for non-residential taxable assessment to materialize. As a consequence, it is likely that the earliest the City would see material non-residential taxable assessment growth would be in 2021. At this time, 2019 and 2020 non-residential growth projections embedded within the budget are 3.0% and 3.50%, respectively. During the 2019 budget process, these numbers will need to be reviewed and 2020 will potentially be refined downwards as a result of this information. In 2017, there was \$2.85M in non-residential levy contributions, which indicate that the 3.0% growth may be appropriate for 2019. The growth in residential assessment due to population growth combined with little or no growth in non-residential assessment will result in a shift away from the target 60/40 assessment ratio.

There is a linkage between population growth, offsite levy contributions and permits. As the City realizes continued growth in population and offsite levy contributions that are mainly residential in nature, there is an expectation for permits to follow a similar trend. This will lead to an increase in residential assessment which will have an unfavorable impact on the 60/40 ratio.

CONCLUSION:

Alberta has moved from recession into a recovery stage. Many of the economic indicators are trending in a positive direction. There are projections for modest growth in GDP, unemployment has been trending downwards and oil prices are trending higher and are forecasted to increase. While these are all positive signs, these forecasts are pointing to a slower recovery than has been seen after recessions in the past.

At the local level, the City of Leduc is continuing to see steady population growth and expectations are that this will continue, especially with all the development occurring in and around Aerotropolis. Offsite levy contributions are rebounding and permits as of the end of April 2018 are nearly double the amount at the same time last year. This growth is encouraging, but it is entirely focused on the residential side. In 2018, Administration anticipates that the City of Leduc will lose ground with respect to its 60/40 residential/non-residential assessment ratio and all the indicators are pointing to the likelihood that this trend will continue for the next few years. With all these indicators pointing to strong residential and minimal non-residential growth, it is imperative to focus efforts on the non-residential sector. The farther the City of Leduc drifts away from the 60/40 residential/non-residential assessment ratio, the more it threatens the City's long-term fiscal sustainability.

RECOMMENDATION

That Committee of the Whole accept the Economic Update as information.

Others Who Have Reviewed this Report

I. Sasyniuk, Acting City Manager / I. Sasyniuk, General Manager, Corporate Services / J. Cannon, Director, Finance

Works Cited

- ¹ Wattie, C. (2017, April 4). Fort McMurray wildfire recovery to spur \$5.3-billion in spending: report. *The Globe and Mail*. Retrieved from <https://www.theglobeandmail.com/news/alberta/fort-mcmurray-wildfire-recovery-to-spur-53-billion-in-spending-report/article32850943/>
- ² Government of Alberta (2018). Budget 2018: A recovery built to last. *Fiscal Plan*.
- ³ Government of Alberta (2018). Economic Trends April 2018. *Treasury Board and Finance Economics and Revenue Forecasting*.
- ⁴ Alberta Energy Regulator (2018). Crude Oil Prices: Western Canadian Select (WCS) Price. Retrieved from <http://www.aer.ca/providing-information/data-and-reports/statistical-reports/wcs-price>
- ⁵ Government of Alberta (2018). Economic Trends April 2018.
- ⁶ Cornerstone Investments (2018, January 4). WCS vs. WTI: Canadian Heavy Crude Discount Demystified. Retrieved from <https://seekingalpha.com/article/4135266-wcs-vs-wti-canadian-heavy-crude-discount-demystified>
- ⁷ Cattaneo, C. (2018, January 24). Canadian oil prices buckle after railway refuses to be 'swing shipper'. *Financial Post*. Retrieved from <http://business.financialpost.com/commodities/energy/canadian-oil-prices-buckle-after-railway-refuses-to-be-swing-shipper>
- ⁸ Government of Alberta (2018). Economic Trends March 2018. *Treasury Board and Finance Economics and Revenue Forecasting*.
- ⁹ Government of Alberta (2018). Economic Trends March 2018.
- ¹⁰ ATB Economics and Research team (2018). Alberta Economic Outlook February 2018. *ATB Financial Alberta Economic Outlook*.
- ¹¹ Government of Alberta (2018, April 20). Alberta Economy: Indicators at a Glance. *Treasury Board and Finance Economics and Revenue Forecasting*.
- ¹² ATB Economics and Research team (2018). Alberta Economic Outlook February 2018.
- ¹³ ATB Economics and Research team (2018). Alberta Economic Outlook February 2018.
- ¹⁴ Government of Alberta (2018). Economic Trends April 2018.
- ¹⁵ ATB Economics and Research team (2018). Alberta Economic Outlook February 2018.
- ¹⁶ Rabson, M. (2018, June 3). Trudeau says U.S. steel tariffs on national security grounds are insulting. Retrieved from <https://www.ctvnews.ca/canada/trudeau-says-u-s-steel-tariffs-on-national-security-grounds-are-insulting-1.3957195>
- ¹⁷ CTV Calgary staff (2018, March 5). Steel tariffs a concern in Alberta. CTV News. Retrieved from file:///X:/Project%20Management/Economic%20Update/2018/Backup/Steel%20tariffs%20a%20concern%20in%20Alberta%20_%20CTV%20Calgary%20News.html

- ¹⁸ The Canadian Press (2018, March 9). NAFTA termination could result in loss of 85k jobs in Canada: report. Retrieved from <https://globalnews.ca/news/4072552/nafta-termination-canada-economy-job-loss/>
- ¹⁹ Cleroux, P. (2018). 2018 Economic outlook: Global growth brings good news for Canadian entrepreneurs. Retrieved from <https://www.bdc.ca/en/blog/pages/2018-economic-outlook-global-growth-brings-good-news-canadian-entrepreneurs.aspx>
- ²⁰ Government of Alberta (2017). Carbon Competitiveness Incentives Protect Jobs. Retrieved from <http://www.alberta.ca/release.cfm?xID=51121C0A77352-9809-750B-7CC8BD5ED81774AD>
- ²¹ Trans Mountain Expansion Project (2017). Project Benefits Overview. *Kinder Morgan Canada Limited*. Retrieved from https://s3-us-west-2.amazonaws.com/transmountain-craftcms/documents/Project-Benefits-Handout_-_December-2017_v2_web.pdf?mtime=20171205172816
- ²² Laanela, M. (2018, May 5). The B.C. pipeline project you've never heard of – and why it may succeed. *CBC*. Retrieved from <http://www.cbc.ca/news/canada/british-columbia/the-b-c-pipeline-project-you-ve-never-heard-of-and-why-it-may-succeed-1.4646892>
- ²³ Government of Alberta (2018). Carbon levy and rebates. Retrieved from <https://www.alberta.ca/climate-carbon-pricing.aspx>
- ²⁴ Kienlen, A. (2018, January 29). One Year Later: Carbon tax eating into bottom line. *Alberta Farmer Express*. Retrieved from <https://www.albertafarmexpress.ca/2018/01/29/one-year-later-carbon-tax-eating-into-bottom-line/>
- ²⁵ Carmichael, K. (2018, April 23). Why the Bank of Canada is likely to raise interest rates again before summer. *Financial Post*. Retrieved from <http://business.financialpost.com/news/economy/bank-of-canada-holds-key-interest-rate-at-1-25-per-cent>
- ²⁶ Bell, S. and Karl, W. (2018, January 10). Here's How Much House You Can Afford Under Canada's New Mortgage Rules. *Huffington Post*. Retrieved from https://www.huffingtonpost.ca/ypnexthome/heres-how-much-house-you-can-afford-under-canadas-new-mortgage-rules_a_23324957/
- ²⁷ Poli, F. (2015, July 21). Edmonton: Canada's Next Aerotropolis. *LinkedIn*. Retrieved from <https://www.linkedin.com/pulse/edmonton-canadian-aerotropolis-fabrizio-poli>
- ²⁸ MXD Development Strategists (2015). Alberta Aerotropolis: Aerotropolis Viability Study – Final Report. Retrieved from [http://emrb.ca/Website/media/PDF/REF/app-6-Aerotropolis-Viability-Study-Final-Report-170516-REF%7B2%7D%7B2%7D-\(ID-63981\).pdf](http://emrb.ca/Website/media/PDF/REF/app-6-Aerotropolis-Viability-Study-Final-Report-170516-REF%7B2%7D%7B2%7D-(ID-63981).pdf)

MEETING DATE: June 25th, 2018

SUBMITTED BY: Jennifer Cannon, Director, Finance

PREPARED BY: Jennifer Cannon, Director, Finance

Carmen Dragan-Sima, Manager Financial Planning & Budgets

REPORT TITLE: Fiscal Pressures

REPORT SUMMARY

Administration reports to Council semi-annually on emerging fiscal issues and trends. This first report for 2018 specifically identifies key pressures Administration is facing as the 2019-2021 budget is developed. They have been categorized by:

- Vulnerable Revenues
- Growth
- Legislative Requirements
- Regionalization
- Contractual Obligations
- Other considerations

The identification and reporting of fiscal pressures is important as they have the potential to unfavourably affect the multi-year strategy.

BACKGROUND

KEY ISSUES:

Current Landscape

The City of Leduc resides at the crossroad of air, highway and rail transportation which makes it unique in terms of growth and regionalization. One of Council's key strategic goals identified in their 2014 – 2018 Strategic Plan is Regional Partnerships and Governance. In order for the city to pursue enhanced regional collaboration we need to be able to be part of the team by reacting in a timely manner when regional initiatives such as the Edmonton International Airport Accord (EIA) transit comes our way. While there are many benefits to investing in these forward thinking initiatives, they will place pressure on our operational and capital budgets. As such, it will be critical for the City to retain fiscal flexibility.

In the spring of 2018, Council approved the funding for the EIA transit through one-time year-end surplus funds. This resulted in a paradigm shift in how surplus funds have been used in the past as the City has not used one-time funding sources for ongoing/operational requirements. Moving forward, Administration is committed to preparing a new fiscal policy that supports continued community capital re-investment in combination with a taxation strategy. With that being said, it is important to recognize that there is an existing operational gap (deficit) that exists as the EIA transit was one time funded. Administration estimates the operational gap to be between a 2-3% tax revenue requirement and this will need to be addressed during the 2019 budget process. Continued focus will need to remain on supporting short-term success and long-term fiscal sustainability by bridging the operational gap through fiscal restraint and a shift in fiscal philosophy.

Vulnerable Revenues - Revenue Registry

The Revenue Registry was developed in 2016 to assist Administration in understanding all material revenue streams. It is used to develop strategies to mitigate economic uncertainties, and remain proactive with respect to long-term fiscal sustainability. The risk assessment criteria is calculated based on materiality, reliability, duration and control. The list below itemizes a number of key revenue streams that Administration has identified as higher risk. They are listed in order of greatest risk exposure.

Municipal Sustainability Initiative (MSI) – MSI grant funding for the 2017 budget remained stable, thanks to the continued support of the Province of Alberta. The provincial government has committed to extending the MSI program into 2018 and has recognized the importance of this program to the future viability of local government. Just recently (November 2017), the Alberta Urban Municipalities Association (AUMA) resolved to seek a commitment from the Minister of Municipal Affairs. The intention of this resolution is to achieve comprehensive consultations with municipalities on the future of provincial revenue sharing. AUMA recommended that the consultations sessions between the Province and municipalities occur within the first six months of 2018 to ensure adequate time for feedback to be incorporated prior to expiry of the MSI.

This year, the MSI will fund approximately 20% of the 2018 capital plan, thus the continuation of this grant funding is critical to the viability of Leduc's integrated capital financing program. The table below identifies the actual MSI Capital funding received by the City of Leduc from over the last four years.

Municipal Sustainability Initiative (MSI) 	
Year	Allocated Amount
2014	\$6,983,715
2015	\$7,363,359
2016	\$7,198,048
2017	\$7,444,886

Delayed Review of Airport Tax Share Agreement – The Airport Tax Agreement was scheduled for review at the end of 2017, however a mutual agreement between the City of Leduc and Leduc County has been made to extend this review. The uncertainty surrounding the continuation of this significant revenue stream creates a high level of vulnerability with respect to the operational reliance. The City of the Leduc is the most affected municipality by the Airport Vicinity Protection Area (AVPA) and as such needs to continue to be recognized and compensated for these impacts:

- City of Leduc is unable to achieve a compact urban form around Telford Lake.
- The Noise Exposure Forecast (NEF) contours and the AVPA forced the City of Leduc to grow west.
- Loss of development i.e. reconstruction of downtown infill.

Honoring and extending the existing Edmonton International Airport Tax Sharing Agreement will remain a critical priority in maintaining the City's fiscal sustainability.

LRC Sponsorship – Currently the LRC has 15 sponsorship agreements in place with the majority of them expiring in 2019. The total amount is approximately \$199K with ranges from \$5K to \$30K per sponsor. This factor, combined with a slow rate of economic recovery, results in an increased risk rating for securing important sponsorship revenue.

Growth Pressure

Residential Growth – At this time residential growth is going strong and early indications are suggesting that we may surpass the 2019 forecasted growth. One of the indicators include the offsite levies, which for 2018 are projected in the amount of \$3.4M and this is for residential only (zero non-residential forecasted). Permits are also another factor to be considered to date the residential permits are almost double the amount of what was issued last year during the same time period. While this is positive for the City of Leduc, this will undoubtedly cause strain upon our assessment ratio. As stated in the Long-Term Financial Sustainability Plan, the ideal ratio is 60/40 and the city is currently at 66/34. This is an ideal ratio as it is recognized that servicing the residential sector costs more than the non-residential sector. Therefore, as the city moves further away from this ideal ratio, it places more pressure upon the budget.

65th Ave Interchange – The 65th Avenue interchange project is critically needed, but requires multiple partners from all levels of government. At this time the City of Leduc has contributed \$660K for both 2018 and 2019 for the detailed design in partnership with the Edmonton International Airport and the Provincial Government. It is estimated that \$61.0M is required to fund the construction of the project and to date no partners have stepped forward to fund the project. Presently, 65th Ave Interchange is the number one priority project in the capital region for construction according to the Edmonton Metropolitan Region Board's Infrastructure Regional Transportation Master Plan. A task force under the accord has been set up to try and educate other partners and enhance advocacy efforts with regard to the critical importance of this initiative.

The City of Leduc is actively pursuing grant opportunities with all levels of government. We recently applied for funding under the National Trade and Corridors Fund; unfortunately, without a commitment from other funding partners, this application was denied.

High School (Crystal Creek) – Just recently the City of Leduc became aware of the likelihood of the requirement for a new school within the City of Leduc in the near future. A major consideration of the provincial government decision to announce a new school is the availability of servicing.

In the 10 Year Capital Plan the City of Leduc earmarked a repayment portion for the site servicing assuming the developer goes first which was estimated in 2025 at a cost of \$5.4M (funded by MSI). This project was based on an estimation of off-site servicing repayment costs, not the entire site servicing. Complete site servicing for the City owned half of Crystal Creek has not been budgeted previously and if the City of Leduc develops the school site first, without better information the speculative costs may be upwards of \$10.0M. If the City decided to service the entire half of their quarter section, a speculative servicing cost may be closer to \$20.0M, with a portion of this cost recoverable through the developer.

In response to this acceleration of partial site servicing for a school site, the City of Leduc Engineering department is advancing the preliminary design within existing budgets to be prepared for a potential detailed design in 2019, estimated in the range of \$600K to \$1.2M. Construction is estimated to begin in 2020 pending a school site announcement which the City of Leduc will be required to service the site.

As the Crystal Creek project was to be funded by MSI in 2025, advancing this capital project will place pressures on the current capital plan. In addition, the MSI has been fully allocated until 2024, requiring the city to find an alternative funding source or reprioritize the 10 Year Capital Plan.

North Fire Hall – Currently in the 2018 10 Year Capital Plan, the third fire hall, estimated to cost \$9.0M, was earmarked for detailed design in 2019 (funded) and construction in 2021-2022 (unfunded). However, due to the lack of non-residential permitting and continued slow growth, administration, as part of the 2018 budget process, will be aligning the timing of this project with the projected economic recovery. This capital cost still carries significant annual principal and interest repayment obligations in addition to operational requirements to run the facility. Recognizing that this project is part of the Leduc Regional Fire Services, these costs will be further reviewed as part of the planning and analysis undertaken in partnership with Leduc County.

Road Program – Council has identified a key performance indicator to keep up with the City of Leduc's pavement quality index (PQI) which presently requires an annual investment of \$6.0M into road overlays and reconstructs. It is important to recognize this does not include utilities and fiscal consideration needs for utility upgrades when roads are being reconstructed. Funding overlays and reconstructions for deteriorating lanes has not been identified in the current budget. This could require an additional \$1.0M annual investment. Lanes are deteriorating quicker than in the past due to heavy vehicle use of the lanes (i.e. waste collection). There have been some recent lane failures due to garbage trucks going through them which have caused immediate capital budget strains to repair.

With the PQI and road lane requirements, the annual funding envelope will increase to \$7.0M. At this time the road reserve is presently underfunded and with the program's heavy reliance on grant funding, if additional funding is not allocated to the road reserve, the program may not be sustainable moving forward. The result of not keeping up with the required maintenance is that it will negatively impact the PQI and resulting condition of City of Leduc roadways. This pressure is coupled with the unknown continuation of the MSI grant funding.

Sports Fields – Administration has seen increased demand on sports fields and requests to open earlier than May 1 and stay open longer into September and October. A preliminary estimate to accommodate this enhanced level of service is approximately \$25K per year.

Legislative Requirement Pressure

Administration stays apprised of provincial and federal legislation requirements that impose change. It is important to recognize that Administration is bound by this legislation, and as a result these changes typically cause capacity pressures associated with response and implementation. Below are the emerging legislative changes that will create organizational and fiscal pressures.

Provincial Legislation

Hydrovac Disposal Guidelines – The Provincial government has started to enforce the legislation regarding Hydrovac disposal guidelines. The hydro excavation involves using a combination of high-pressure water and vacuum technology to excavate soil. This process is typically used to locate and expose existing underground infrastructure or for the installation of new underground infrastructure. It reduces the risk of damaging already-existing underground utilities and can minimize the ground surface disturbances. It is also used to clean out catch basins and other areas that contain slurry waste and can be contaminated with hydrocarbons, metals and salts. Hydrovac is generally comprised of about 60 per cent liquid and 40 per cent solid material – it is no longer soil and it is no longer water. As a result, the slurry must be treated at a unique waste facility that is capable of separating the solid from the liquid so that the contamination can be treated or disposed of it properly.

Due to increased enforcement by the provincial government, the monitoring and assessment of active sites is putting pressure on the organization to act faster than anticipated. The estimated costs for monitoring and assessing and

developing a remediation plan for some of these sites is approximately \$140K. These new regulations will also have a bigger impact on the remediation costs i.e. clean-up, transportation and storage. By 2020 there will be a need for the City to have a Hydrovac facility which will serve as a storage for waste materials as well as disposal of contaminated soils.

Modernized MGA (Bill 21) – The Modernized Municipal Government Act was proclaimed late in 2017. A key focus of the Modernized Municipal Government Act requires municipalities to work together, through municipal partnerships, to deliver more effective, efficient services to their communities.

This modernization has impacted the City in its entirety. Administration will be required to develop a change management plan to support required changes and identify the amount of resources needed to assist in the implementation of the new MGA as it comes into effect. The majority of these changes take effect in 2018 with some of them having a phased in approach. It is important to recognize that the full impact of these changes and/or enhancements are still being assessed through implementation. These changes will have a financial and capacity impact.

Duty to Accommodate (Abilities Management) – The City of Leduc's Abilities Management Program facilitates an employee's transition back into the workplace after a period of illness/injury and/or assists employees with identified disabilities to maintain regular attendance and continue meaningful employment through workplace accommodation in accordance with the Alberta Human Rights Act. Due to this requirement it is causing both a resource and financial strain in an effort to meet capacity constraints.

It is also important to note, that historically the City of Leduc has received a WCB rebate that partially funded our OHS Program, however, due to the change in our claims rating it is unlikely that the City will continue to receive a rebate.

Carbon Levy – Over the past couple of years costs related to natural gas and fuel have increased as a result of carbon tax. As discussions continue at the federal level there are indication that another application of carbon tax may be imposed in the coming years. The Provincial Carbon Levy was set at \$0.0673/L for Gasoline and \$0.0803/L for Diesel in 2018 but is subject to change going forward. No new rate has been set for 2019 and beyond.

While every effort is made to control the commodity costs of utilities, the City is still vulnerable to these rate increases as these regulations and rates are set by the federal and provincial governments. This makes it difficult for municipal governments to plan their budgets accordingly.

Federal Legislation

Railway Crossings – Transport Canada has imposed a new regulation with enhanced safety requirements at all crossings. This has resulted in the need for the City of Leduc to upgrade public crossings within our jurisdiction to meet Transport Canada Safety requirements. The City continues to apply for grant money to offset the impact, but has not been successful in receiving funds. If more grants are not made available for this required infrastructure, the City may have to spend approximately \$2.0M to complete the required rail crossings by the 2021 deadline.

Cannabis Legalization (July 1, 2018) – Administration will continue to monitor the progress of the Federal government's legalization of marijuana. The impacts of this new legislation include:

- Policy generation and management
- Education/Communication/Awareness requirements
- Enforcement (Administrative and Public)

The full effect is unknown at this time, but it will have a monetary and capacity impact organization wide. For example, in 2019 there may be a need to accommodate signage within the capital budget as part of amendments to the community standards bylaw to prohibit consumption in defined areas of the community. The estimated cost can range from \$60K to \$100K.

Regionalization Pressure

Regional Collaborations – There are a number of regional collaboration/provincial initiatives and requirements which have a significant impact on upcoming budgets and staffing. The full impact is unknown at this time, pending the outcome of the discussions. These initiatives include but are not limited to:

- EIA Inter-Jurisdiction Cooperation Accord
 - Transit
 - Servicing and Transportation Framework
 - Land Use-Framework
 - Economic Development Framework
 - Cost and Benefit Sharing Framework
- Edmonton Metro Region Board
 - Metro Regional Servicing Plan
 - Agricultural Policy
 - Infrastructure Regional Transportation Master Plan
- Edmonton Global
- Leduc County Boundary Road Agreements
- Leduc & District Regional Waste Management Authority
- Capital Region Southwest Water Services Commission
- Compliance as a result of the new MGA requirement

Leduc Regional Fire Services (LRFS) – Through the course of the past two years, a Conceptual Implementation Plan has been developed for a Regional Fire Service that would amalgamate operations of City Fire Services with those of Leduc County and potentially the EIA. The Final Implementation Plan will outline a series of service enhancements and how these services can be optimized through a new legal entity providing services to both municipalities. While the final plan has yet to be approved, alignment of the implementation plan to both municipalities' ability to pay/fiscal sustainability is critical. As such, it is anticipated that operational start-up of this service could take place between the years 2021 and 2023 and the operating impact to the County and City could be in the range of \$1.2M to \$1.5M shared between the two municipalities. There will be one-time start-up costs for the next five years to integrate the two operations into one new organization. While there would be an initial investment required by both municipalities in the first five years, cost savings would be garnered over the long-term due to optimization of future station locations and operations. Provision of Joint Fire Services would be for the whole region, meaning a service district to include the City of Leduc and all of Leduc County with enhanced full-time deployment covering the City, EIA properties and the Nisku industrial park.

EIA Inter-Jurisdictional Cooperation Accord Transit Costs

On February 23, 2018, the regional Accord partners agreed to implement an integrated sub-regional service by December 31, 2018 based on a cost sharing model. They also agreed to short term actions to be implemented by May 1, 2018 to coincide with the opening of the premium outlet mall, with the short-term enhancements to be cost-shared by Leduc County and the City of Leduc. Subsequently, at the Regular Meeting of Council held April 9, 2018, City of Leduc Council approved

\$700K in one-time funding to fund the City's portion of the 2018 short-term transit enhancements. At the time, the estimated costs for the service enhancements were as follows:

Annual operating cost will be \$1.928M with the City of Leduc's portion being \$1.021M. As this service started May 1, 2018, with the operational base impact spanning two years:

- 2018 will be \$1.195M with the City of Leduc's portion being approximately \$650K.
- 2019 will be \$733K with the City of Leduc's portion being approximately \$371K.

Capital and one-time costs will also span two years, but these are one-time funded and do not impact the operational base (except for future reserve allocations). The estimated costs are as follows:

- 2018 will be \$22.4K with the City of Leduc's portion being \$14.56K.
- 2019 will be \$2.459M with the City of Leduc's portion being \$1.438M.

The ongoing operational funding requirement will have to be addressed through the 2019 budget process. To provide perspective, the \$1.021M equates to an approximate 2.22% tax revenue increase requirement (below is an illustration of how this could look based on the Dec 4th approved multi-year strategy).

December 4, 2017 Budget Approval

Modified Multi-year Millrate (inclusive of transit)

	2018	2019	2020
Base Operational / Capital Requirements	2.33%	3.27%	3.37%
	+	+	+
Dedicated Mill Rate Strategy for Protective Services	1.32%	1.32%	1.32%
	=	=	=
Proposed Tax Revenue Increase Requirement	3.65%	4.59%	4.69%



	2018	2019	2020
Dec 4th, 2017 Multi-year tax strategy	3.65%	4.59%	4.69%
	+	+	+
EIA Transit Requirement	one time funded	1.11%	1.11%
	=	=	=
	3.65%	5.70%	5.80%

These regional initiatives require significant time commitment and affect many departments within the City of Leduc. Many of these regional efforts have already incurred additional capital and operating costs and in some instances large initiatives come forward with very short notice. The unpredictable nature of regional collaboration enforces the need to remain fiscally flexible in an effort to mitigate budgetary pressures.

Contractual Obligations Pressures

Alberta Health Services Contract – The amount of uncollectable receivables for AHS has been steadily increasing. Administration has sent a formal request to AHS in an attempt to mitigate this growing trend and recoup some of the lost revenues. It is also important to note this contract is set to end on March 31, 2019.

IAFF Local 4739 (Fire Services) – The current union agreement expired December 31, 2017 and the budget has been adjusted for projected costs. However, as the final result is based on negotiations between the two parties, the impact is unknown at this time.

Other Considerations

Economic Development Enhancement – In 2017, changes to the City's organizational structure aligned Economic Development with Planning and Development. In addition, the approved 2017 Permitting Action Plan requires enhanced alignment of economic development with planning and development strategies and actions. A new architecturally designed "business center" space is necessary in the atrium to enable these synergetic processes to occur.

The Business Centre would be "the window" for getting businesses set up in Leduc, either for local entrepreneurs or investors from outside the City. It would be a "One-Stop Shop" for City permitting, as well as land use information; taxes and fees; potential locations for purchase, development, lease or rent, and updated contact information for property. Having the information and personal input in one accessible location would provide timely support and be seen as valued by the business community. In addition, this Business Centre would complement a potential "self-help" Centre that could ideally be located in downtown which will target the entrepreneurs.

At this time, this is not included in the budget. A business case will be brought forward to Council this fall as part of the budget process.

Community Signage Strategy – Some Council members have expressed a desire to explore the creation of a community signage strategy in order to identify and market our communities and their builder while boosting the sense of ownership and pride of our residents. This initiative connects with both planning and economic development. From a planning perspective, having a signage strategy will allow us to identify our communities in a legal and efficient manner. It will also enable the City of Leduc to avoid visual pollution which would be the result of adding multiple signs for various purposes in the same area without a define strategy. From an economic development standpoint it is about marketing and sales to our communities to interested builders and families (marketing and growth function). This project, is not allocated to any work plans and would require resource(s) in order to:

- Identify:
 - Goals and objectives
 - Stakeholders
 - Engagement strategy
 - Desired process
- Conduct the chosen process
- Implement the strategy
- Maintain the infrastructure (signs, banner, entry features, flags, other) required to implement the strategy

This initiative should be done in correlation with the strategy overseeing the signage strategy for community events as these signs are increasing significantly in number and in length of time being on display. Currently this project has not been budgeted, therefore by doing so it will create a budget pressure with costs being unknown at this time.

Long-Term Facility Master Plan (LTFMP) – The LTFMP will be completed in the fall of 2018. As Council adopts the plan a number of short and long-term capital projects will start to populate the budgets. This will have significant impact on the capital and operating budgets. The scope of the impact will be determined by Council as they accept or reject parts of the proposed LTFMP. The plan will align population projections with the construction of these facilities. Other key drivers of new facilities include new programs and the need for replacement of aging facilities. It is important to recognize that the 2018 capital budget included approximately \$17.0M of unfunded projects identified by the previous LTFMP.

Corporate Information & Technology Strategic Plan – One of the key enablers for a successful municipality is integrated, robust, and adaptive information technology. As the City of Leduc grows and matures, so must its information technology.

With a few exceptions, over the past number of years, the City has taken a conservative approach to maintaining status quo with respect to information technology. As a result, the City of Leduc is now lagging compared to other municipalities in a number of areas such as data integration, open government, project costing and priority based budgeting to name a few.

In 2017 the Corporate Information and Technology Strategic Plan was established to develop an information technology roadmap for the City and to articulate the investment required. This strategic plan outlines the key initiatives that need to be undertaken over the next five years to support the City's corporate strategy in the areas of governance, business applications and information management.

Execution of these initiatives, and the related information technology projects, will put pressures on both the capital budgets for technology acquisition and implementation and on operating budgets to ensure appropriate operational support of these systems.

These initiatives include, but are not limited to, the following:

- Public works asset and work management
- Financial and Human Resources systems focused on enterprise integration and project costing
- Citizen reporting and incident management
- Enterprise data integration
- Open government and open data

Tree Replacement Due to Pest & Disease – Extreme weather (drought, flood, pest & insect infestation, etc.) due to climate change will negatively impact the City's tree/shrub mortality. Depending on the severity of the pest, disease and/or adverse weather, the City may not have enough funds in the tree maintenance operating budget to replace all tree loss.

Recommendations from the 2017 City of Leduc Integrated Pest Management Report included the following:

1. Increase the operating budget incrementally.
2. Develop a reserve fund for any potential pest/disease outbreaks or climate related risks to forests.

In addition, there will be a discussion on whether or not a recovery will be set-up. At this time these increases have not been incorporated in our multi-year operating and capital budgets.

Snow Storage – The Engineering Department has been working closely with the EIA to determine if a joint facility could be constructed. This lease would be for 20 years and would give the City of Leduc a location to place snow without needing to take developable lands out of our community. Acquiring the land in the City of Leduc would be problematic in the areas where a snow storage facility would be desirable. With the 65th avenue interchange not being in place, the ability for the airport to access the shared site, and thus their interest in advancing it at this point in time is limited. This project is currently on hold and unfunded in the 10 year Capital plan and is approximated to cost \$4.0M.

Concluding Remarks

The intention of the pressures report is to provide Council with timely information on emerging trends and potential budgetary impacts for the upcoming (2019-2021) operating and capital budgets. By being proactive, Administration and Council can identify key issues in an effort to support the current multi-year mill rate strategy and implement a supplementary strategy to accommodate the above mentioned pressures. Early consideration and informed decision making is crucial to supporting long-term financial sustainability.

These broad sweeping pressures are not confined to one business unit and are expected to draw heavily upon our municipal resources. Administration will continue to work diligently and keep Council apprised of emerging issues and trends. In September, Administration will report back to Council with a supplementary fiscal pressures update.

RECOMMENDATION

The 2019-2021 budget pressures update and multi-year outlook is provided as information.

Others Who Have Reviewed this Report

P. Benedetto, City Manager / B. Loewen, City Solicitor / I. Sasyniuk, General Manager, Corporate Services / D. Melvie, General Manager, Community & Protective Services / M. Pieters, General Manager, Infrastructure & Planning / J. Cannon, Director, Finance

COMMITTEE-OF-THE-WHOLE INFORMATION ITEM



MEETING DATE: February 12, 2018

SUBMITTED BY: Darrell Melvie, General Manager, Community and Protective Services

PREPARED BY: Cameron Chisholm, Manager, RCMP Administration and Leduc Enforcement Services

REPORT TITLE: Cannabis Update – Public Use

REPORT SUMMARY

The purpose of this report is to provide Council an update on plans for a citizen engagement on the issue of public cannabis use in Leduc.

BACKGROUND

Since April 2017, when the federal government gave first reading to the Cannabis Act, which would legalize and strictly regulate cannabis in Canada as of July 1, 2018, all three levels of government have been working to prepare appropriate rules, regulations and bylaws. While the roles and responsibilities of each level of government (federal, provincial and municipal) have been defined, there are still some unanswered questions. Specifically, municipalities have responsibilities in the areas of education, taxation, retail location and rules, public use and land use/ zoning.

As part of the identified requirements of municipalities, Leduc Enforcement Services will be engaging the citizens of Leduc to gain their input in regards to the use of cannabis in the City. This survey is similar to the survey provided to Leduc citizens in January 2018, in regards to dealing with Land Use and Cannabis.

The survey was prepared with the assistance of Communications Services and will be available to the public from February 15th to March 1st. Results will be shared with Council on March 12th along with the results from the Planning Department survey on Land Use and Cannabis.

ATTACHMENTS:

Public survey on consumption of cannabis in Leduc.

RECOMMENDATION

Accept report as information only.

Others Who Have Reviewed this Report

B. Loewen, Acting City Manager / D. Melvie, General Manager, Community & Protective Services / M. Pieters, General Manager, Infrastructure & Planning

INTRODUCTION

The Government of Canada has indicated that recreational cannabis will be legalized by summer 2018 through Bill C-45, known as the *Cannabis Act* <link>. The Government of Alberta has proposed through its Cannabis Framework <link> that adults in Alberta will be allowed to consume cannabis in their homes and in some public places where smoking and vaping tobacco is permitted. Use will be banned in cars, in areas frequented by children, from hospitals and school properties or child care facilities, and any place where tobacco is restricted.

Municipal governments will be able to create additional regulations on public use apart from what the provincial government defines. The City of Leduc is conducting this survey on the **public use** of cannabis to help inform the development of bylaw and policy surrounding legalization. Your input is an important part of this process.

DEFINITIONS

Use: Cannabis may be consumed in a number of ways such as smoking, vaping or vaporizing, eating in food or drinking.

Federal legislation allows Government regulated retailers to sell fresh and dried cannabis, cannabis oil, and plants and seeds, but the sale of edibles will not be allowed until 2019. However, regulations allow adults to make products for personal use in their homes.

QUESTION 1

The City of Leduc regulates smoking tobacco through the Health Bylaw (<https://www.leduc.ca/bylaw-581-2004-health-bylaw>), which prohibits smoking in indoor public facilities and within five metres of entrances to any public facility. This bylaw will be amended prior to July 1, 2018 to include the use of e-cigarettes (or vaping). Smoking and vaping cannabis would also qualify to be included as part of this bylaw.

Should the rules regarding smoking and vaping cannabis in public places be:

- ☐ More restrictive than regulations for tobacco in the City's Health Bylaw
- ☐ The same as regulations for tobacco in the City's Health Bylaw
- ☐ Less restrictive than regulations for tobacco in the City's Health Bylaw
- ☐ I don't know enough about the City's Health Bylaw

QUESTION 2

Please select any places you feel ARE acceptable for people to smoke or vape cannabis:

(Check all that apply)

- ☐ At an outdoor concert, festival or event
- ☐ In a public park
- ☐ While walking down the street
- ☐ Any outdoor public space

Other:

QUESTION 3

How should the City of Leduc approach smoking and vaping cannabis use at festivals and events?

- ☐ Cannabis use should be banned entirely at these events
- ☐ Cannabis use should only be allowed in designated areas at these events
- ☐ Cannabis use should be allowed anywhere at these events

QUESTION 4

The Government of Alberta has proposed that the use of cannabis will be restricted within a certain distance from playgrounds, sports fields, skate or bike parks, zoos, outdoor theatres, pools, splash parks and other areas that children frequent. This distance has yet to be defined by the province, but the City of Leduc will be able to impose additional restrictions on distance.

In your view, at what distance from the boundaries of these restricted areas should smoking and vaping be permitted?

OPEN ENDED

QUESTION 5

The City of Leduc, along with the Government of Alberta, will be responsible for educating residents on cannabis legalization. What topics would you like to learn more about? (select all that apply)

- ☐ Legalization history in Canada
- ☐ How cannabis retail will be regulated
- ☐ How cannabis use will be regulated
- ☐ What I will be permitted and prohibited from doing
- ☐ The health and social impacts (including addiction and impairment)
- ☐ RCMP enforcement (DUI, possession, etc.)
- ☐ Cannabis and youth
- ☐ Post-legalization next steps from Federal and Provincial Government
- ☐ Other (please specify)

QUESTION 6

Are you completing this survey on behalf of:

- ☐ Yourself and your family
- ☐ A community association
- ☐ A business
- ☐ Other (please specify)

DATE: March 7, 2018

MEETING DATE: March 12, 2018

SUBMITTED BY: Ken Woitt, Director, Planning and Development

PREPARED BY: Sylvain Losier, Manager, Current Planning & Development

REPORT TITLE: Cannabis report – What We Heard

REPORT NUMBER: 2017-CR-135

REPORT SUMMARY

This report provides an overview of the regulatory environment as currently known as well as the results of the cannabis survey conducted by the City of Leduc. The report also contains a summary of Administration's investigation of other municipalities' activities as they are preparing themselves for the upcoming legalisation of cannabis. Lastly, the report contains a proposed strategy for the City of Leduc Land Use Bylaw and Business Licence Bylaw amendments.

RECOMMENDATION

Administration recommends that Council:

- Direct Administration to initiate the amendment process of the Land Use Bylaw by adding new required definitions and by amending existing definitions to add clarity around cannabis related land uses as presented in this report;
- Direct Administration to initiate the amendment process of the Land Use Bylaw by adding Cannabis Production and Distribution into the Light Industrial and Medium Industrial district as a discretionary use;
- Accept the separating distance contained in the Order in Council by the Province as a starting point on which Council may decide to build their own strategy;
- Direct Administration to prepare a report evaluating alternatives on managing cannabis related land uses other than Cannabis Production and Distribution and present it at the March 19, 2018 Committee of the Whole; and
- Direct Administration to initiate the Business Licence Bylaw amendment process as presented in this report.

BACKGROUND

KEY ISSUE(S) / CONTEXT:

In 2017, the Government of Canada (GoC) announced its intent to legalize cannabis for the summer of 2018. This unprecedented action will have impacts for all three levels of government, each having its own part to play (see Schedule 1 for the breakdown of responsibilities as provided by the Province of Alberta). Some key objectives of the GoC initiative are to:

- Keep cannabis away from youth;
- Take cannabis away from criminal activities and illegal markets;
- Ensure product quality.

Government of Canada

To launch the process, Bill C-45 was introduced to legislation by the GoC. This Bill is cited as the Cannabis Act according to its Short Title (Section 1, proposed Bill C-45). As of November 27, 2017, Bill C-45 had received Senate's first reading. Administration verified for a status update on February 15, 2018, and the Bill was still with Senate, awaiting second reading. Recent information tend to support that Senate will look into it for a few more months and that the legalisation is unlikely to happen in July. However, no official confirmation has been made.

One of the first actions of the proposed Bill is to amend the Controlled Drugs and Substances Act and the Criminal Code in order to legalize cannabis. The proposed Bill contains key information that set the legal framework and define the elements that will be under federal jurisdiction. These include the promotion, packaging, labeling, displaying, selling, distributing, and growing of cannabis with all the leverage and tools to intervene in the situation of non-respect of the law.

Bill C-45 defines cannabis as follow:

cannabis means a cannabis plant and anything referred to in Schedule 1 but does not include anything referred to in Schedule 2.

SCHEDULE 1

(Subsections 2(1) and 151(1))

1. Any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, other than a part of the plant referred to in Schedule 2
2. Any substance or mixture of substances that contains or has on it any part of such a plant
3. Any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained

SCHEDULE 2

(Subsections 2(1) and 151(1) and Schedule 1)

1. A non-viable seed of a cannabis plant
2. A mature stalk, without any leaf, flower, seed or branch, of such a plant
3. Fibre derived from a stalk referred to in item 2
4. The root or any part of the root of such a plant

Also, it is important to note that the sale of cannabis will be limited to the classes as per Schedule 4, which includes 5 items.

SCHEDULE 4

(Section 33 and subsection 151(3))

Classes of Cannabis That an Authorized Person May Sell

Item	Class of Cannabis
1	dried cannabis
2	cannabis oil
3	fresh cannabis
4	cannabis plants
5	cannabis plant seeds

In regards to growing of cannabis, the proposed Bill C-45 contains language about a maximum of 4 plants per dwelling housing for personal use. As for commercial use both medical and non-medical (recreational), the Government of Canada will be regulating the producers.

Province of Alberta

On November 16, 2017, The Government of Alberta (GoA) introduced Bill 26, An Act to Control and Regulate Cannabis. Bill 26 obtained third reading on November 30, 2017 and it is now awaiting proclamation for coming into force.

The main scope of the Act to Control and Regulate Cannabis is to amend the Gaming and Liquor Act in order to create the legal framework that will manage and regulate cannabis for Albertans. The amended act will regulate cannabis in Alberta and will deal with:

- Defining the role and responsibilities of the Alberta Gaming Liquor Commission (ALGC)
- Managing the distribution of cannabis
- Licensing of cannabis retailers
- Establishing provincial offences related to youth possession, public consumption, and consumption in vehicles

As for the definitions for cannabis, cannabis accessory, and cannabis plant, the provincial legislation adopts the federal Act definitions.

In addition to the Act, Regulations were announced on February 16, 2018 by the GoA at a press-conference held in Calgary. It was announced that:

- Minimum age for purchase and consumption is set at 18
- Retailers will receive their products from the AGLC
- All physical retail locations will have strict government oversight through licensing by the AGLC
- Licensed retailer that sell cannabis will not be able to sell alcohol, tobacco or pharmaceuticals
- Retailers shall ID any person who looks under 25
- The retailers licensing process will:
 - Require mandatory background check for owner and employees,
 - Ensure that employees will be subject to mandatory training,
 - Limit licenses for one single person, business or organization at 15%,
 - Require renewal of license every 2 years
- The system would be reviewed in 5 years
- The location of a retailer must meet a 100 meter buffer between cannabis retailer and schools and provincial health care facilities (Ministerial Order 31/2015 defines the Leduc Hospital as such). However, municipalities will have the ability to set buffers to suit their communities
- Cannabis retailers may be open from 10 am to 2 am, the same as liquor stores
- Albertans will have access cannabis via two options:
 - Privately run retail stores licensed by the GoA
 - GoA-operated online sales
- Though cannabis cafes and lounges will not be permitted, the legislation also gives the authority to regulate these forms of establishment should the government decide to allow them in the future

On the day of the press conference, a fact sheet in the form of a schematic was released. This document explained the framework for cannabis in Alberta (see Schedule 2).

On February 16, 2018, Order in Council 27/2018 was filed under the Regulations Act. This appendix amends the Gaming and Liquor Regulation (AR 143/96) and repeals its title and replaces it with the **Gaming, Liquor, and Cannabis Regulation**. This regulation contains mainly the framework by which the AGLC will manage the licensing process for the retailers.

Of particular interest for the City of Leduc in relation to the Land Use Bylaw is section 105, Restrictions on locations of licensed premises. This section stipulates that the Commission will not issue a license:

- Unless a development permit has been issued;
- If any part of an exterior wall is within a 100 meters from:
 - A provincial health facility or the boundary of the parcel of land on which the building is located

- A building containing a school or the boundary of the parcel of land on which the building is located
- A boundary of a parcel of land designated as School reserve.

The new regulation will also provide the municipalities the power to vary the distances from the identified land uses. Last but not least, it is important to note that the AGLC will conduct extensive criminal records check and financial records verification prior to making any decision on the eligibility of an applicant.

City of Leduc Engagement: What we heard

In order to obtain the pulse of the community on the potential land uses related to cannabis, an online survey was conducted between January 12th and February 2nd. This short survey (9 questions) focused on the retailing of cannabis as it was felt that this land use would be the most complex to manage and therefore, would require the most discussion. It is important to note that the survey is a tool that was used to provide additional information for Council to consider.

In order to maximise participation, the survey was advertised by the city's communication experts using social media. Advertisement was also displayed in the Leduc Representative on January 19th and 26th, 2018. The survey was well received as 1,488 people participated. As for the participants, about 2/3 of them stated that they were "somewhat to very familiar" with the framework and the various responsibilities of each level of government. As for who answered the survey, 86% of participants stated that they are resident and about 4.5% are business owner.

The survey contained two components, multiple choices questions (8 of them) and 1 open-ended question where participants could identified elements for which they wanted more information. From the multiple choices questions, the highlights are as follow:

- 62% of participants want the City of Leduc to find the right balance between taking advantage of this economic opportunity and ensuring the health and wellness of our community;
- 50% want the city to regulate cannabis like liquor stores while 15% of participants would like to see an increase in regulations for both cannabis and liquor stores;
- 80% of the 1,274 participants who answered question 4 about location for retailing supported location in the commercial locations and almost 54% supported location in the downtown. The industrial parks area came in 3rd place with about 37% of support as a retailing location;
- A 100 meters buffer between cannabis retailing and schools/parks was supported by almost 45% of participants, followed by 38% who would prefer a separating distance of 400 meters;
- Almost 61% answered that the City of Leduc should not impose hours of operation restriction other than what the GoA will regulated; and
- in regards to the clustering of cannabis retail store, about 44% of the participants stated that market should dictate the outcome and 22.5% favored the dispersion of the retailers in strategic areas.

As for the open-ended question, 288 participants took the opportunity to identify additional topics they would like to obtain information and/or provide us with opinions and/or recommendations. Administration has gone over all the comments received and have grouped the comments in categories to have a better understanding of the occurrence of each category.

The category with the most occurrences is education and research. Survey participants expressed the need to make available all available information around cannabis, cannabis consumptions, and its potential effects. Managing cannabis like alcohol and consumption locations were also amongst the most important topics for the participants. Schedule 3 contains the survey results.

The conclusions from the survey exercise that administration can draw are as follow:

1. Cannabis is a topic of high interest in our community as the participation results clearly show.
2. Social acceptance of cannabis varies significantly. We have people at both end of the spectrum and everywhere in-between.
3. Many participants view cannabis retailers as similar to liquor stores.

4. A significant proportion of participants support cannabis retail stores in commercial areas such as the Common and 50th Street.
5. The participants are generally in favor of enabling the land use of retailing for cannabis, even though they recognize that all the regulations and logistics are not currently known.

In addition to the survey done by the city of Leduc, Administration was made aware that the Leduc Downtown Businesses Association (Leduc DBA) surveyed their members. They received 18 responses (approx. 10% of membership). Half of the responses were not in support of cannabis retailer locating in the downtown and more than 80% of their participants did not want to see public consumption of cannabis allowed downtown.

Other municipalities' initiatives

In addition to the land use survey related to cannabis, Administration scanned the regional context and beyond to see what other municipalities throughout Alberta are currently doing in relation to cannabis and land use management. In order to enhance this task, Administration has partnered with the University of Alberta through the Graduate Internship Program whereas a graduate student from the Planning Master Program is actively conducting research on targeted subjects related to cannabis for the City of Leduc. Furthermore, Administration has established a connection with the GoA Cannabis Secretariat. This will provide access to additional resources.

For the land use component, we have obtained information so far from the following municipalities through website review or direct communication: Beaumont, Calgary, Edmonton, Fort Saskatchewan, Grande Prairie, Leduc County, Lethbridge, St. Albert, Spruce Grove, Stony Plain, and Strathcona County. For the most part, the municipalities that have been active have amended their Land Use Bylaw (LUB) in order to amend and/or add definitions as well as to regulate medical cannabis production.

In terms of regulations and defining which land uses associated to cannabis will be allowed in what districts, most municipalities have been awaiting the regulations from the GoA (see schedule 4 for summary of municipalities initiatives). Now that the regulation with the separating distance is available, it is expected that most municipalities will be moving forward over the next few weeks.

As for Business Licensing, Administration has connected with a few other municipalities including St. Albert, Spruce Grove, Airdrie, Edmonton, Fort Saskatchewan, and the City of Wetaskiwin. Many of them are or will be focusing on their LUB amendment and were awaiting what the GoA will produce as regulations prior to making any decision on the business licencing process. It appears that most municipalities do not expect any major changes to their Business Licence Bylaw. An interesting information that we obtained from interacting with the other municipalities is that many municipalities don't add additional restrictions on hours of operation beside what is imposed by the GoA. Now that it is known that the GoA will set the operation hours from 10 am to 2 am for cannabis retail stores, Administration will follow with the municipalities to see if this will change their approach.

Next steps for the City of Leduc - LUB

Now that the first part of the engagement strategy is done (online survey), Administration needs to prepare draft amending bylaws for land use and business licencing. Pending on the outcome at the March 12th and March 19 meetings, these bylaws could be presented to Council on March 26 or April 9th, 2018 for first reading under the Municipal Government Act (MGA). Introducing the bylaws to Council for first reading would initiate the process that will lead to the second part of the engagement strategy, the public hearing. Currently, Administration believes that we could be looking at late April or early May to host the public hearing. Sufficient time will be required to allow every interested party to present to Council at the hearing.

After reviewing all information available at the current time, Administration believes that a stepped and balanced approach is desirable for this community. This will enable the City of Leduc to embrace change, but at a pace that the community is comfortable with. Preliminary thoughts of Administration lean toward clarifying the definitions of the LUB. Then, considering the nature of the use "Cannabis Production and Distribution", a natural fit seems to be Light and Medium Industrial. As for the other type of land uses related to cannabis, Administration believe that another report evaluating the alternatives is

required to determine the starting scenario that would be the basis of the draft amending land use bylaw. This would also enable a discussion around separating distances.

The proposed approach would require the following changes to the Land Use Bylaw:

- Amend section 26 Glossary of Terms and Uses in order to add the following definitions:
 - Cannabis
 - Cannabis Café
 - Cannabis Counselling
 - Cannabis Lounge
 - Cannabis Production and Distribution
 - Retail Store (Cannabis)
- Amend section 26 Glossary of Terms and Uses in order to change the following definitions to exclude cannabis related uses and activities:
 - Agriculture
 - Bars and Neighbourhood Pubs
 - Commercial Storage Facility
 - Eating and Drinking Establishment
 - Eating and drinking Establishment Limited
 - General Industrial (Light)
 - General Industrial (Medium)
 - Greenhouse
 - Health Services
 - Home Occupation
 - Home Office
 - Late Night Club
 - Personal Service
 - Private Club
- Amend section 14.4 (Light Industrial) to add "Cannabis Production and Distribution" as a discretionary use.
- Amend section 14.6 (Medium Industrial) to add "Cannabis Production and Distribution" as a discretionary use.

Separating distances

With its latest Order in Council, the GoA introduced a minimum of 100 meters separating distance (Section 105) between a cannabis store and:

- A provincial health care facility
- A school
- A School Reserve (SR)

At a minimum, these separating distances should be integrated into the Land Use Bylaw. Schedule 5 depicts how the LUB map would be impacted with these separating distances should Council agree with them.

In order to minimize cannabis exposure to youth, additional separating distance could be considered. Uses such as parks, playgrounds, recreation facilities, day care, and the public library could also be identified as requiring a 100 meters separating distances.

In regards to the establishment of a safe and responsible supply chain, the Federal Task Force on Cannabis Legalization and Regulation recommended amongst many strategies, to define limits on the density and location of storefront, including appropriate distance from schools, community centre, public parks, etc. (p.4., A framework for the Regulation of cannabis in Canada, Government of Canada). The report recommended that the provinces in close collaboration with the municipalities deal with this aspect of cannabis.

To prevent the clustering of cannabis retailing within a city block or an area, separating distances between cannabis retailers could be established. The City of Edmonton is currently considering 200 meters. At the time of preparing this report, other municipalities were not at the stage of preparing their draft regulations.

The next element related to the LUB in regards to separating distances is the separation between a liquor store and a cannabis store. The GoA, through its Act, prohibits the colocation of cannabis and liquor (as well as pharmaceutical and tobacco), but doesn't provide any additional requirement to be met. A municipality may, via its LUB, decide to impose a separating distance between a liquor and a cannabis store. The City of Edmonton is currently considering 100 meters. At the time of preparing this report, other municipalities were not at the stage of preparing their draft regulations.

In order to find the right "balance" for the City of Leduc, Administration will be bringing another report evaluating alternatives to managing the cannabis related land uses other than *Cannabis Production and Distribution*.

Next steps for the City of Leduc – Business Licence Bylaw

In regards to the Business Licence Bylaw, Administration preliminary thoughts are that no significant changes are required at this time. However, considering that the bylaw will be 5 years old in 2019, it may be appropriate to initiate a general review of it in 2019 or as soon as possible thereafter.

In relation to the upcoming legalisation of cannabis, the draft amending bylaw should amend section 3 Licence requirements, paragraph 5(a) in order to account for *retail store, cannabis* which may sell more than 3 categories of restricted products.

Currently, the Business Licence Bylaw defines restricted products as:

(v) "restricted product" means any of the following:

- (i) a product that displays a marijuana plant
- (ii) a device intended to facilitate smoking activity, including a pipe (metal / glass blown, plastic, wood), water bong or vaporizer
- (iii) a type of grinder (electric or manual)
- (iv) a type of digital weigh scale
- (v) a detoxifying product (including a drink, pill or other product) marketed for masking drug effects or making such effects undetectable through tests;

Considering that the GoA will not restrict the sale of cannabis accessories and that the Federal Act defines cannabis accessories as very inclusive and broad, this section of our bylaw will become obsolete with the coming into effect of both federal and provincial legislations.

Within Bill C-45:

cannabis accessory means

- (a) a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers, that is represented to be used in the consumption of cannabis or a thing that is represented to be used in the production of cannabis; or
- (b) a thing that is deemed under subsection (3) to be represented to be used in the consumption or production of cannabis. (*accessoire*)

Deeming – cannabis accessory

(3) For the purposes of the definition *cannabis accessory*, a thing that is commonly used in the consumption or production of cannabis is deemed to be represented to be used in the consumption or production of cannabis if the thing is sold at the same point of sale as cannabis.

In addition to the restricted products amendment, the following changes should be made to ensure that the bylaw is updated with the current context.

- Amend the following definitions:

- (k) "Fees and Charge" to state the current Fees Bylaw
- (m) " Land Use Bylaw" to state the current bylaw
- Amend throughout the Bylaw the definition references for (k) and (m)

Administration has considered the requirement for background check prior to issuing a business license, but considering the extensive process and records check within the AGLC, it was concluded that it was not necessary to duplicate this process.

LEGISLATION AND/OR POLICY:

Administration will keep monitoring the progress on both Bills related to cannabis. Even though the city may adopt an amending bylaw prior to the enactment of the new legislation, city's approval on cannabis related uses will likely not happen prior to enactment and legalisation of cannabis.

PAST COUNCIL CONSIDERATION:

The upcoming cannabis legalisation was discussed last year at the June 26th and December 4th Committee of the Whole meetings. In both instances, Administration identified elements in the Land Use Bylaw that could be considered for potential amendments.

CITY OF LEDUC PLANS:

The City of Leduc Land Use Bylaw and the Business License Bylaw are relevant for this report.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

The upcoming legalisation of cannabis is adding additional pressures on Planning & Development Department as we are receiving an influx of information request, and we are expecting to eventually receive some applications. Other departments will also be involved in different or supporting capacities in relation to the upcoming legalisation of cannabis.

FINANCIAL:

It is unknown at the present what will be the net impact of cannabis related land uses being permitted within the City of Leduc. At the time of this report being prepared, it was not decided on how the revenues would be shared amongst the various levels of government. Also, the cost component is unknown at the current time.

POLICY:

Cannabis legalisation will have an impact on the City of Leduc Land Use Bylaw and the Business Licence Bylaw. Both will need to be amended.

LEGAL:

Once the draft amending bylaws (LUB, Business License) are ready, they will need to be presented to Council for 1st reading under the Municipal Government Act. This will enable the adoption process which requires a Public Hearing. The Legal Department will provide support and guidance for this process.

IMPLEMENTATION / COMMUNICATIONS:

The GoA has announced that they will start receiving applications from potential retailers as of March 6, 2018. Their process is a stepped approach that will require the municipality's involvement once the eligibility of an applicant has been established. The GoA estimates that it will take 2-4 months for that process. Currently, the City of Leduc has not defined the application process for applicant interested in obtaining a Retail Store (cannabis) development permit and a business license. Considering the uncertainty with the timeline from the Government of Canada and the time restrictions for processing development permit applications dictated by the Municipal Government Act (20 days for deemed complete application / 40

days for approval), the City of Leduc will need to establish a process or cannabis retail store. However, it is unlikely that the process would trigger application being received prior to the bylaws being finalised unless the upper-tier governments would announce a transition framework.

It will be very important for the city to maintain updated its webpage dedicated to cannabis in order to maintain interested parties informed. Planning & Development will work with Communication to upload instructions to applicant as soon as possible.

ALTERNATIVES:

Council could decide to postpone any decision making on a process moving forward in order to acquire additional information as other municipalities and the upper-tiers of government move forward.

Council could provide specific directions on regulations to insert in the draft amending Land Use Bylaw.

ATTACHED REPORTS / DOCUMENTS:

- Schedule 1 Jurisdictions responsibilities
- Schedule 2 The Future of Cannabis in Alberta
- Schedule 3 Survey results
- Schedule 4 Summary of LUB amendments in other municipalities
- Schedule 5 City of Leduc Cannabis Restrictions Map

Others Who Have Reviewed this Report

P. Benedetto, City Manager / M. Pieters, General Manager, Infrastructure & Planning

Schedule 1 Jurisdictions responsibilities

Activity	Responsible		
	FED	PROV	CITY
Possession limits *	Yes	No	No
Trafficking	Yes	No	No
Advertisement & packaging *	Yes	No	No
Impaired driving	Yes	Yes	No**
Medical cannabis	Yes	No	No
Seed-to-sale tracking system	Yes	No	No
Production (cultivation and processing)	Yes	No	No
Age limit (federal minimum) *	Yes	No	No
Public health	Yes	Yes	No
Education	Yes	Yes	Yes
Taxation	Yes	Yes	Yes
Home cultivation (growing plants at home) *	Yes	No	No
Workplace safety	No	Yes	No***
Distribution and wholesaling	No	Yes	No
Retail model	No	Yes	No
Retail location and rules	No	Yes	Yes
Regulatory compliance	Yes	Yes	No
Public consumption	No	Yes	Yes
Land use/zoning	No	No	Yes

* provinces will have the ability to strengthen legislation for these areas under federal jurisdiction

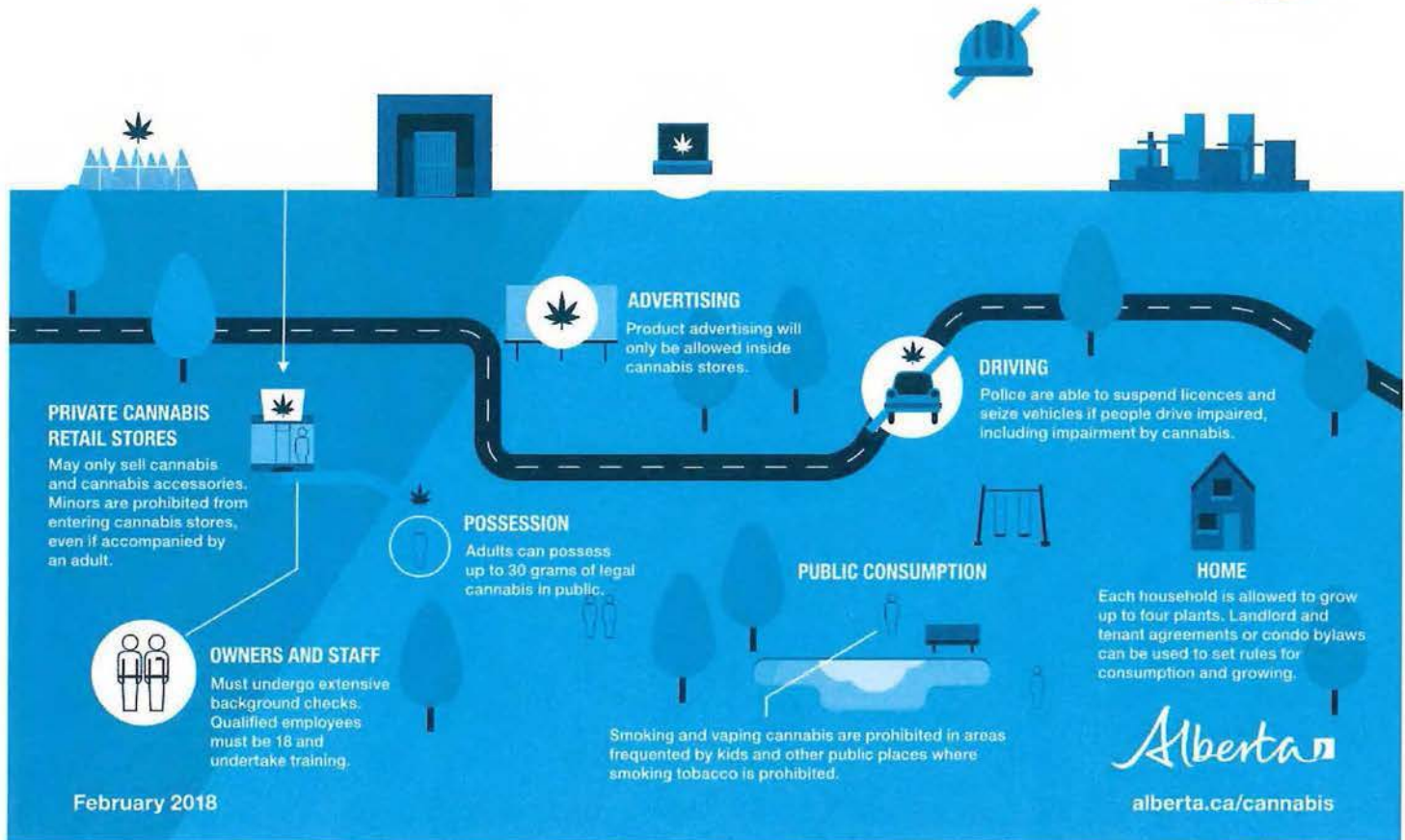
Source: <https://www.alberta.ca/cannabis-legalization-in-canada.aspx>

** Leduc RCMP and Community Peace Officers will address impairment due to cannabis

*** City of Leduc has developed and approved the Substance Abuse Prevention Policy

Schedule 2

The rules around cannabis in Alberta once it is legal in summer 2018.



Schedule 2

Alberta's System for Legalized Cannabis

Once legal, Alberta's system for legalized cannabis will provide adults safe access to legal cannabis while protecting Alberta's youth and public health, promoting safety on roads, in workplaces and in public spaces, and limiting the illegal market.

Highlights of legislation and regulations



- Minimum age for purchase and possession is 18.
- Adults may possess 30 grams at any given time; there will be zero tolerance for youth under the legal age of 18 possessing any cannabis.
- Anyone under 18 caught with five grams or less will face sanctions similar to those for underage possession of alcohol or tobacco. Youth found in possession of over five grams continue to be subject to federal criminal charges.
- Adults may smoke or vape cannabis at home and in some public places, but not in vehicles, any cannabis retail outlets, anywhere smoking or vaping tobacco is already prohibited, or in specific areas frequented by children, including school and hospital properties and within five metres of skate parks, spray parks, and playgrounds.
- Adults can grow cannabis at home; up to four plants per household (not per person) for personal consumption.
- Landlord and tenant agreements or condo bylaws can be used to set rules for consumption and growing.
- Licence suspensions and vehicle seizures that apply to alcohol-impaired driving have been extended to cannabis impairment. There will be zero tolerance for those on graduated licences. Cannabis consumption will not be allowed in vehicles.
- The Alberta Gaming and Liquor Commission (AGLC) will provide clear oversight over the distribution of packaged and sealed cannabis products, ensuring only legally produced products come into Alberta. (This is similar to what's in place now for alcohol).
- The AGLC will operate online sales of cannabis products on behalf of government.
- The AGLC will ensure cannabis is distributed to privately owned and operated specialized retailers. Retail locations will be regulated and follow rules set by government, including hours of operation and security requirements.
- Cannabis retailers may be open between 10 a.m. and 2 a.m. and must keep cannabis products in a locked display case accessible only by staff. However, municipalities can further restrict these hours.
- Anyone applying for a licence to open a retail store will have to undergo an extensive mandatory background check.
- Employees must also consent to background checks, be 18 or older and will be required to undergo AGLC SellSafe training.
- Cannabis retail outlets must be 100 meters away from schools and provincial health care facilities. Municipalities will have the discretion to modify or add further buffers from these or other uses.
- Any single sales transaction of cannabis products, in a retail location and online, will be limited to 30 grams.
- Cannabis advertising will be restricted to locations with no minors. The federal government has also proposed strict rules about labeling and packaging. The Alberta government will monitor the specifics of their proposed program and work with them to address any issues or gaps in policies should they arise.

Check with your municipality for more information about cannabis legalization in your community.

For more information about the system for legalized cannabis in Alberta, visit alberta.ca/cannabis.

For more information about retail regulations, or how to apply for a cannabis retail licence, visit aglc.ca/cannabis.

Schedule 3

Cannabis Legalization: Land Use Bylaw Online Survey Results



The City of Leduc conducted an online survey from Jan. 12 - Feb. 2, 2018 that provided the public an opportunity to answer key questions relative to the city's Land Use and Business Licensing Bylaws. Questions allowed the public to indicate how they felt cannabis retail should be managed in the City of Leduc and identify any other questions or concerns they had surrounding legalization.

This survey was posted on the City of Leduc website at www.leduc.ca/cannabis and was promoted through the City's Facebook and Twitter accounts as well as in the Leduc Representative. This survey received a total of **1,488 responses**.

Question 1

How familiar are you with the roles of each level of government and the various objectives and strategies related to cannabis legalization?

Somewhat familiar	40%	Familiar	19%
Not familiar	29%	Very familiar	10%
		I don't know	2%

Question 2

While preparing the legal framework that will allow the City of Leduc to manage cannabis related land uses, emphasis should be put on:

Finding the right balance between economic growth opportunities and ensuring the health and wellness of our community	62%
Taking this opportunity for economic growth and diversification	23%
Ensuring the health and wellness of our community	15%

Cannabis Legalization: Land Use Bylaw Online survey results



Question 3

While preparing the legal framework that will allow the City of Leduc to manage cannabis related land uses, the City of Leduc should:

Regulate cannabis land use similar to liquor stores	51%
Increase the regulations for cannabis related land use compared to liquor stores	17%
Increase the regulations for both cannabis related land use and liquor stores	15%
Decrease the regulations for cannabis related land use compared to liquor stores	11%
I don't know enough about liquor store regulation in the city	6%

Question 4

Within Leduc, which areas of the city should cannabis retail be permitted. **Please indicate all those that apply:**

Commercial (Leduc Common, 50 St., 50 Ave. west of QEII., etc.)	81%
Downtown	54%
Industrial Parks	37%
Mixed Use (amenities located at entrance of communities)	32%
Residential	14%
Other	7%

Cannabis Legalization: Land Use Bylaw

Online survey results



Question 5

In regards to separating distance between schools/ parks and cannabis retail stores, the City of Leduc should apply:

A minimum of 100 metres as it is currently for alcohol	45%
A minimum of 400 metres	38%
A distance between 100 and 400 metres	14%
I do not have enough information to answer this question	3%

Question 6

Should the City of Leduc impose additional restrictions on hours of operation for cannabis retail stores?

No	61%
Yes	36%
I do not have enough information to answer this question	3%

Cannabis Legalization: Land Use Bylaw Online survey results



Question 7

While considering potential locations for cannabis retail stores, the City of Leduc should:

Let market dictate the concentration of cannabis stores in strategic area(s) of the city	44%
Favour the dispersion of cannabis retail stores in strategic area(s) of the city	23%
Favour the concentration of cannabis retail stores in strategic area(s) of the city	18%
I do not have enough information to answer this question	15%

Question 8

Are there any other topics related to cannabis that the City of Leduc should discuss and/or investigate?

Education/ research	17%	Youth	6%
Liken to alcohol	15%	Prohibit legalization	6%
Consumption locations	13%	Odour	4%
Enforcement	12%	Number of liquor stores	3%
Retail location/ regulation	10%	Minimum age increase	3%
Economic development	9%	Health impacts	2%

Cannabis Legalization: Land Use Bylaw

Online survey results



Question 9

Please identify which category you belong to:

Resident	87%
Other	9%
Business owner	4%

Schedule 4 Summary chart of cannabis-related LUB amendments

Prepared: February 8, 2018

Amended: February 27, 2018

* indicates uses are listed as discretionary, unless otherwise noted.

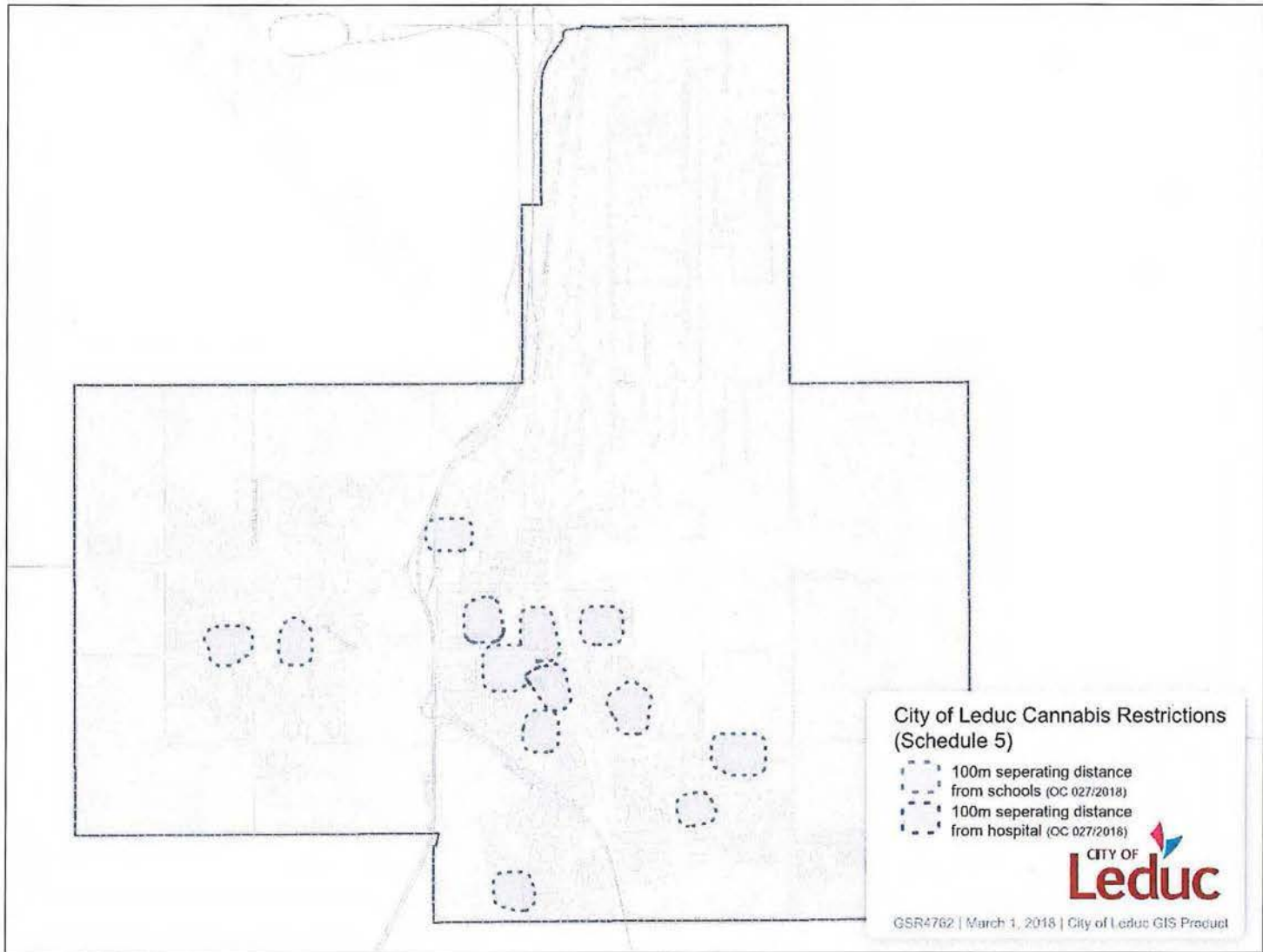
Municipality	LUB Amend.	Definitions	Clarifications	Viable Districts (Cultivated/ Production) *	Viable Districts (other)*
Beaumont	no	n/a	Will put a committee together as of February 26, 2018	n/a	n/a
Calgary	Yes (medic.)	<p>Medical Marihuana,</p> <p>Medical Marihuana Production Facility,</p> <p>Medical Marihuana Counselling</p>		Industrial-General	<p><u>Medical Marihuana Counselling:</u></p> <p>Commercial-Neighbourhood 1 & 2,</p> <p>Commercial-Community 1 & 2 ,</p> <p>Commercial -Corridor 1-3,</p> <p>Commercial Office 1,</p> <p>Commercial-Regional 2 & 3,</p> <p>Industrial-Business,</p> <p>Industrial-Edge,</p> <p>Industrial-Commercial,</p> <p>Centre City Multi-Residential</p> <p>High Rise Support</p> <p>Commercial,</p> <p>Centre City Mixed Use,</p> <p>Centre City Commercial Corridor,</p> <p>Centre City East Village Transition,</p> <p>Centre City East Village Integrated Residential,</p> <p>Centre City East Village Mixed Use,</p> <p>Centre City East Village Primarily Residential,</p> <p>Commercial Residential,</p> <p>Mixed Use-General,</p> <p>Mixed Use-Active Frontage,</p>

COUNCIL REQUEST FOR DECISION

Municipality	LUB Amend.	Definitions	Clarifications	Viable Districts (Cultivated/ Production) *	Viable Districts (other)*
Edmonton	Yes	<p>Cannabis, Cannabis Production and Distribution,</p> <p>Cannabis Lounge,</p> <p>Cannabis Retail Sales</p>	<p><u>Production, sale, and consumption</u> not included in: Urban Indoor Farms/Gardens, Rural Farms, Recreational Acreage Farms (unless federally licensed) Major/Minor Home Business, Greenhouses, Convenience Stores, General Retail Stores</p> <p><u>Cannabis Lounges</u> not included in: Private Clubs, Nightclubs, Bars/Neighbourhood Pubs use</p>	<p>General Industrial (permitted use)</p>	<p><u>Medical Cannabis Clinics and Counselling:</u> Health Services (permitted use)</p> <p>Special note: Feb. 23, 2018 – released separating distance of 100 meters from sensitive uses including schools, libraries, parks, recreation facilities and liquor store. Also, a proposed 200 m between cannabis stores.</p>
Fort McMurray	No	n/a	n/a	n/a	n/a
Fort Sask.	No	n/a	n/a	n/a	n/a
Grande Prairie	yes	<p>Cannabis, Cannabis Lounges</p> <p>Cannabis Production and Distribution</p> <p>Retail store, cannabis</p>	Definitions are added, but not allocated to any district	n/a	n/a

COUNCIL REQUEST FOR DECISION

Municipality	LUB Amend.	Definitions	Clarifications	Viable Districts (Cultivated/ Production) *	Viable Districts (other)*
Leduc County	No	No	n/a	n/a	n/a
Lethbridge	No	No	n/a	n/a	n/a
St. Albert	Yes (medic.)	Medical Marihuana Production Facility		Commercial and Industrial Services, Business Park, Business Park Transition, Business Park 2 Direct Control	
Spruce Grove	Yes	Medical Marihuana, Medical Marihuana Production Facility	Medical Marihuana Production Facility not a permitted use within: Agriculture, General Industrial, Greenhouse, or Retail Sales	General Industrial	
Stony Plain	No	n/a	n/a	n/a	n/a
Strathcona County	Yes	Cannabis Production Facility	Cannabis Production Facility not a permitted use in: Agriculture (General), Agriculture (Intensive), Horticulture, Agriculture (Product Processing), Greenhouse	Medium Industrial, Agriculture (General)	



MEETING DATE: March 12, 2018

SUBMITTED BY: Cameron Chisholm, Manager, RCMP Administration and Enforcement Services

PREPARED BY: same

REPORT TITLE: Cannabis Update – Public Use

REPORT SUMMARY

This report provides an overview of the results of the cannabis public use survey conducted by the City of Leduc. The report also contains a summary of Administration's investigation of other municipalities' activities as they are preparing themselves for the upcoming legalization of cannabis. Lastly, the report contains a proposed strategy for the City of Leduc Community Standards Bylaw amendments to address public use of cannabis.

BACKGROUND

KEY ISSUE(S) / CONTEXT:

Previous Council/Committee Action:

With respect to public use of cannabis, a presentation at Committee was made on February 12th, 2018 which outlined questions intended for the public use survey conducted by the City of Leduc. Council reviewed the questions and provided feedback on the proposed survey.

Key Issues:

Under *Bill 26: An Act to Control and Regulate Cannabis*, the Province of Alberta restricts the use of cannabis in public places where the smoking of tobacco products is prohibited. These restrictions are unlike alcohol which is illegal to consume in public unless in a licensed premise or on private property. The Act further restricts the vaping and smoking of cannabis in areas frequented by children.

The Act provides the following restrictions with respect to locations where the use of cannabis is prohibited:

Smoking and Vaping Prohibited

90.28 No person may smoke or vape cannabis

(a) in any area or place where that person is prohibited from smoking under the *Tobacco and Smoking Reduction Act* or any other Act or the bylaws of a municipality,

(b) on any hospital property, school property or child care facility property,

- (c) in or within a prescribed distance from
 - (i) a playground,
 - (ii) a sports or playing field,
 - (iii) a skateboard or bicycle park,
 - (iv) a zoo,
 - (v) an outdoor theatre,
 - (vi) an outdoor pool or splash pad, or
 - (vii) any other area or place that is prescribed or otherwise described in the regulations.

Under the Regulations for the Act, the prescribed distance is defined as:

Prescribed distance for no smoking areas

129 No person may smoke or vape cannabis within 5 metres of an area or place listed in section 90.28(c)(i) to (vi) of the Act.

When the City of Leduc Public Use survey was released on February 16th, the *Act to Control and Regulate Cannabis Regulations* were not published. The prescribed distance was not known at that time. With the release of the Regulations, the smoking of cannabis is prohibited within 5 metres from the locations listed above.

The *Tobacco and Smoking Reduction Act* prohibits smoking within public places which means all or any part of a building, structure or enclosed area to which the public have access as of by right or by invitation. That Act further prohibits smoking in:

- i) The common areas of a multi-unit facility, including patios, pools, other recreational areas and enclosed parking garages,
- ii) A group living facility
- iii) An outdoor bus or taxi shelter
- iv) Licensed premises
- v) A restaurant, and
- vi) A hotel.

The *Tobacco and Smoking Reduction Act* prohibits smoking in public places as previously described, in a workplace, in a vehicle in which a minor is present, in a public vehicle or within 5 metres from a doorway, window or air intake of a public place or workplace.

Vaping is not covered under the *Tobacco and Smoking Reduction Act*. While the vaping of cannabis is referenced in an *Act to Control and Regulate Cannabis*, there is a need to restrict vaping within Leduc at public places (indoors and 5 metres from entrances) given that the vaping of cannabis could be undetectable or masked.

All Leduc Vaping Retailers were contacted in November 2017 and consulted over the proposal of prohibiting vaping in public places under the Health Bylaw. They were advised that Leduc would be consistent with Edmonton, Red Deer and Calgary bylaws and provide an exemption for Vaping Retailers that would allow customers to try vaping products at their retail stores. The stores were invited to provide input on this proposed

amendment. All of the stores supported the addition of vaping to the Health Bylaw but did not provide feedback on the amendment.

The Community Safety Advisory Committee supported the addition of vaping to both the Health Bylaw and the Smoke-Free Vehicles for Minors Bylaw.

At this time, limited information is available on what other Cannabis public use bylaws are being implemented by other communities. Edmonton announces their bylaws for cannabis on April 3rd.

Spruce Grove currently bans smoking and vaping in open space (playground, dog park or sports field). A recommendation is being forwarded to Council to also include parks, walkways and City owned facilities. Their current definition of smoking would include the use of cannabis if smoked or vaped.

Strathcona County Enforcement will be putting forth to Council a proposal similar to Spruce Grove (but more extensive) where all smoking and vaping is prohibited everywhere in public space. Administration is appearing before their Council on March 27th.

An enforcement challenge exists for supporting charges of public use of cannabis at prohibited locations. Any charge would require seizure, processing of exhibits and have the substance analyzed by a laboratory as cannabis. Such costs would exceed any reasonable fine amount. As such, for reasons of efficiency in enforcement, the inclusion of the smoking and vaping of tobacco products in any prohibited area would also be necessary. This would also promote a healthier lifestyle for residents in Leduc.

Another enforcement issue would be the issue of odour as a result of public use. Landlords and Condo associations have the ability to dictate such usage on their property in rental or condo agreements. Some areas in the United States defining cannabis odour as not offensive in their legislation. This minimizes the impact on enforcement in situations where it would be difficult to determine what qualifies as offensive.

Survey Results – What We Heard:

The City of Leduc Survey ran from February 16th to March 2nd, 2018. The survey provided the public the opportunity to answer key questions relative to the public use of cannabis. The nine question survey was posted on the City of Leduc website and was promoted using social media and print advertisement. Two of the questions were opened. The survey was answered by 1420 respondents.

Question 1 asked the public about the rules regarding the use of cannabis in public places and referenced the existing regulations for smoking under Provincial law. More than 91% stated that the rules should be the same as, or more restrictive, as the rules for smoking tobacco in public places (not in public places or within 5 metres of entrances to public places).

The second question asked the public whether vaping cannabis should be subject to the same regulations as the proposed vaping of tobacco under the City of Leduc Health Bylaw. Respondents support was 76% for having the same regulations.

Question 3 asked the public which places was not acceptable for people to smoke or vape cannabis. The results for these locations were as follows:

Location	Percent Against
At an outdoor concert, festival or event	39%
In a public park	54%
While walking down the street	44%
In the downtown area	44%
In industrial areas	41%
In commercial or retail locations	67%
While on the multiway, Telford Lake boardwalk or other walking trails	42%
Any outdoor public space	36%
In areas frequented by seniors and/or vulnerable groups	74%

The fourth question asked the public about how the City of Leduc should handle smoking and vaping cannabis at festivals and events. Of the respondents, 19% responded that cannabis should be banned at such events while 66% responded only in designated areas. Only 15% of the respondents replied that it should be allowed anywhere at the event.

The fifth question pertained to acceptable distances of public use of cannabis from areas frequented by children (as listed in the *Act to Control and Regulate Cannabis*). While at the time of the release of the survey, the Province had not come out with a prescribed distance. It was later defined in the regulations as 5 metres from such locations. Residents were asked what distances were acceptable in this question. Approximately 27% said less than 25 metres was acceptable while the equal amount said 25-100 metres was the acceptable distance. Distances greater than 100 metres was deemed acceptable by 14% of the respondents. The remaining 32% of the respondents to the survey did not answer this question.

Question 6 asked respondents what topics pertaining to cannabis legalization they would like to learn about. The topics and responses were as follows:

Topic	Percent of Responses
Legalization history in Canada	15%
How cannabis retail will be regulated	64%
How cannabis consumption will be regulated	67%
What I will be permitted and prohibited from doing	64%
The health and social impacts	45%
RCMP enforcement (DUI, possession, etc.)	82%
Economic development opportunities	32%
Cannabis and youth	53%
Post-legalization next steps from Federal and Provincial Governments	7%

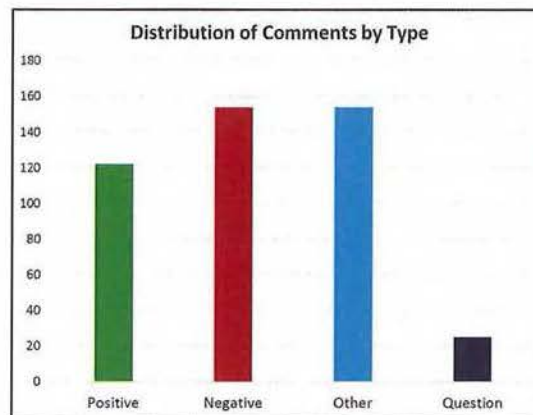
The seventh question requested information on who was completing the survey. More than 96% responded that it was for themselves and their family. Community groups represented 2% of the responses and 3% were from businesses.

Question 8 requested information on the age of the respondents. The following outlines the responses:

Answer Choices	Responses
18-25	23%
26-35	33%
36-45	19%
46-55	12%
55+	12%

The final question sought additional comments from the respondents. There were 554 responses with comments with 99 of the comments being "no comment". The question was skipped by 951 respondents.

The comments were categorized into positive comments on cannabis, negative comments on cannabis, other comments on cannabis and questions about cannabis.



Several participants left questions in the comments field, some of which are included below:

- Will there be a medical card required to purchase marijuana from a retailer?
- What will the laws be regarding growing & smoking marijuana in shared living areas, such as apartment buildings?
- Where can we find statistics on the Aurora Sky facility?
- How will the RCMP regulate and enforce drug impaired driving?
- Will the bylaws allow for complaints regarding the odor of marijuana to be lodged and actioned?

The 'Other' category was for the responses that did not explicitly indicate either support or non-support for marijuana legalization. Some examples:

- "Please do what is for the greater good based on solid research."
- "Keep it out of public places."
- "Stiffer penalties for those caught under the influence."
- "Crack down on alcohol consumption and ban that instead."
- "Don't make it too expensive."

Proposed Strategy for Bylaw Amendments:

Minimum proposed recommendation:

- 1) As the City of Leduc Health Bylaw was created prior to the creation of the *Tobacco and Smoking Reduction Act*, it has been made redundant by Provincial law and can be repealed.
- 2) The City of Leduc Smoke Free Vehicles for Minors can be repealed as smoking in a vehicle with minors is covered under the *Tobacco and Smoking Reduction Act*.
- 3) As Vaping is not referenced under the *Tobacco and Smoking Reduction Act*, a section under the Community Standards Bylaw is required to prohibit vaping in public places (indoor areas where the public has access) and vehicles with minors. An exemption for retail outlets that sell vaping related products should be permitted. Both Edmonton and Calgary have this provision.
- 4) The Community Standards Bylaw define cannabis odour during public use by individuals as not offensive.

With respect to further defining where Cannabis can be smoked, the following options are presented to Council:

Further Options for consideration:

Open:

Make no further amendments to the Community Standards Bylaw on the public use of cannabis and utilize existing prohibitions as outlined in the *Act to Control and Regulate Cannabis*.

Moderate:

- a. The Community Standards Bylaw could be amended to include the ability of the City of Leduc to prohibit the smoking of cannabis and tobacco at locations as designated by signage, either temporary or permanent. This would allow for prohibition at events and requests to prohibit use from groups such as the Downtown Business Association.
- b. The Community Standards Bylaw and Parkland Bylaw could be further amended to prohibit the smoking or vaping of cannabis or any tobacco product at the following places:
 - i) Any City parkland as defined under the Parkland Bylaw (includes multi-ways other than sidewalks)

- ii) Defined distances from Provincially restricted areas (distances could be increased from 5 metres)
- c. The Community Standards Bylaw could allow for a permit to allow a designated outdoor smoking or vaping area in areas (i) and (ii) listed above.

Restricted:

Treat cannabis similar to alcohol and prohibit use in all outdoor public places where liquor is illegal to consume.

ATTACHMENTS:

Cannabis Legalization: Public Consumption - Online Survey Results

Others Who Have Reviewed this Report

P. Benedetto, City Manager / D. Melvie, General Manager, Community & Protective Services / M. Pieters, General Manager, Infrastructure & Planning

Cannabis Legalization: Public Consumption

Online Survey Results

The City of Leduc conducted an online survey from Feb. 16 - Mar. 2, 2018 that provided the public an opportunity to answer key questions relative to public consumption of cannabis. Questions allowed the public to indicate how they felt public consumption should be regulated in the City of Leduc and identify any other questions or concerns they had surrounding legalization.

This survey was posted on the City of Leduc website at www.leduc.ca/cannabis and was promoted through the City's Facebook and Twitter accounts as well as in the Leduc Representative. This survey received a total of **1,505 responses**.

Question 1

Currently in the province, regulations state that smoking tobacco is prohibited in public facilities and within 5 metres of any entrance to public facilities to protect the public from second-hand smoke. Should the rules regarding smoking cannabis in public places be:

The same as current regulations for tobacco	48%
More restrictive than current regulations for tobacco	44%
Less restrictive than current regulations for tobacco	7%
I don't know enough about current regulations	1%

Question 2

Cannabis can be consumed by vaping (also known as e-cigarettes). The City of Leduc is considering amending its Health Bylaw to include vaping tobacco. Should vaping cannabis also be subject to the same regulations under the Health Bylaw?

Yes	78%
No	22%

Cannabis Legalization: Public Consumption

Online Survey Results

Question 3

Please select any places you feel ARE NOT acceptable for people to smoke or vape cannabis (select all that apply):

In areas frequented by seniors and/or vulnerable groups	74%	While on the multiway, Telford Lake boardwalk or other walking trails	43%
In commercial/ retail locations	67%	In industrial areas	42%
In a public park	54%	At an outdoor concert, festival or event	37%
While walking down the street	44%	Any outdoor public space	36%
In the downtown area	44%	Other	23%

Question 4

How should the City of Leduc approach smoking and vaping cannabis at festivals and events?

Cannabis use should only be allowed in designated areas at these events	66%
Cannabis use should be banned entirely at these events	19%
Cannabis use should be allowed anywhere at these events	15%

Cannabis Legalization: Public Consumption

Online Survey Results



Question 5

The Government of Alberta has proposed that the consumption of cannabis will be restricted within a certain distance from schools, daycares, afterschool care, playgrounds, sports fields, skate or bike parks, zoos, outdoor theatres, pools, splash parks and other areas that children frequent. This distance has yet to be defined by the province, but the City of Leduc will be able to impose additional restrictions on distance. In your view, at what distance from the boundaries of these restricted areas should smoking and vaping be permitted?

Unspecified (answers did not include definitive measurement e.g. out of sight or everywhere)	32%
Less than 25 metres	27%
25 to 100 metres	27%
Greater than 200 metres	10%
101 to 200 metres	4%

Other Trends

12% of responses indicated they supported a distance that was the same as what is set out in smoking and tobacco legislation.

5% of responses mentioned children and/or the presence of children as a factor in their answer.

Cannabis Legalization: Public Consumption

Online Survey Results

Question 6

The City of Leduc, along with the Government of Alberta, will be responsible for educating residents on cannabis legalization. What topics would you like to learn more about? (select all that apply)

RCMP enforcement (DUI, possession, etc.)	82%	The health and social impacts (including addiction and impairment)	45%
How cannabis consumption will be regulated	66%	Post-legalization next steps from Federal and Provincial Government	43%
What I will be permitted and prohibited from doing	64%	Economic development opportunities	32%
How cannabis retail will be regulated	63%	Legislation history in Canada	15%
Cannabis and youth	53%	Other	7%

Question 7

You are completing this survey on behalf of (select all that apply):

Yourself and your family	96%
Other	4%
A business	3%
A community group, association or organization	2%

Cannabis Legalization: Public Consumption

Online Survey Results



Question 8

Your age:

26-35	33%	36-45	20%
18-25	23%	46-55	12%
		55+	12%

Question 9

Do you have any additional comments regarding the legalization of cannabis?
Comments have been categorized by type.

Negative	34%
Other (did not state support or non-support of legalization)	34%
Positive	27%
Question	5%

Other Trends

16% of responses indicated that the regulations should be the same as alcohol.

5% of responses indicated that the regulations should be the same as tobacco/smoking.

COMMITTEE-OF-THE-WHOLE INFORMATION ITEM



MEETING DATE: March 19, 2018

SUBMITTED BY: Darrell Melvie, GM Community and Protective Services

PREPARED BY: Cameron Chisholm, Manager RCMP Administration and Leduc Enforcement Services

REPORT TITLE: Cannabis Update – Public Use

REPORT SUMMARY

This report provides an overview of the places where cannabis will be prohibited to use under Provincial legislation. The report also contains a summary of Administration's investigation of other municipalities' activities as they are preparing themselves for the upcoming legalization of cannabis and enforcement challenges. Lastly, the report contains a proposed strategy for the City of Leduc Community Standards Bylaw amendments to address public use of cannabis.

BACKGROUND

PREVIOUS COUNCIL/COMMITTEE ACTION:

An update was provided on March 12, 2018, at Council. That update provided results of the Cannabis Public Use survey conducted February 16-March 2, 2018, and outlined three options that Administration was considering for Council review. An update was also made on February 12th, 2018, where the survey questions on the public use of Cannabis were presented to Council at Committee of the Whole.

KEY ISSUES:

Council Report of March 12, 2018 provides background on the issues of public use. Provincial legislation treats cannabis similar to tobacco for where it can be used (smoking or vaping). This legislation outlines areas where it is prohibited to be used.

No person may smoke or vape cannabis

- (a) in any area or place where that person is prohibited from smoking under the *Tobacco and Smoking Reduction Act* or any other Act or the bylaws of a municipality
- (b) on any hospital property, school property or child care facility property
- (c) in or within a prescribed distance from
 - i) a playground
 - ii) a sports or playing field
 - iii) a skateboard or bicycle park
 - iv) a zoo
 - v) an outdoor theatre
 - vi) an outdoor pool or splash pad
 - vii) any other area or place that is prescribed or otherwise described in the regulations

Under the Regulations for the Act, the prescribed distance is defined as 5 metres.

A Municipality has the ability to set any prescribed distance and add places and locations where the use of cannabis will be prohibited.

The *Tobacco and Smoking Reduction Act* prohibits smoking within public places which means all or any part of a building, structure or enclosed area to which the public have access as of by right or by invitation. That Act further prohibits smoking in:

- i) the common areas of a multi-unit facility, including patios, pools, other recreational areas and enclosed parking garages
- ii) a group living facility
- iii) an outdoor bus or taxi shelter
- iv) licensed premises
- v) a restaurant
- vi) a hotel

The *Tobacco and Smoking Reduction Act* prohibits smoking in public places as previously described, in a workplace, in a vehicle in which a minor is present, in a public vehicle or within 5 metres from a doorway, window or air intake of a public place or workplace.

Vaping is not covered under the *Tobacco and Smoking Reduction Act*. While the vaping of cannabis is referenced in an *Act to Control and Regulate Cannabis*, there is a need to restrict vaping within Leduc at public places (indoors and 5 metres from entrances) given that the vaping of cannabis could be undetectable or masked.

At this time, limited information is available on what other Cannabis public use bylaws are being implemented by other communities.

Spruce Grove currently bans smoking and vaping in open space (playground, dog park or sports field). A recommendation is being forwarded to Council to also include parks, walkways and City owned facilities. Their current definition of smoking would include the use of cannabis if smoked or vaped.

Strathcona County Enforcement will be putting forth to Council a proposal similar to Spruce Grove (but more extensive) where all smoking and vaping is prohibited everywhere in public space. Administration is appearing before their Council on March 27th.

An enforcement issue will be the issue of odour as a result of the public use of cannabis. Landlords and Condo associations have the ability to dictate such usage on their property in rental or condo agreements. Some areas in the United States define cannabis odour as not offensive in their legislation. This approach has minimized the impact on enforcement in situations where it would be difficult to determine what qualifies as offensive.

Proposed Strategy for Bylaw Amendments:

Minimum proposed recommendations:

- 1) As the City of Leduc Health Bylaw was created prior to the creation of the *Tobacco and Smoking Reduction Act*, it has been made redundant by Provincial law and can be repealed.

- 2) The City of Leduc Smoke Free Vehicles for Minors can be repealed as smoking in a vehicle with minors is covered under the *Tobacco and Smoking Reduction Act*.
- 3) As vaping is not referenced under the *Tobacco and Smoking Reduction Act*, a section under the Community Standards Bylaw is required to prohibit vaping in public places (indoor areas where the public has access) and also vehicles with minors. An exemption for retail outlets that sell vaping related products should be permitted in this amendment (both Edmonton and Calgary have this provision).

With respect to further defining where Cannabis can be smoked or vaped, the following options are presented to Council:

Further Options for consideration:

Open:

Take no further legislative action and rely on Provincial legislation.

Moderate:

- a) The City could, by bylaw, create the authority to temporarily prohibit the smoking and vaping of cannabis at any other location. This could be used to facilitate large public events where children would be present such as festivals or parades.
- b) The City could, by bylaw, increase the prescribed distance (5 m) to ensure smoking and vaping cannabis was even further away from locations identified in this report.

Restricted:

The City could by bylaw prohibit the smoking and vaping of cannabis in all public places within the City.

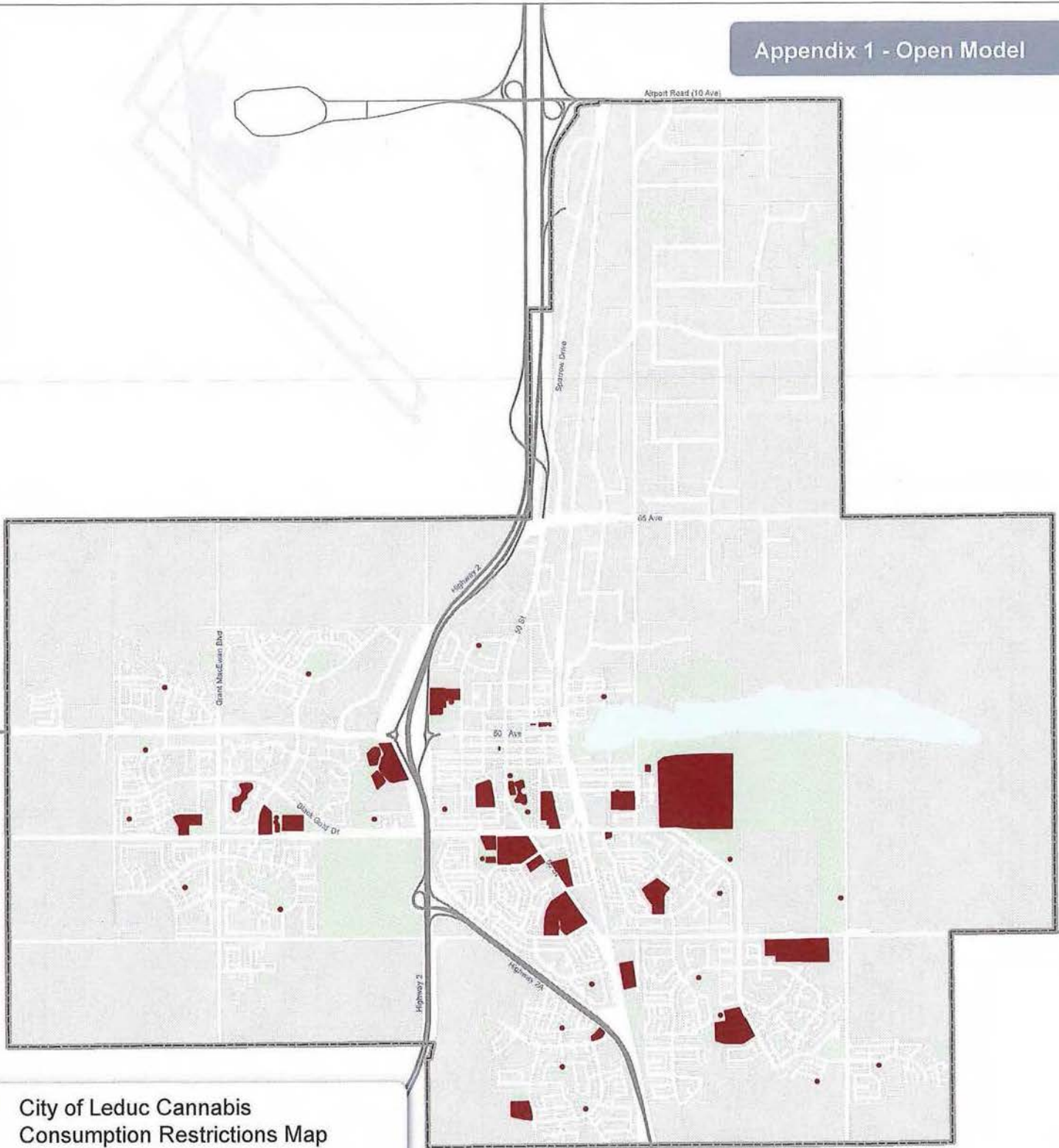
ATTACHMENTS:

Appendix 1: Map of Leduc with prohibited areas under Open option

Appendix 2: Map of Leduc with prohibited areas under Moderate option using 50 metres as prescribed distance

Others Who Have Reviewed this Report

P. Benedetto, City Manager / B. Loewen, City Solicitor / D. Melvie, General Manager, Community & Protective Services / M. Pieters, General Manager, Infrastructure & Planning



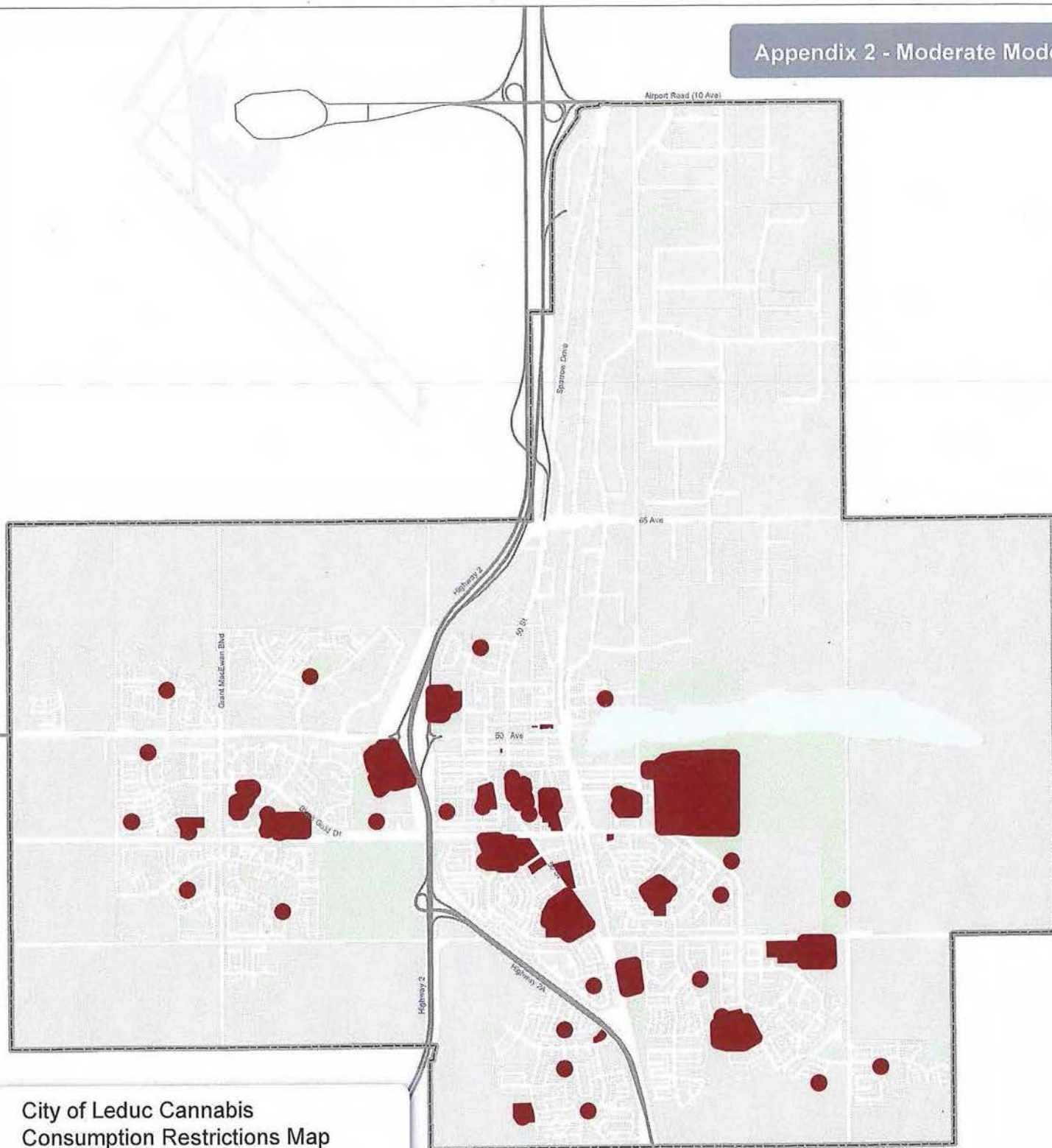
**City of Leduc Cannabis
Consumption Restrictions Map**
Open Scenario

- Hospital, school, registered daycares, and 5m separating distance from playground, sports or bicycle park, playground*, outdoor theater, outdoor pool and splash pad


Total restricted consumption area: 1073157 m²

* playground areas were assumed with an average of 225m² and a radius of 15m from designated playground center.





**City of Leduc Cannabis
Consumption Restrictions Map**
Moderate Scenario

-  Hospital, school, registered daycares, and 50m separating distance from playground, sports or bicycle park, playground*, outdoor theater, outdoor pool and splash pad

Total restricted consumption area: 1941473 m²

* playground areas were assumed with an average of 225m² and a radius of 15m from designated playground center.



COUNCIL REQUEST FOR DECISION

MEETING DATE: April 23, 2018

SUBMITTED BY: Darrell Melvie, General Manager, Community & Protective Services

PREPARED BY: Cameron Chisholm, Manager, RCMP Administration and Leduc Enforcement Services

REPORT TITLE: Bylaw No. 981-2018 Amendment to Community Standard Bylaw No. 71-2008 Cannabis Public Use

REPORT SUMMARY

To provide a municipal legislative response for the public use of cannabis in preparation for the legalization of cannabis by the Federal Government.

RECOMMENDATION

That Council give Bylaw 981-2018 a first reading.

BACKGROUND

KEY ISSUE(S) / CONTEXT:

The Federal Government is legalizing adult cannabis possession and consumption in the summer of 2018.

In response to the Federal legalization, the Province of Alberta tabled *Bill 26: An Act to Control and Regulate Cannabis*. This Act restricts the use of cannabis in public places where the smoking of tobacco products is prohibited. These restrictions are unlike alcohol which is illegal to consume in public unless at a licensed premise or private residence. The Act further restricts the vaping and smoking of cannabis in areas frequented by children.

The Act provides the following restrictions with respect to locations where the use of cannabis is prohibited:

Smoking and Vaping Prohibited

90.28 No person may smoke or vape cannabis

- (a) in any area or place where that person is prohibited from smoking under the *Tobacco and Smoking Reduction Act* or any other Act or the bylaws of a municipality
- (b) on any hospital property, school property or child care facility property
- (c) in or within a prescribed distance from
 - (i) a playground
 - (ii) a sports or playing field
 - (iii) a skateboard or bicycle park
 - (iv) a zoo
 - (v) an outdoor theatre
 - (vi) an outdoor pool or splash pad, or
 - (vii) any other area or place that is prescribed or otherwise described in the regulations

Under the Regulations for the Act, the prescribed distance is defined as:

Prescribed distance for no smoking areas

129 No person may smoke or vape cannabis within 5 metres of an area or place listed in section 90.28(c)(i) to (vi) of the Act.

The *Tobacco and Smoking Reduction Act* prohibits smoking within public places which means all or any part of a building, structure or enclosed area to which the public have access as of by right or by invitation. That Act further prohibits smoking in:

- i) The common areas of a multi-unit facility, including patios, pools, other recreational areas and enclosed parking garages
- ii) A group living facility
- iii) An outdoor bus or taxi shelter
- iv) Licensed premises
- v) A restaurant, and
- vi) A hotel

The *Tobacco and Smoking Reduction Act* prohibits smoking in public places as previously described, in a workplace, in a vehicle in which a minor is present, in a public vehicle or within five (5) metres from a doorway, window or air intake of a public place or workplace.

With the legalization of cannabis, the City of Leduc has the ability to further address the issue of public use within the City. The Province has provided authority under the *Act to Control and Regulate Cannabis* for municipalities to vary the prescribed distance or add additional locations where the use of cannabis is prohibited. Other issues such as retail locations relating to cannabis legalization are being covered by the Planning Department.

A City of Leduc survey on the public use of cannabis ran from February 16th to March 2nd, 2018. The survey provided the public the opportunity to answer key questions relative to the public use of cannabis. The nine question survey was posted on the City of Leduc website and was promoted using social media and print advertisement. Two of the questions were open. The survey was answered by 1,505 respondents.

Some of the survey highlights included:

- More than 91% felt that rules for public use of cannabis should be the same as, or more restrictive as the rules for smoking tobacco in public facilities.
- 76% felt that vaping should be subject to the same regulations as tobacco for public use.
- 74% felt that it was not acceptable to use (smoke or vape) cannabis in areas frequented by seniors and/or vulnerable groups. 54% stated it was not acceptable to use in public parks. Approximately 44% felt it was unacceptable to use while walking down the street, on multi ways or walking trails, in downtown areas and in industrial areas. 39% stated that it should not be used at outdoor concerts, festivals or events.
- 66% responded that cannabis should be smoked or vaped at festivals and events in designated areas only.

- With respect to the permissible distance from locations prohibited by the Province, 27% said less than 25 metres was acceptable while the equal amount said between 25 and 100 metres was acceptable.
- 82% wanted to learn more about RCMP enforcement of cannabis (impaired, possession, etc.)
- 67% wanted to know more about how cannabis consumption would be regulated. Roughly the same wanted to know what they would be permitted and prohibited from doing.
- 96% of the respondents stated the survey was being responded for themselves or their family.
- The age of the respondents represented the demographics of Leduc.
- There were 554 comments made with 99 of them being "no comment".

A complete copy of the survey is attached as Attachment "A".

Vaping is not covered under the *Tobacco and Smoking Reduction Act*. While the vaping of cannabis is referenced in an *Act to Control and Regulate Cannabis*, there is a need to restrict vaping within Leduc at public places given that the vaping of cannabis could be undetectable or masked.

All Leduc Vaping Retailers were contacted in November 2017, and consulted over the proposal of prohibiting vaping in public places under the Health Bylaw. They were advised that Leduc would be consistent with Edmonton, Red Deer and Calgary bylaws and provide an exemption for Vaping Retailers that would allow customers to try vaping products at their retail stores. The stores were invited to provide input on this proposed amendment. All of the stores supported the addition of vaping to the Health Bylaw but did not provide feedback on the amendment.

The vaping of cannabis will be illegal where it is illegal to smoke cannabis. The only reason to advance vaping restrictions at this time within the proposed amendments is to address the possibility where a person could be masking the vaping of cannabis. The likelihood of this is fairly low. Given that there is a need to look broader at a tobacco reduction strategy for the entire community from a health perspective and that the environment is still evolving with respect to cannabis legislation, this provision will be deferred until later.

The Community Safety Advisory Committee supported the addition of vaping to both the Health Bylaw and the Smoke-Free Vehicles for Minors Bylaw.

LEGISLATION AND/OR POLICY:

Under Section 129 of Bill 26, the *Act to Control and Regulate Cannabis*, a municipality will have the authority to further prescribe distances and describe areas and places where cannabis will be prohibited to be used (smoking or vaping).

PAST COUNCIL CONSIDERATION:

On March 18, 2018, Administration presented Committee of the Whole with an update on Cannabis – Public Use. A copy of the Committee of the Whole report is included as Attachment "B".

At this meeting, three models were presented by Administration.

- Option 1:** to proceed with an Open model where no further changes would be made to the existing Provincial prescribed distance or locations.
- Option 2:** to have a Moderate model where the prescribed distance would be varied from the Provincial prescribed distance of 5 metres. In addition, the City would have the ability to temporarily prohibit the smoking and vaping of cannabis at a location.
- Option 3:** a Restricted model where cannabis would be treated the same as liquor is in that it could not be consumed in public places.

A motion was made by Council that, "Administration be directed to prepare a report, and a Bylaw, using a moderate private use approach, including a buffer of 50 meters and the use of temporary bans during certain events such as Canada Day celebrations. The Multiway will not be a restricted location".

When the options were presented, it was further recommended that the existing Health Bylaw and Smoke Free Vehicles for Minors Bylaw be repealed. Additionally, it was recommended that provisions to prohibit vaping in public places but permit vaping in vaping retailing. As noted previously, that recommendation will be dealt with at a later time.

On February 12, 2018, Council was presented with the proposed survey on public use of cannabis. Results of this survey were presented to Council on March 12, 2018.

IMPLICATIONS OF RECOMMENDATION

GENERAL:

The proposed amendment will grant the City Manager the ability to define areas where the smoking and vaping of cannabis is prohibited. The ability to extend distances (or the prescribe distance as referenced under *the Act to Control and Regulate Cannabis*) to beyond 5 meters can be addressed under this same City Manager area definition authority. Key to this approach would be a requirement to ensure signage is adequate to provide notice to the public and in the event of prosecution, the signage was in good repair at the time of the offence.

ORGANIZATIONAL:

Both the RCMP and Leduc Enforcement Services will be required to be made aware of any City Manager defined areas where cannabis has been prohibited. Delegation of the ability to define areas may be required to facilitate requests for public events. This defined area would only pertain only to City of Leduc owned property.

FINANCIAL:

Departure from Provincial standards for prescribed distances has financial implications. Costs for temporary and permanent signage would be required. Public Works would be required to place and remove signage at any temporary events. Costs for a fixed regulatory sign would be approximately \$200 for each sign. Labour costs of

Public Works employees for installation would be extra. Alberta First Call is also required for each sign installation unless an existing pole is required. Applications for Alberta First Call requests would increase labour requirements as an application is required for each new sign installation. Leduc has 42 playgrounds, 44 sports fields, one splash park and one skateboard park. Sign costs alone could exceed \$70,000 if you have at least four signs per location.

Costs for signs are not captured within the existing budget.

POLICY:

Administration will draft a policy that allows for the City Manager (or delegate) to prohibit the smoking or vaping of cannabis within 50 meters from the following locations:

- (i) a playground
- (ii) a sports or playing field
- (iii) a skateboard or bicycle park
- (iv) a zoo
- (v) an outdoor theatre
- (vi) an outdoor pool or splash pad

As this distance is different than the 5 meter prescribed distance set by the Province in the *Act to Control and Regulate Cannabis*, signage will be required for these locations listed above.

Administration will also include in the policy the ability for the City Manager (or delegate) to temporarily prohibit the smoking or vaping of cannabis at public locations. Temporary signage requirements will be outlined in this policy.

Hospital, school property and child care facility property, along with locations covered under the *Tobacco and Smoking Reduction Act*, will not be referenced in this policy as Provincially the use of cannabis (smoking or vaping) is prohibited in these areas.

LEGAL:

As the Province has not provided a draft of their legislation, any amendment could be subject to additional change. At this time only a first reading of the amendments can be done. A variation to the Provincial prescribed distance may require rationale if challenged.

IMPLEMENTATION / COMMUNICATIONS:

A communications plan will be required to better educate the public on the rules prohibiting public use of cannabis in Leduc regardless of any prescribed distance variation or additional locations added by the Municipality. Proper signage will be required for locations where a temporary or permanent prohibition is in place. Ongoing communications would be required until the public is educated on where they can or can't, smoke or vape cannabis.

ALTERNATIVES:

1. Proceed with Open model and make no further changes to proposed/existing Provincial legislation.
2. Proceed with Restricted model and prohibit use of cannabis (smoking or vaping) in public within Leduc.

ATTACHMENTS:

Attachment "A" - Survey results on Public Use of Cannabis

Attachment "B" - Committee of the Whole Cannabis Update – Public Use Report

Attachment "C" - Proposed Bylaw 981-2018

Others Who Have Reviewed this Report

Others Who Have Reviewed this Report P. Benedetto, City Manager / B. Loewen, City Solicitor / I. Sasyniuk, General Manager, Corporate Services / D. Melvie, General Manager, Community & Protective Services / M. Pieters, General Manager, Infrastructure & Planning / J. Cannon, Director, Finance

Cannabis Legalization: Public Consumption

Online Survey Results

The City of Leduc conducted an online survey from Feb. 16 - Mar. 2, 2018 that provided the public an opportunity to answer key questions relative to public consumption of cannabis. Questions allowed the public to indicate how they felt public consumption should be regulated in the City of Leduc and identify any other questions or concerns they had surrounding legalization.

This survey was posted on the City of Leduc website at www.leduc.ca/cannabis and was promoted through the City's Facebook and Twitter accounts as well as in the Leduc Representative. This survey received a total of **1,505 responses**.

Question 1

Currently in the province, regulations state that smoking tobacco is prohibited in public facilities and within 5 metres of any entrance to public facilities to protect the public from second-hand smoke. Should the rules regarding smoking cannabis in public places be:

The same as current regulations for tobacco	48%
More restrictive than current regulations for tobacco	44%
Less restrictive than current regulations for tobacco	7%
I don't know enough about current regulations	1%

Question 2

Cannabis can be consumed by vaping (also known as e-cigarettes). The City of Leduc is considering amending its Health Bylaw to include vaping tobacco. Should vaping cannabis also be subject to the same regulations under the Health Bylaw?

Yes	78%
No	22%

Cannabis Legalization: Public Consumption

Online Survey Results



Question 3

Please select any places you feel ARE NOT acceptable for people to smoke or vape cannabis (select all that apply):

In areas frequented by seniors and/or vulnerable groups	74%	While on the multiway, Telford Lake boardwalk or other walking trails	43%
In commercial/ retail locations	67%	In industrial areas	42%
In a public park	54%	At an outdoor concert, festival or event	37%
While walking down the street	44%	Any outdoor public space	36%
In the downtown area	44%	Other	23%

Question 4

How should the City of Leduc approach smoking and vaping cannabis at festivals and events?

Cannabis use should only be allowed in designated areas at these events	66%
Cannabis use should be banned entirely at these events	19%
Cannabis use should be allowed anywhere at these events	15%

Cannabis Legalization: Public Consumption

Online Survey Results



Question 5

The Government of Alberta has proposed that the consumption of cannabis will be restricted within a certain distance from schools, daycares, afterschool care, playgrounds, sports fields, skate or bike parks, zoos, outdoor theatres, pools, splash parks and other areas that children frequent. This distance has yet to be defined by the province, but the City of Leduc will be able to impose additional restrictions on distance. In your view, at what distance from the boundaries of these restricted areas should smoking and vaping be permitted?

Unspecified (answers did not include definitive measurement e.g. <i>out of sight or everywhere</i>)	32%
Less than 25 metres	27%
25 to 100 metres	27%
Greater than 200 metres	10%
101 to 200 metres	4%

Other Trends

12% of responses indicated they supported a distance that was the same as what is set out in smoking and tobacco legislation.

5% of responses mentioned children and/or the presence of children as a factor in their answer.

Cannabis Legalization: Public Consumption

Online Survey Results



Question 6

The City of Leduc, along with the Government of Alberta, will be responsible for educating residents on cannabis legalization. What topics would you like to learn more about? (select all that apply)

RCMP enforcement (DUI, possession, etc.)	82%	The health and social impacts (including addiction and impairment)	45%
How cannabis consumption will be regulated	66%	Post-legalization next steps from Federal and Provincial Government	43%
What I will be permitted and prohibited from doing	64%	Economic development opportunities	32%
How cannabis retail will be regulated	63%	Leglization history in Canada	15%
Cannabis and youth	53%	Other	7%

Question 7

You are completing this survey on behalf of (select all that apply):

Yourself and your family	96%
Other	4%
A business	3%
A community group, association or organization	2%

Cannabis Legalization: Public Consumption

Online Survey Results



Question 8

Your age:

26-35	33%	36-45	20%
18-25	23%	46-55	12%
		55+	12%

Question 9

Do you have any additional comments regarding the legalization of cannabis?
Comments have been categorized by type.

Negative	34%
Other (did not state support or non-support of legalization)	34%
Positive	27%
Question	5%

Other Trends

16% of responses indicated that the regulations should be the same as alcohol.

5% of responses indicated that the regulations should be the same as tobacco/smoking.

COMMITTEE-OF-THE-WHOLE INFORMATION ITEM



MEETING DATE: March 19, 2018

SUBMITTED BY: Darrell Melvie, GM Community and Protective Services

PREPARED BY: Cameron Chisholm, Manager RCMP Administration and Leduc Enforcement Services

REPORT TITLE: Cannabis Update – Public Use

REPORT SUMMARY

This report provides an overview of the places where cannabis will be prohibited to use under Provincial legislation. The report also contains a summary of Administration's investigation of other municipalities' activities as they are preparing themselves for the upcoming legalization of cannabis and enforcement challenges. Lastly, the report contains a proposed strategy for the City of Leduc Community Standards Bylaw amendments to address public use of cannabis.

BACKGROUND

PREVIOUS COUNCIL/COMMITTEE ACTION:

An update was provided on March 12, 2018, at Council. That update provided results of the Cannabis Public Use survey conducted February 16-March 2, 2018, and outlined three options that Administration was considering for Council review. An update was also made on February 12th, 2018, where the survey questions on the public use of Cannabis were presented to Council at Committee of the Whole.

KEY ISSUES:

Council Report of March 12, 2018 provides background on the issues of public use. Provincial legislation treats cannabis similar to tobacco for where it can be used (smoking or vaping). This legislation outlines areas where it is prohibited to be used.

No person may smoke or vape cannabis

- (a) in any area or place where that person is prohibited from smoking under the *Tobacco and Smoking Reduction Act* or any other Act or the bylaws of a municipality
- (b) on any hospital property, school property or child care facility property
- (c) in or within a prescribed distance from
 - i) a playground
 - ii) a sports or playing field
 - iii) a skateboard or bicycle park
 - iv) a zoo
 - v) an outdoor theatre
 - vi) an outdoor pool or splash pad
 - vii) any other area or place that is prescribed or otherwise described in the regulations

COMMITTEE-OF-THE-WHOLE INFORMATION ITEM

Under the Regulations for the Act, the prescribed distance is defined as 5 metres.

A Municipality has the ability to set any prescribed distance and add places and locations where the use of cannabis will be prohibited.

The *Tobacco and Smoking Reduction Act* prohibits smoking within public places which means all or any part of a building, structure or enclosed area to which the public have access as of by right or by invitation. That Act further prohibits smoking in:

- i) the common areas of a multi-unit facility, including patios, pools, other recreational areas and enclosed parking garages
- ii) a group living facility
- iii) an outdoor bus or taxi shelter
- iv) licensed premises
- v) a restaurant
- vi) a hotel

The *Tobacco and Smoking Reduction Act* prohibits smoking in public places as previously described, in a workplace, in a vehicle in which a minor is present, in a public vehicle or within 5 metres from a doorway, window or air intake of a public place or workplace.

Vaping is not covered under the *Tobacco and Smoking Reduction Act*. While the vaping of cannabis is referenced in an *Act to Control and Regulate Cannabis*, there is a need to restrict vaping within Leduc at public places (indoors and 5 metres from entrances) given that the vaping of cannabis could be undetectable or masked.

At this time, limited information is available on what other Cannabis public use bylaws are being implemented by other communities.

Spruce Grove currently bans smoking and vaping in open space (playground, dog park or sports field). A recommendation is being forwarded to Council to also include parks, walkways and City owned facilities. Their current definition of smoking would include the use of cannabis if smoked or vaped.

Strathcona County Enforcement will be putting forth to Council a proposal similar to Spruce Grove (but more extensive) where all smoking and vaping is prohibited everywhere in public space. Administration is appearing before their Council on March 27th.

An enforcement issue will be the issue of odour as a result of the public use of cannabis. Landlords and Condo associations have the ability to dictate such usage on their property in rental or condo agreements. Some areas in the United States define cannabis odour as not offensive in their legislation. This approach has minimized the impact on enforcement in situations where it would be difficult to determine what qualifies as offensive.

Proposed Strategy for Bylaw Amendments:

Minimum proposed recommendations:

- 1) As the City of Leduc Health Bylaw was created prior to the creation of the *Tobacco and Smoking Reduction Act*, it has been made redundant by Provincial law and can be repealed.

COMMITTEE-OF-THE-WHOLE INFORMATION ITEM



- 2) The City of Leduc Smoke Free Vehicles for Minors can be repealed as smoking in a vehicle with minors is covered under the *Tobacco and Smoking Reduction Act*.
- 3) As vaping is not referenced under the *Tobacco and Smoking Reduction Act*, a section under the Community Standards Bylaw is required to prohibit vaping in public places (indoor areas where the public has access) and also vehicles with minors. An exemption for retail outlets that sell vaping related products should be permitted in this amendment (both Edmonton and Calgary have this provision).

With respect to further defining where Cannabis can be smoked or vaped, the following options are presented to Council:

Further Options for consideration:

Open:

Take no further legislative action and rely on Provincial legislation.

Moderate:

- a) The City could, by bylaw, create the authority to temporarily prohibit the smoking and vaping of cannabis at any other location. This could be used to facilitate large public events where children would be present such as festivals or parades.
- b) The City could, by bylaw, increase the prescribed distance (5 m) to ensure smoking and vaping cannabis was even further away from locations identified in this report.

Restricted:

The City could by bylaw prohibit the smoking and vaping of cannabis in all public places within the City.

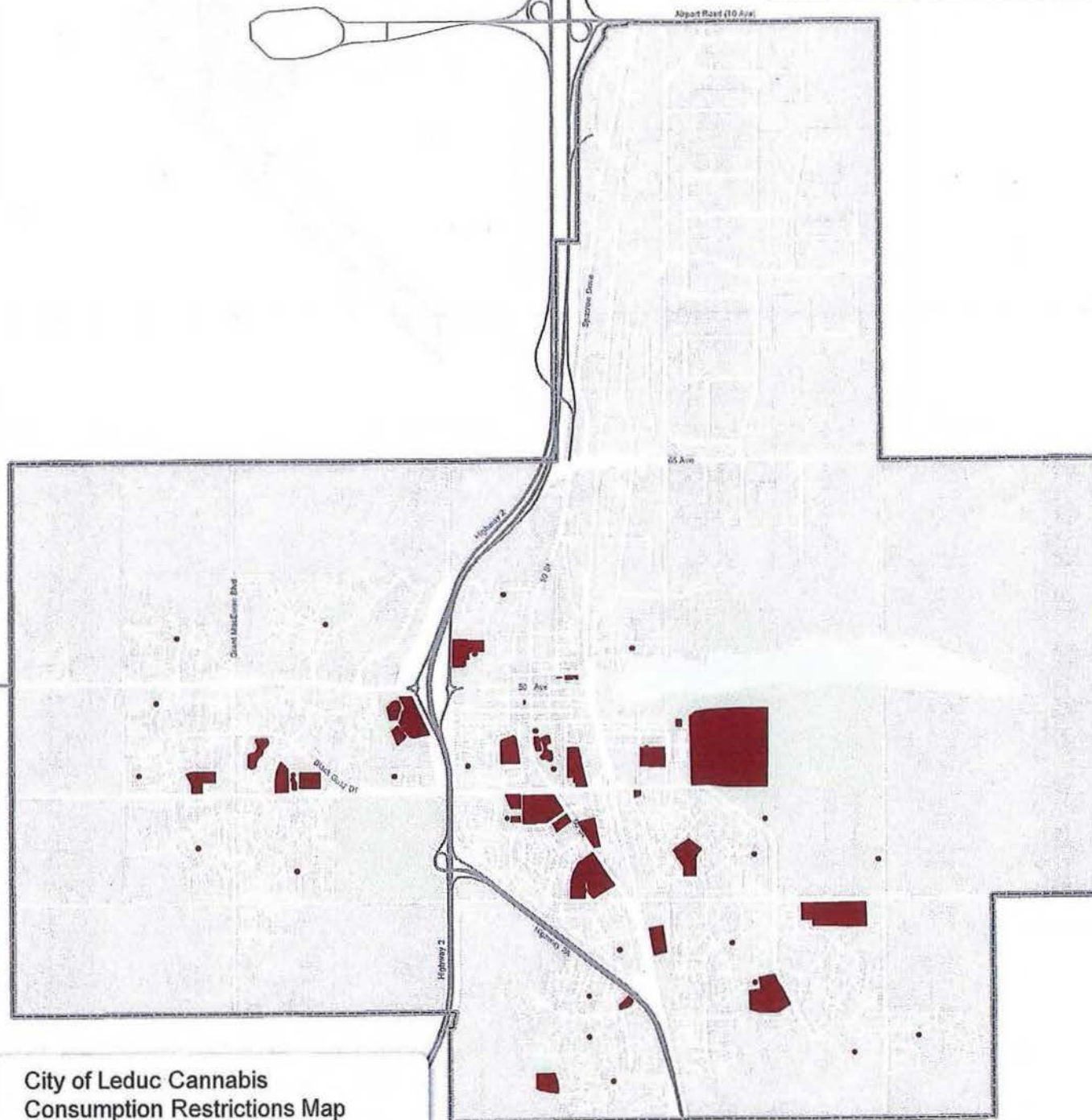
ATTACHMENTS:

Appendix 1: Map of Leduc with prohibited areas under Open option

Appendix 2: Map of Leduc with prohibited areas under Moderate option using 50 metres as prescribed distance

Others Who Have Reviewed this Report

P. Benedetto, City Manager / B. Loewen, City Solicitor / D. Melvie, General Manager, Community & Protective Services / M. Pieters, General Manager, Infrastructure & Planning



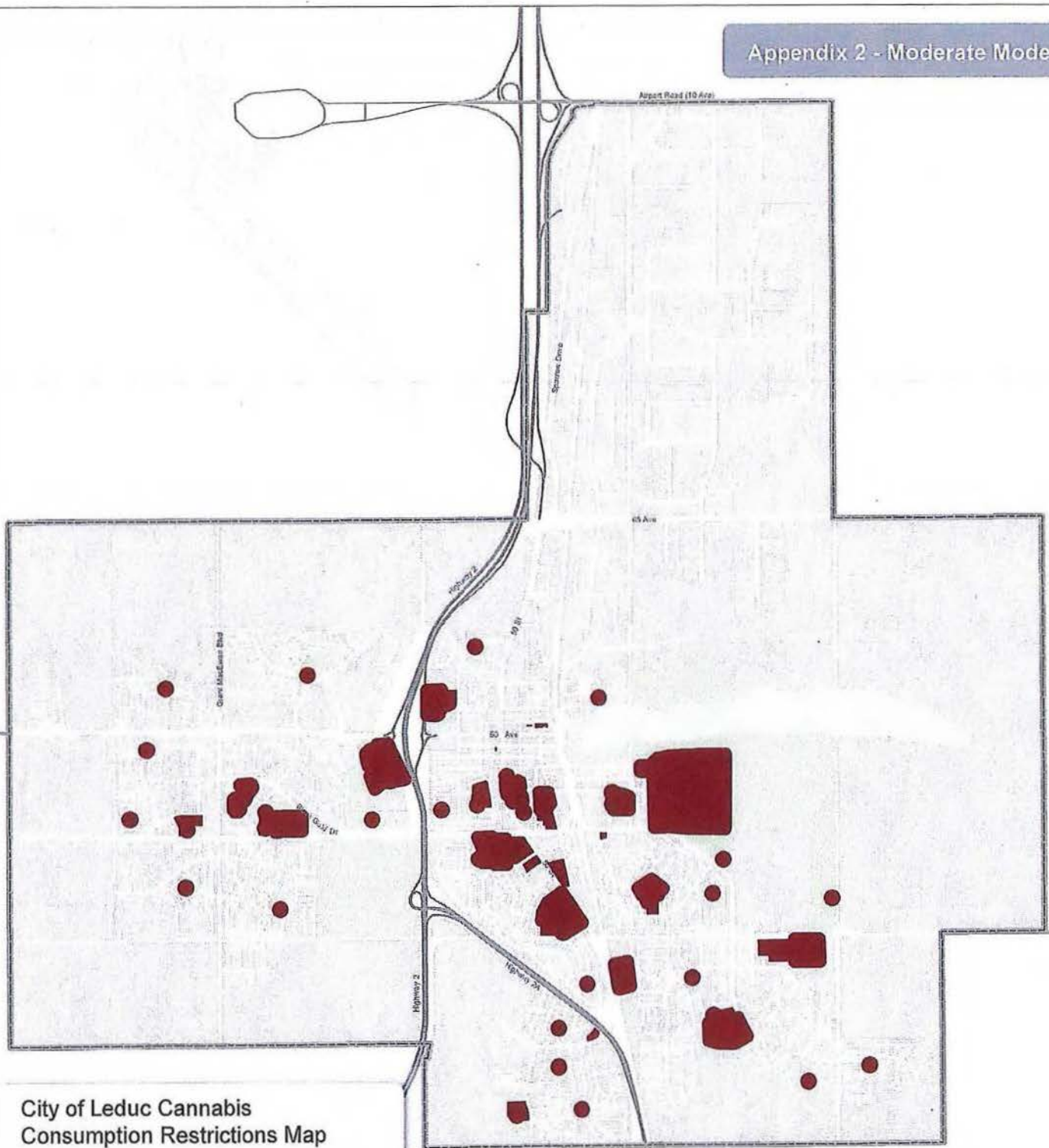
**City of Leduc Cannabis
Consumption Restrictions Map
Open Scenario**

- Hospital, school, registered daycares, and 5m separating distance from playground, sports or bicycle park, playground*, outdoor theater, outdoor pool and splash pad

Total restricted consumption area: 1073157 m²

* playground areas were assumed with an average of 225m² and a radius of 15m from designated playground center.





**City of Leduc Cannabis
Consumption Restrictions Map
Moderate Scenario**

- Hospital, school, registered daycares, and 50m separating distance from playground, sports or bicycle park, playground*, outdoor theater, outdoor pool and splash pad

Total restricted consumption area: 1941473 m²

* playground areas were assumed with an average of 225m² and a radius of 15m from designated playground center.



Bylaw No. 981-2018

PAGE 1

A BYLAW OF THE CITY OF LEDUC IN THE PROVINCE OF ALBERTA, TO AMEND BYLAW NO. 711-2008 COMMUNITY STANDARDS BYLAW

WHEREAS The *Municipal Government Act*, R.S.A. 2000, Chapter M-26, as amended, grants a municipality the authority to pass, amend and repeal a bylaw.

AND, the Council of the City of Leduc has deemed it expedient and necessary to amend Bylaw No. 711-2008;

THEREFORE, the Council of the City of Leduc in the Province of Alberta duly assembled, hereby enacts as follows:

That Bylaw 711-2008 shall be amended as follows:

1. The following new definitions shall be alphabetically added to Section 2:

(b.1) **"Cannabis"** has the meaning given to it in the federal Act;

(m.1) **"Smoke"** where used as a verb in respect of Cannabis, means inhaling or exhaling the smoke produced by lit Cannabis or holding or otherwise having control of lit Cannabis or any device or thing that contains lit Cannabis;

(m.2) **"Vape"** in respect of Cannabis, means inhaling or exhaling the vapour, emissions or aerosol produced by, or holding or otherwise having control of, an electronic cigarette or similar device containing Cannabis;

2. The following new section shall be added following Section 7:

CANNABIS

7.5 A Person shall not smoke or vape Cannabis in any location identified as an area where smoking or vaping Cannabis is prohibited.

3. The following new section 42 (e.1) shall be added following section 42 (e) :

42 (e.1) establish areas where the smoking or vaping of Cannabis is prohibited;

APPROVED
As to Form

B.L.

City Solicitor

Bylaw No. 981-2018

PAGE 2

-
4. This Bylaw shall come into force and effect when it receives Third Reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS ____ DAY OF _____, AD 2018.

READ A SECOND TIME IN COUNCIL THIS ____ DAY OF _____ AD 2018.

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS ____ DAY OF _____, AD 2018.

Date Signed

Bob Young
MAYOR

Sandra Davis
CITY CLERK

NOTICE OF PUBLIC HEARING

PROPOSED AMENDMENT TO THE CITY OF LEDUC COMMUNITY STANDARDS BYLAW

The Following Information is Common to the Bylaw Presented

The City of Leduc Community Standards Bylaw 711-2008 regulates the conduct and activities of people in public places and on privately owned property and immediately adjacent areas in order to promote the safe, enjoyable and reasonable use of such property for the benefit of all citizens in the city. The City of Leduc is holding a non-statutory Public Hearing on proposed amendment to the Community Standards Bylaw to address upcoming legalization of cannabis by the Federal Government as it relates to public use of Cannabis.

Bylaw No. 981-2018

The purpose of proposed Bylaw No. 970-2017 is to **amend Bylaw No. 981-2018, Part I – Purpose, Definitions and Interpretations, Part II – Public Behaviours, and Part VII – General** to allow the City Manager to designate areas in which Cannabis use is prohibited.

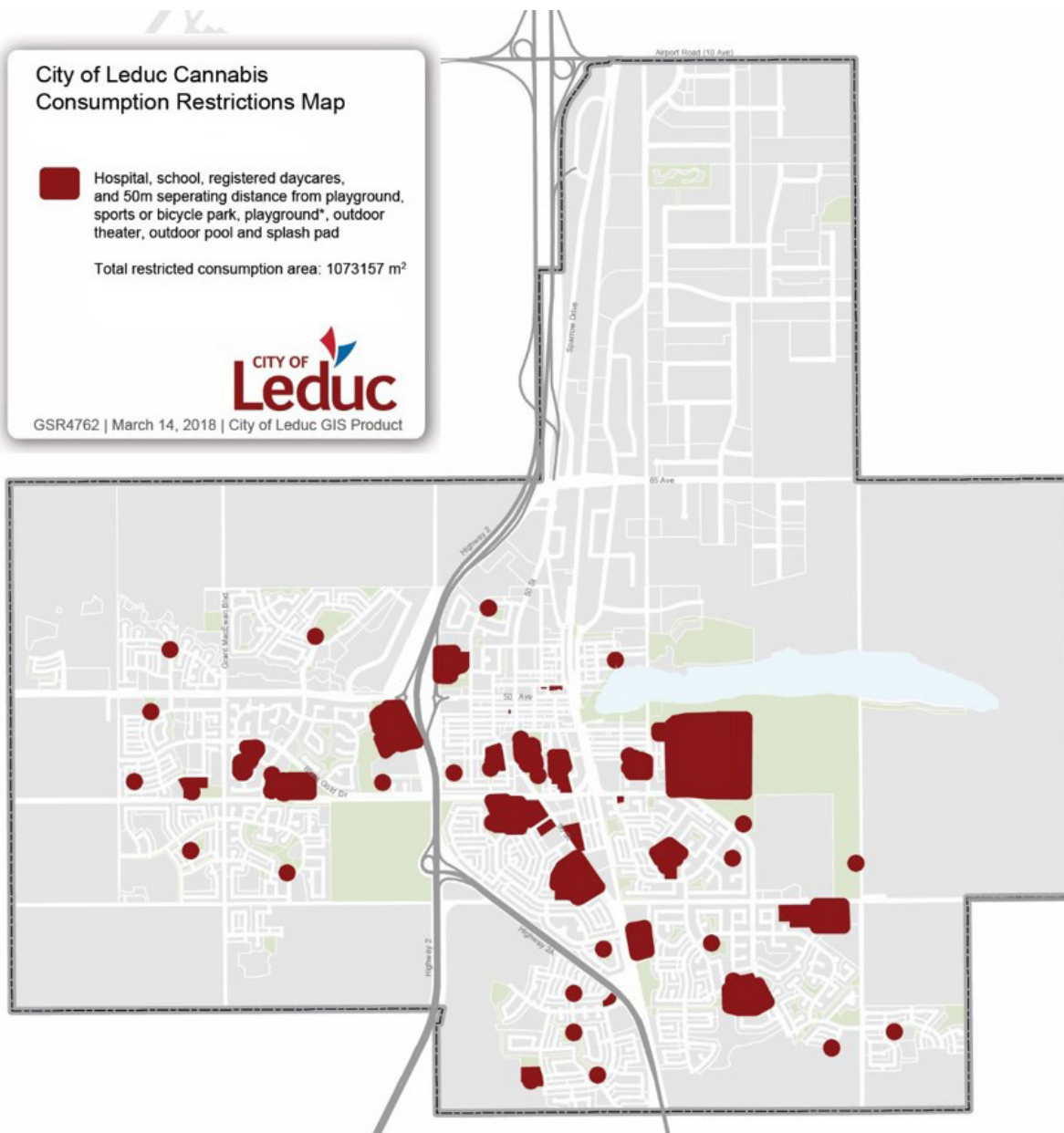
A summary of the proposed changes is as follows:

- Update definitions to include Cannabis, Smoke and Vape
- Prohibit smoking or vaping of Cannabis in identified areas

A copy of the proposed Bylaw that will be presented to City Council may be inspected by the public from 8:30 a.m. to 12:00 noon and 1:00 to 4:30 p.m. from Monday to Friday at the Office of the City Clerk, City Hall, Leduc Civic Centre, 1 Alexandra Park, 46th Avenue and 48A Street, Leduc, Alberta. Inquiries respecting the proposed Bylaw may be made at this office or by contacting Cameron Chisholm in the Enforcement Services Department at 780-980-7266. A copy of the proposed bylaw may also be viewed on the city's website at www.leduc.ca under 'Public hearings before City Council.'

Public Hearing – June 11, 2018

At its meeting on **Monday, June 11, 2018 at 7:00 p.m.** or as soon thereafter as may be convenient, in the Council Chambers, City Hall, Leduc Civic Centre, 1 Alexandra Park, 46th Avenue and 48A Street, Leduc, City Council will hold a Public Hearing on the proposed Bylaw. **All interested persons may be heard by Council prior to the proposed Bylaw.**



Appearance before Council: Any person, who wishes to speak to City Council at the time of the Public Hearing, is requested to advise the City Clerk's Office, at 780-980-7177 before 4:00 p.m., **Monday, June 11, 2018.**

Written Submissions must be submitted to the City Clerk's Office, City Hall, before 12:00 noon, **Friday, June 8, 2018.**

Any person may also be heard by responding to the Mayor's call for delegations at the time of the Public Hearing.

This notice is being advertised in the May 25 and June 1, 2018 issues of this newspaper.

Bylaw No. 981-2018

PAGE 1

A BYLAW OF THE CITY OF LEDUC IN THE PROVINCE OF ALBERTA, TO AMEND BYLAW NO. 711-2008 COMMUNITY STANDARDS BYLAW

WHEREAS The *Municipal Government Act*, R.S.A. 2000, Chapter M-26, as amended, grants a municipality the authority to pass, amend and repeal a bylaw.

AND, the Council of the City of Leduc has deemed it expedient and necessary to amend Bylaw No. 711-2008;

THEREFORE, the Council of the City of Leduc in the Province of Alberta duly assembled, hereby enacts as follows:

That Bylaw 711-2008 shall be amended as follows:

1. The following new definitions shall be alphabetically added to Section 2:

(b.1) **"Cannabis"** has the meaning given to it in the federal Act;

(m.1) **"Smoke"** where used as a verb in respect of Cannabis, means inhaling or exhaling the smoke produced by lit Cannabis or holding or otherwise having control of lit Cannabis or any device or thing that contains lit Cannabis;

(m.2) **"Vape"** in respect of Cannabis, means inhaling or exhaling the vapour, emissions or aerosol produced by, or holding or otherwise having control of, an electronic cigarette or similar device containing Cannabis;

2. The following new section shall be added following Section 7:

CANNABIS

7.5 A Person shall not smoke or vape Cannabis in any location identified as an area where smoking or vaping Cannabis is prohibited.

3. The following new section 42 (e.1) shall be added following section 42 (e) :

42 (e.1) establish areas where the smoking or vaping of Cannabis is prohibited;

Bylaw No. 981-2018

PAGE 2

4. This Bylaw shall come into force and effect when it receives Third Reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS ____ DAY OF _____, AD 2018.

READ A SECOND TIME IN COUNCIL THIS ____ DAY OF _____ AD 2018.

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS ____ DAY OF _____, AD 2018.

Date Signed

Bob Young
MAYOR

Sandra Davis
CITY CLERK

COUNCIL REQUEST FOR DECISION

DATE: April 16, 2018

MEETING DATE: April 23, 2018

SUBMITTED BY: Ken Woitt, Director, Planning & Development

PREPARED BY: Sylvain Losier, Manager, Current Planning and Development

REPORT TITLE: Bylaw 970-2017 – Amendment 74 to the Land Use Bylaw

REPORT NUMBER: 2017-CR-131

REPORT SUMMARY

Bylaw 970-2017 is proposing to amend Section 3.4 (Establishment of Overlays) and Section 26.0 (Glossary) as well as to introduce Section 18.10 (Cannabis Overlay) in order to define and regulate land uses related to cannabis within the overlay area.

RECOMMENDATION

That Council give Bylaw 970-2017 first reading and set the Council meeting of May 14th, 2018 as the time and place for the Public Hearing of said bylaw to be held in accordance with the Municipal Government Act (MGA).

BACKGROUND

KEY ISSUE(S) / CONTEXT:

With the upcoming legalization of cannabis by the Government of Canada and the upcoming cannabis framework set by the Government of Alberta, the City of Leduc must review its Land Use Bylaw (LUB) to ensure conformity with the upper-levels of government as well as to properly define and regulate the new land uses related to cannabis.

The proposed bylaw defines Cannabis, Cannabis Accessory, Cannabis Counselling, Cannabis Production and Distribution, and Retail Store (Cannabis). It also identifies where the new land uses will be allowed as discretionary once the Federal and Provincial Acts come into effect. The proposed bylaw represents Administration's understanding of Council's desired outcome in accordance with the directions provided during the 2017 and 2018 Council and Committee of the Whole meetings.

To achieve the desired outcomes, the proposed bylaw contains the regulations related to specific land uses within the Cannabis Overlay Area. By containing the cannabis related land uses within the overlay, it will ensure that these specific uses will be far away from the schools, the Leduc Community Hospital, and other uses deemed sensitive by Council.

This overlay would enable cannabis related land uses as discretionary within the overlay, enabling the Development Authority to impose additional conditions where necessary. These uses would include Retail Store (Cannabis), Cannabis Production and Distribution, and Cannabis Counselling.

To prevent the clustering of Retail Store (Cannabis), the proposed overlay contains regulations to ensure a minimum separating distance of 100 meters between a Parcel of land where a Retail Store (Cannabis) is being proposed to any Parcel of land where a Retail Store (Liquor) or Retail Store (Cannabis) already exists at the time of the Development Permit application. The proposed regulation also prohibits the location of a Retail Store (Liquor) or Retail Store (Cannabis) on a

Parcel of land abutting a Parcel of land that is within a General Recreation (GR) or an Urban Services (US) district in order to prevent the proximity of sensitive uses.

Due to the location of the proposed overlay and the industrial nature of the area combined with the Airport Vicinity Protection Area Regulation land uses prohibition in relation to Day Care Facility, Administration believes that the possibility of having a land use conflict between a Retail Store (Liquor) / (Cannabis) and a Day Care Facility is unlikely. The exception could be within the Commercial Shopping Centre (CSC) district where Day Care Facility are discretionary, which is why the proposed bylaw contains a regulation that would prevent a parcel for Retail Store (Cannabis) or Retail Store (Liquor) to be abutting with a parcel where a Day Care Facility is located. Reciprocity would be obeyed for these relationships.

Once an amending bylaw is approved, Administration will have to identify indicators/criteria to monitor in order to evaluate the impacts of the new regulations and report to Council once sufficient data is obtained. This will ensure that Council's desired outcomes are achieved and enable us to adjust our framework if necessary. It will also confirm if there is merit in exporting regulations from the overlay into other areas of the City of Leduc.

Lastly, it is important to note that even if the proposed overlay supports cannabis related land uses, it doesn't mean that property/building owners will allow these uses on their premises. Furthermore, for a Cannabis Production and Distribution or a Retail Store (Cannabis) use to establish itself, all the federal and the provincial regulations and requirements shall be met.

Challenges and other considerations

Certain challenges will arise from the proposed approach. Keeping track of the sensitive land uses such as Retail Store (Cannabis), Retail Store (Liquor), and Day Care Facility for the purpose of the 100 meters separating distance will be much more complex than for parks, school, or our community hospital as these are generally more static. Once a parcel is allocated for a park, a school, or a hospital, the likelihood of seeing a land use change is minimal. For the purpose of the proposed framework, Planning will need to coordinate with Geomatics Services in order to add additional layers of information into the City database. This will enable the Development Officers to have better information when they are reviewing applications.

Another challenge that influenced the proposed approach was to keep the practicality of the solution within the grasp of a potential applicant. Administration did look at measuring from building to building or from building to parcel boundary. However, as soon as the measurement involved the building, then a Real Property Report is required, which would increase the cost for the applicant. Furthermore, requiring the measurement from the buildings could also mean obtaining third party information, which could become complicated. For these reasons, Administration is recommending that measurements are taken from parcel boundary to parcel boundary.

In terms of consideration, Administration identified two (2) items that need to be brought forward to Council's attention. The first one is consistency of the framework/approach within the region, and the second one is Health Service vs. Cannabis Counselling. As for consistency, the information gathered in the first three (3) weeks of April lead us to the following conclusion:

- Some municipalities are enabling cannabis related land uses as permitted and others as discretionary. Edmonton seems to be the municipality that will go with the permitted designation in most occasions. Other urban municipalities seem to go with discretionary and will likely revisit down the road as necessary;
- Most municipalities are going with permitted/discretionary uses per district as their proposed framework. If considered independently from the separating distance, this can create a perception of a much higher degree of flexibility or accessibility for the cannabis related land uses in those municipalities compared to Leduc.

- The City of Leduc is the only one contemplating an overlay to our knowledge. Having said this, the net result of using an overlay is twofold. First, we will not have to factor school, most parks, or residential neighbourhoods into our separating distance analysis as these are predominantly located outside of the overlay. Furthermore, using the overlay will facilitate a phased-in approach for the community, while making the information more accessible to proponents interested in pursuing cannabis related land uses. Most of the information they will need will be within the overlay section of the Land Use Bylaw. Secondly, using an overlay will enable the alignment of the framework with the direction provided at the March 19 Committee of the Whole (CoW) meeting. With an overlay, the Retail Store (Cannabis) will be contained within the overlay whereas the district approach would allow this use throughout the City as long as the separating distances would be met.

The second consideration that Administration would like to bring to Council's attention is the distinction between Health Service and Cannabis Counselling. Health Service is a use that includes medical clinics. At these locations, medical staff can perform cannabis counselling. Since medicinal/medical cannabis has been legalized, this is an activity that has been authorized with the legalization of medicinal cannabis, and left to the discretion of the practitioners. Some practitioners will provide this service while others will not. Health Service is permitted in many districts including GC, CSC, and CBC.

The proposed Cannabis Counselling definition is constructed around non-medical staff. This would be a service performed by individuals that have knowledge, experience, and skillset in regards to cannabis, cannabis impact, cannabis regulations, and other cannabis related topics. There is no consumption or sale associated with this service on the premises of the activity. As presented at the March 19 CoW meeting, this use would be discretionary in the same area where the Retail Store (Cannabis) use would be discretionary. Within the proposed framework, this use would be discretionary only within the overlay. It would not be allowed elsewhere.

LEGISLATION AND/OR POLICY:

1. Municipal Government Act, RSA 2000, Chapter M-26, as amended
 - S. 640(2)(a) requires a municipality be divided into land use districts.
 - S. 606 and S. 692 govern the requirements for advertising a bylaw.
2. Land Use Bylaw 809-2013, as amended

PAST COUNCIL CONSIDERATION:

The upcoming legalization has been previously discussed three (3) times (June 26th and December 4th, 2017, March 19, 2018) in Committee of the Whole (CoW) and once recently at Council (March 12, 2018). Bylaw 970-2017 is presented to Council for the first time.

CITY OF LEDUC PLANS:

Bylaw 970-2017 is consistent with the City's Municipal Development Plan, as amended.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

Administration should identify indicators to measure the impacts of the legalization of cannabis and the implementation of its various land uses within the City boundary. Furthermore, additional information will need to be added into the database to be displayed in a layer into our GIS system in order for staff to review applications and apply the regulations. This will require time for the Administration to build and implement.

POLICY:

There are no policy implications.

IMPLEMENTATION / COMMUNICATIONS:

The public hearing will need to be advertised in the April 27th and May 4th, 2018 issues of *'The Representative'* and notification will also be made available on the City of Leduc cannabis webpage.

ALTERNATIVES:

1. That Council defeat Bylaw 970-2017, cancel the public hearing of May 14th, and direct Administration to create a new amending bylaw to address the upcoming legalization of cannabis. The new amending bylaw could be structured around enabling cannabis related land uses within districts, therefore not using an overlay. This would enable the City's regulations to be aligning more closely with other municipalities in the capital region, but would also be a slight departure of the direction provided at the CoW of March 19 whereas the Committee of the Whole provided the direction of ensuring that cannabis related land use would not be located in proximity to schools, parks and residential developments throughout the City of Leduc.

ATTACHED REPORTS / DOCUMENTS:

1. Bylaw 970-2017
2. Explanatory notes
3. Cannabis Overlay Area map

Others Who Have Reviewed this Report

P. Benedetto, City Manager / B. Loewen, City Solicitor / M. Pieters, General Manager, Infrastructure & Planning

AMENDMENT #74 - TO BYLAW NO. 809-2013, THE LAND USE BYLAW

The *Municipal Government Act*, R.S.A. 2000, Chapter M-26, as amended (the "Act") grants a municipality the authority to pass a Land Use Bylaw;

AND: in accordance with the Act, the City of Leduc passed Land Use Bylaw No. 809-2013 to regulate and control the use and development of land and buildings in the City of Leduc, and the Council has deemed it expedient and necessary to amend Bylaw No. 809-2013;

AND: notice of intention to pass this bylaw has been given and a public hearing has been held in accordance with the Act;

THEREFORE: the Council of the City of Leduc in the Province of Alberta duly assembled hereby enacts as follows:

PART I: APPLICATION

That Bylaw No. 809-2013 be amended as follows:

1. Section 3.4.1. is deleted and replaced with the following:

"3.4.1. Overlays shall provide a means to add or remove land uses as well as to alter or specify regulations for Permitted and Discretionary Uses in otherwise appropriate districts in order to achieve the local planning objectives in specially designated areas throughout the City of Leduc."

2. Section 3.4.2.3. is deleted and replaced with the following:

"3.4.2.3. every use and regulation specified or changed by the Overlay."

3. Section 3.4.3. is deleted in its entirety.

4. The following new sections are added after Table 42.1.1:

"18.10. Cannabis Overlay

18.10.1. Purpose

18.10.1.1. The purpose of this overlay is to enable and coordinate the land uses associated with cannabis in order to ensure their proper integration within the Cannabis Overlay area.

18.10.2. Applicability

18.10.2.1. This Overlay shall apply to the area outlined in Figure 3.3: City of Leduc Cannabis Overlay Area.

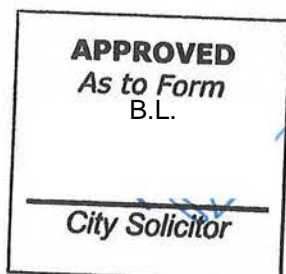
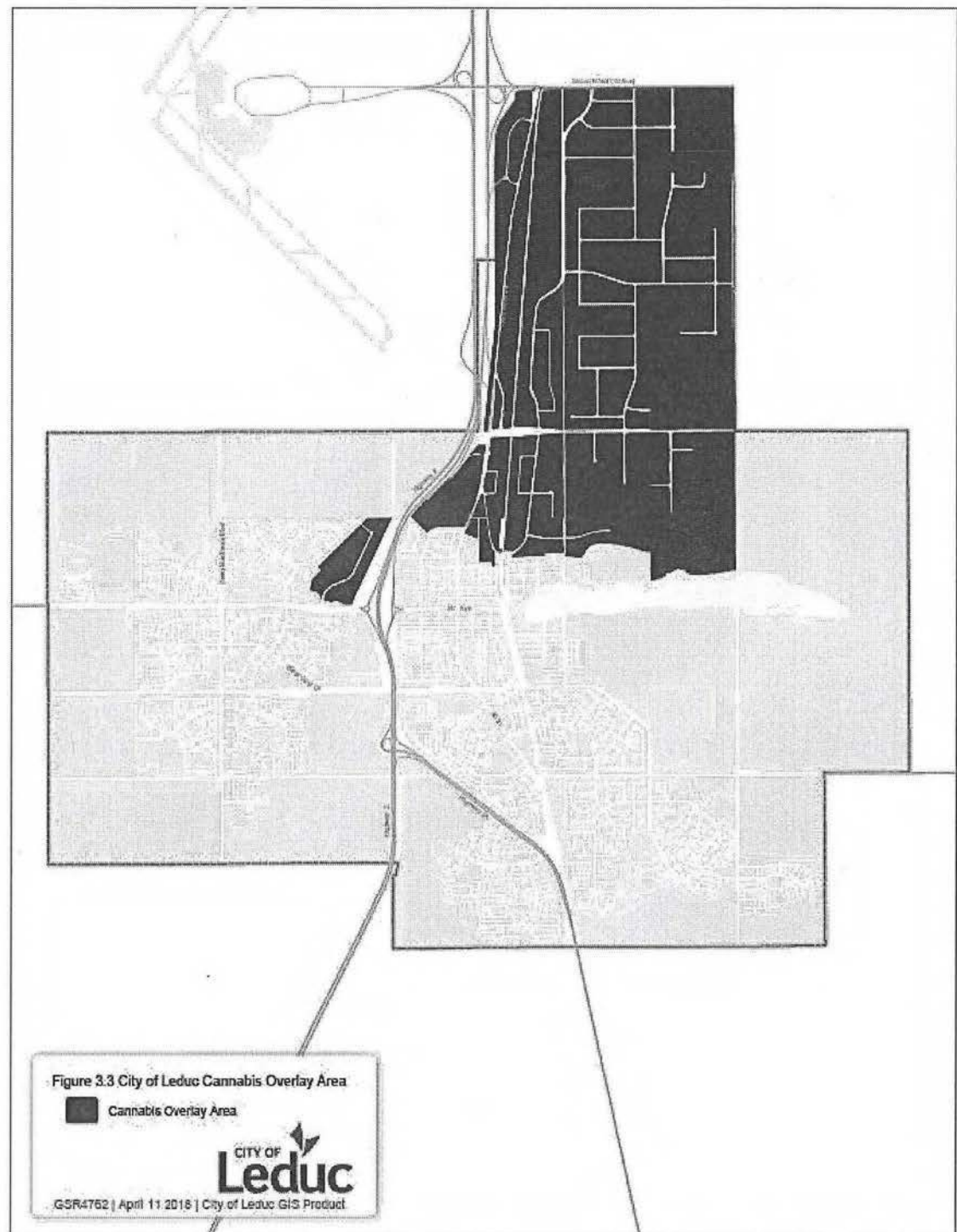


Figure 3.3 City of Leduc Cannabis Overlay Area



18.10.3. Development Regulations

- 18.10.3.1. Development within this overlay shall be evaluated with respect to compliance with the underlying district and all other provisions of this Bylaw where not specifically overridden by this overlay. In the case of

conflicting regulations within this overlay and other sections of the Land Use Bylaw, the regulations contained in the overlay shall prevail.

- 18.10.3.2. Within the Cannabis Overlay, for any Parcel of land that is 1.99 ha or less at the time of the Development Permit application, a minimum separating distance of 100 meters shall be required between specific land uses located within the overlay as follow:

1) if the proposed use is Retail Store (Cannabis) - separating distance from an existing Retail Store (Cannabis) or an existing Retail Store (Liquor); or

2) if the proposed use is Retail Store (Liquor), - separating distance from an existing Retail Store (Cannabis) or an existing Retail Store (Liquor).

For the purpose of this section, the minimum 100.0 m separating distance shall be measured from the closet point of the subject Parcel of land boundary to the closest point of another Parcel of land boundary, and shall not be measured from the District boundaries or from the edges of Structures.

- 18.10.3.3. Within the Cannabis Overlay, for any Parcel of land that is 2.00 ha or greater at the time of the Development Permit application, no separating distance shall be required, but there shall be a limit of one (1) Retail Store (Liquor) or one (1) Retail Store (Cannabis) per Parcel of land.

- 18.10.3.4. Within the Cannabis Overlay, a Retail Store (Cannabis) or a Retail Store (Liquor) cannot be located on a Parcel of land abutting another Parcel of Land where a Retail Store (Cannabis), a Retail Store (Liquor), or a Day Care Facility exist at the time of the Development Permit application. Furthermore, a Day Care Facility cannot be located on a Parcel of land abutting another Parcel of Land where a Retail Store (Cannabis) or a Retail Store (Liquor) exist at the time of the Development Permit application.

- 18.10.3.5. Within the Cannabis Overlay, a Retail Store (Cannabis) or a Retail Store (Liquor) cannot be located on a Parcel of land abutting another Parcel of Land which is under the district General Recreation or Urban Services at the time of the Development Permit application.

- 18.10.3.6. Within a Cannabis Production and Distribution Use, all activities linked to the production, cultivation, and processing of cannabis shall be done indoors, within an enclosed building designed and equipped to prevent odours and noise from negatively impacting adjacent properties as per the requirement of Health Canada and Federal Legislation.

18.10.4. Land Uses

- 18.10.4.1. Permitted and Discretionary Uses within the underlying Land Use Districts remain Permitted and Discretionary within this Overlay.

18.10.4.2. In addition to the Uses identified in Section 18.10.4.1., the following Uses will be Discretionary within this Overlay:

1) Cannabis Counselling within the following underlying Land Use Districts: GC – General Commercial; CSC – Commercial Shopping Centre; IL – Light Industrial; IBL – Business Light Industrial; and IM – Medium Industrial.

2) Cannabis Production and Distribution within the following underlying Land Use Districts: IL – Light Industrial and IM – Medium Industrial.

3) Retail Store (Cannabis) within the following underlying Land Use Districts: GC – General Commercial; CSC – Commercial Shopping Centre; IL – Light Industrial; IBL – Business Light Industrial; and IM – Medium Industrial."

5. Section 26.0. Table 48: Glossary of Terms and Uses is amended as follows:

a) The definition for Agriculture is deleted and replaced with:

- i) "Agriculture means an agricultural activity conducted on agricultural land for gain or reward or in the hope or expectation of gain or reward, and includes:
 - (a) the cultivation of land,
 - (b) the raising of livestock, including domestic cervids within the meaning of the Livestock Industry Diversification Act and poultry,
 - (c) the raising of fur-bearing animals, game birds or fish,
 - (d) the production of agricultural field crops,
 - (e) the production of fruit, vegetables, sod, trees, shrubs and other specialty horticultural crops,
 - (f) the production of eggs and milk,
 - (g) the production of honey,
 - (h) the operation of agricultural machinery and equipment, including irrigation pumps,
 - (i) the application of fertilizers, insecticides, pesticides, fungicides and herbicides, including application by ground and aerial spraying, for agricultural purposes, and
 - (j) the collection, transportation, storage, application, use, transfer and disposal of manure, composting materials and compost, and the abandonment and reclamation of confined feeding operations and manure storage facilities.

Agriculture does not include Cannabis Production and Distribution."

b) The following new definitions are added after the definition for Campground:

- i) "Cannabis means a cannabis plant and any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, any substance or mixture of substances that contains or has on it any part of such a plant and any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained but does not include a non-viable seed of a cannabis plant, a mature stalk,

without any leaf, flower, seed or branch, of such a plant, fibre derived from a such a stalk and the root or any part of the root of such a plant."

- ii) "Cannabis Accessory
(a) means a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers, that is represented to be used in the consumption of cannabis or a thing that is represented to be used in the productions of cannabis; or
(b) for the purposes of this definition a thing is deemed to be represented to be used in the consumption or production of cannabis if the thing is sold at the same point of sale as cannabis."
- iii) "Cannabis Counselling
means a use where counselling on cannabis is provided by a person or group of persons who are not medical professionals, and whereas no sales or consumption of cannabis is permitted at the premise where the activity is conducted."
- iv) "Cannabis Plant
means a plant that belongs to the genus *Cannabis*."
- v) "Cannabis Production and Distribution
means a Development operated by a person who holds a licence under the federal Act that authorizes the person to produce cannabis. Typical activities would include the production, cultivation, processing, making, testing, manufacturing, packaging, storing, and transshipping of Cannabis in conformity with all federal and provincial Acts."

c) The definition for Commercial Storage Facility is deleted and replaced with:

- i) "Commercial Storage Facility
means a single Building storage facility in which all storage is indoors with an interior loading and unloading dock. Exterior storage is not permitted except for licenced vehicles that may be parked for extended periods of time, but does not include recreation vehicles. The Building will be of a single or multi Storey design with a higher exterior architectural standard suitable to a commercial usage area and does not include Cannabis Production and Distribution."

d) The definition for General Industrial (Light) is deleted and replaced with:

- i) "General Industrial (Light)
means Development industrial business uses that conduct their operations such that no significant adverse effects or nuisance factors such as noise, effluent, odour or emission is created or apparent outside an enclosed building or beyond the site that would make the use incompatible with adjacent nonindustrial uses. These uses are low risk prone activities, with no Dangerous Goods above minimum acceptable thresholds. This Land Use category may include, but is not limited to the following:
 - (a) processing of raw or finished materials;
 - (b) transhipment of goods;
 - (c) manufacturing or assembly of goods, products or equipment;
 - (d) cleaning, servicing, repairing or testing of materials, goods and equipment normally associated with industrial or commercial business or those associated with personal or household use, where such operations have impacts that would typically make them incompatible in non-industrial districts;
 - (e) research and development uses and laboratory facilities;

- (f) the training of personnel in general industrial operations;
- (g) these uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Light) businesses.

Pipe storage yards and Cannabis Production and Distribution are both excluded from this use class."

- e) The definition for General Industrial (Medium) is deleted and replaced with:

- i) "General Industrial (Medium)
means industrial logistics or industrial manufacturing, including activities involved in storage, transportation, distribution, wholesaling, manufacturing and servicing of industrial goods or equipment, which do not, in the opinion of the Development Authority, emit a significant level of noise, smoke, dust, odour, vibration or other nuisance factor beyond the Medium Industrial District boundary. Where these uses include on-site Dangerous and Hazardous Goods, a Dangerous Goods Impact Assessment (DGIA) will be required identifying the estimated risks using the Major Industrial Accidents Counsel of Canada (MIACC) Version 1 methodology (The MIACC's Acceptability Criteria). These uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Medium) businesses.

Cannabis Production and Distribution is excluded from this use class."

- f) The definition for General Industrial (Special) is deleted and replaced with:

- i) "General Industrial (Special)
means industrial operations similar to those classified as General Industrial (Medium) uses, but which include moderate risk activities with Dangerous and Hazardous Goods. A Dangerous Goods Impact Assessment (DGIA) must be completed identifying the estimated risks using the Major Industrial Accidents Counsel of Canada (MIACC) Version 1 methodology (The MIACC's Acceptability Criteria). The uses must demonstrate that there is no more than a 10 in 1,000,000 risk fatality within a 160 meter diameter radius from the dangerous goods/products on site. These uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Special) businesses.

Cannabis Production and Distribution is excluded from this use class."

- g) The definition for Greenhouse is deleted and replaced with:

- i) "Greenhouse
means a Development for the growing, acclimating, propagating, harvesting, displaying and selling of bedding, edible, Household and ornamental plants and may include accessory uses related to the storing, displaying and selling of gardening, nursery and related products. Cannabis Production and Distribution and Retail Store (Cannabis) are both excluded from this use class."

h) The definition for Home Occupation is deleted and replaced with:

- i) "Home Occupation
means a secondary use to the residential use of a Dwelling for the purpose of a business which:
 - (a) is operated by a principal resident of the Dwelling;
 - (b) may have business associated visits to the residence to a maximum of fifteen (15) per week;
 - (c) may have a non-resident person employed in the Dwelling;
 - (d) is not detectable from outside the Dwelling;
 - (e) may have some business activities extend to the Garage and/or an Accessory Development;
 - (f) may have some storage related to the business located inside the dwelling, Garage and/or an Accessory Development;
 - (g) may have a business-related vehicle; and
 - (h) does not use any outside Yard for storage or any type of business activity.

Cannabis Counselling and Retail Store (Cannabis) are both excluded from this use class."

i) The definition for Home Office is deleted and replaced with:

- i) "Home Office
means a secondary use located within a Dwelling for the purpose of a business which:
 - (a) is operated by a principal resident of the Dwelling;
 - (b) does not require business associated visits;
 - (c) does not require any non-resident persons employed within the Dwelling;
 - (d) is not detectable from outside the Dwelling;
 - (e) does not extend the business activity to the Garage or outside yard;
 - and
 - (f) does not require parking of business-related vehicle.

Cannabis Counselling and Retail Store (Cannabis) are both excluded from this use class."

j) The definition for Late Night Club is deleted and replaced with:

- i) "Late Night Club
means any premises or part thereof, the primary purpose of which is to host regular dances, entertainment performances or other events where:
 - (a) no alcohol, alcoholic beverages, or cannabis are available on the premises for consumption or sale;
 - (b) 20 or more patrons are assembled at any time between 2:00 A.M. and 6:00 A.M.;
 - (c) the events are held for the purpose of gain or profit;
 - (d) tickets are sold or an entrance or attendance fee is charged for persons to attend; and
 - (e) music, noise or sound of any kind or source is emitted, including, but not limited to the performing or playing of live music, amplified recorded or computer generated sounds."

k) The definition for Personal Service is deleted and replaced with:

- i) "Personal Service
means a Development used for the provision of Personal Services to an individual which are related to the care and appearance of the body, or the cleaning and repair of personal effects and includes such uses as barbershops, hairdressers, tattoo parlours, beauty salons, tanning salons, shoe repair shops, Laundromats, dry cleaning outlets, but does not include Cannabis Counselling, Health Service, Retail Stores, Service Stations or Adult Entertainment Facilities."

l) The definition for Private Club is deleted and replaced with:

- i) "Private Club
means Development used for the meeting, social or recreational activities of members of a non-profit philanthropic, social service, and athletic, business or fraternal organization, without on-site residences. Private Clubs may include lodges as well as rooms for eating, drinking and assembly. This use class does not allow for any cannabis consumption on the premise. Cannabis Production and Distribution is excluded from this use class."

m) The following new definition is added after the definition for Residential unit:

- i) "Retail Store (Cannabis)
means a retail store licenced by the Province of Alberta to sell Cannabis and Cannabis Accessory to the public, for consumption elsewhere."

PART II: ENACTMENT

This Bylaw shall come into force and effect when it receives Third Reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS _____ DAY OF _____, AD 2018.

READ A SECOND TIME IN COUNCIL, THIS _____ DAY OF _____, AD 2018.

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS _____ DAY OF _____, AD 2018.

Robert Young
MAYOR

Sandra Davis
CITY CLERK

Date Signed

Attachment 2

Section of Bylaw 809-2013	Page	Description of Amendment	Rationale	Amend . No.
PART 3: INTERPRETATION				
3.4. Establishment of Overlay	9	Delete Sections 3.4.1. and replace it with: "Overlays shall provide a means to add or remove land uses as well as to alter or specify regulations for Permitted and Discretionary Uses in otherwise appropriate districts in order to achieve the local planning objectives in specially designated areas throughout the City of Leduc."	To clarify the purpose of overlay in relation to how the city has been using this tool for the last few years.	1.
3.4. Establishment of Overlay	10	Delete Sections 3.4. 2.3. and replace it with: "3.4.2.3. every use and regulation specified or changed by the Overlay."	To clarify that an overlay can change both uses and regulations.	3.
3.4. Establishment of Overlay	10	Delete Sections 3.4.3.	To avoid confusion in regards to what an overlay can alter.	4.
PART 4: DISTRICT REGULATIONS AND DEVELOPMENT STANDARDS				
18.0 Overlays	173	Add the following new sections after table 42.11: "18.10. Cannabis Overlay	To identify the overlay.	5
18.10.1. Purpose		18.10.1.1. The purpose of this overlay is to enable and coordinate the land uses associated with cannabis in order to ensure their proper integration within the Cannabis Overlay area.	To state the purpose of the overlay.	5
18.10.2. Applicability		18.10.2.1. This Overlay shall apply to the area outlined in Figure 3.3: City of Leduc Cannabis Overlay Area. Figure 3.3 City of Leduc Cannabis Overlay Area (see Attachment 3 for the map)	To map the overlay area as per LUB requirement. This provides a visual support to all interested parties.	5
18.10.3. Development Regulations		18.10.3.1. Development within this overlay shall be evaluated with respect to compliance with the underlying district and all other provisions of this Bylaw where not specifically overridden by this overlay. In the case of conflicting regulations within this overlay and other sections of the Land Use Bylaw, the regulations contained in the overlay shall prevail.	To define how regulations will be applied to the overlay area.	5

		<p>18.10.3.2. Within the Cannabis Overlay, for any Parcel of land that is 1.99 ha or less at the time of the Development Permit application, a minimum separating distance of 100 meters shall be required between specific land uses located within the overlay as follow:</p> <p>1) if the proposed use is Retail Store (Cannabis) - separating distance from an existing Retail Store (Cannabis) or an existing Retail Store (Liquor); or</p> <p>2) if the proposed use is Retail Store (Liquor), - separating distance from an existing Retail Store (Cannabis) or an existing Retail Store (Liquor).</p> <p>For the purpose of this section, the 100.0 m separation distance shall be measured from the closet point of the subject Parcel of land boundary to the closest point of another Parcel of land boundary, and shall not be measured from the District boundaries or from the edges of Structures.</p>	<p>In order to minimize the opportunities for clustering, council provide the direction of including a 100 meters minimum separating distance at the CoW of March 19.</p> <p>Measurements will be taken from the parcel boundary to other parcels. This will eliminate the need to request real Property Report depicting where buildings are located. It also prevents future issues when buildings are subject to alteration or expansion.</p>	5
		<p>18.10.3.3. Within the Cannabis Overlay, for any Parcel of land that is 2.00 ha or greater at the time of the Development Permit application, no separating distance shall be required, but there shall be a limit of one (1) Retail Store (Liquor) or one (1) Retail Store (Cannabis) per Parcel of land.</p>	<p>On larger Parcels, a 100 meters separating distance would sterilize significant tracks of lands. Using a limit of 1 per parcel in combination with abutting restriction will minimize clustering opportunities.</p>	5
		<p>18.10.3.4. Within the Cannabis Overlay, a Retail Store (Cannabis) or a Retail Store (Liquor) cannot be located on a Parcel of land abutting another Parcel of Land where a Retail Store (Cannabis), a Retail Store (Liquor), or a Day Care Facility exist at the time of the Development Permit application. Furthermore, a Day Care Facility cannot be located on a Parcel of land abutting another Parcel of Land where a Retail Store (Cannabis) or a Retail Store (Liquor) exist at the time of the Development Permit application.</p>	<p>To minimize the opportunities for clustering and ensure separation of sensitive uses.</p>	5
		<p>18.10.3.5. Within the Cannabis Overlay, a Retail Store (Cannabis) or a Retail Store (Liquor) cannot be located on a Parcel of land abutting another Parcel of Land which is under the district General Recreation or Urban Services at the time of the Development Permit application.</p>	<p>To prevent location near parks and other sensitive uses as discussed at the March 19 CoW.</p>	5
		<p>18.10.3.6. Within a Cannabis Production and Distribution Use, all activities linked to the production, cultivation, and processing of cannabis shall be done indoors, within an enclosed building designed and equipped to prevent odours and noise from negatively impacting adjacent properties as per the requirement of Health Canada and Federal Legislation.</p>	<p>To prevent odour nuisance within the City of Leduc.</p>	5

18.10.4. Land Uses		18.10.4.1. Permitted and Discretionary Uses within the underlying Land Use Districts remain Permitted and Discretionary within this Overlay.		5
		<p>18.10.4.2. In addition to the Uses identified in Section 18.10.4.1., the following Uses will be Discretionary within this Overlay:</p> <p>1) Cannabis Counselling within the following underlying Land Use Districts: GC – General Commercial; CSC – Commercial Shopping Centre; IL – Light Industrial; IBL – Business Light Industrial; and IM – Medium Industrial.</p> <p>2) Cannabis Production and Distribution within the following underlying Land Use Districts: IL – Light Industrial and IM – Medium Industrial.</p> <p>3) Retail Store (Cannabis) within the following underlying Land Use Districts: GC – General Commercial; CSC – Commercial Shopping Centre; IL – Light Industrial; IBL – Business Light Industrial; and IM – Medium Industrial.”</p>	To enable a stepped-in approach of cannabis related land uses implementation within the City of Leduc.	5
PART 8: TERMINOLOGY AND TRANSLATIONS				
26.0 Glossary of Terms and Uses	256	<p>The definition for Agriculture is deleted and replaced with:</p> <p>“Agriculture means an agricultural activity conducted on agricultural land for gain or reward or in the hope or expectation of gain or reward, and includes:</p> <p>(a) the cultivation of land,</p> <p>(b) the raising of livestock, including domestic cervids within the meaning of the Livestock Industry Diversification Act and poultry,</p> <p>(c) the raising of fur-bearing animals, game birds or fish,</p> <p>(d) the production of agricultural field crops,</p> <p>(e) the production of fruit, vegetables, sod, trees, shrubs and other specialty horticultural crops,</p> <p>(f) the production of eggs and milk,</p> <p>(g) the production of honey,</p> <p>(h) the operation of agricultural machinery and equipment, including irrigation pumps,</p> <p>(i) the application of fertilizers, insecticides, pesticides, fungicides and herbicides, including application by ground and aerial spraying, for agricultural purposes, and</p> <p>(j) the collection, transportation, storage, application, use, transfer and disposal of manure, composting materials and compost, and the abandonment and reclamation of confined feeding operations and manure storage facilities.</p> <p>Agriculture does not include Cannabis Production and Distribution.”</p>	To clarify that cannabis production is a standalone use with its own definition, not integrated or included within the Agriculture land use/definition.	6a)

The following new definitions are added after the definition for Campground	259	" Cannabis means a cannabis plant and any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, any substance or mixture of substances that contains or has on it any part of such a plant and any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained but does not include a non-viable seed of a cannabis plant, a mature stalk, without any leaf, flower, seed or branch, of such a plant, fibre derived from a such a stalk and the root or any part of the root of such a plant."	To align with the Federal Act	6b)
		" Cannabis Accessory (a) means a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers, that is represented to be used in the consumption of cannabis or a thing that is represented to be used in the productions of cannabis; or (b) for the purposes of this definition a thing is deemed to be represented to be used in the consumption or production of cannabis if the thing is sold at the same point of sale as cannabis."	To align with the Federal Act	6b)
		"Cannabis Counselling means a use where counselling on cannabis is provided by a person or group of persons who are not medical professionals, and whereas no sales or consumption of cannabis is permitted at the premise where the activity is conducted."	To define a new use that may be implemented in the City of Leduc.	6b)
		"Cannabis Plant means a plant that belongs to the genus <i>Cannabis</i> ."	To align with the Federal Act	
		"Cannabis Production and Distribution means a Development operated by a person who holds a licence under the federal Act that authorizes the person to produce cannabis. Typical activities would include the production, cultivation, processing, making, testing, manufacturing, packaging, storing, and transshipping of Cannabis in conformity with all federal and provincial Acts."	To define a new use that may be implemented in the City of Leduc.	6b)
	260	The definition for Commercial Storage Facility is deleted and replaced with: "Commercial Storage Facility means a single Building storage facility in which all storage is indoors with an interior loading and unloading dock. Exterior storage is not permitted except for licenced vehicles that may be parked for extended periods of time, but does not include recreation vehicles. The Building will be of a single or multi Storey design with a higher exterior architectural standard suitable to a commercial usage area and does not include Cannabis Production and Distribution."	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6c)

	270	<p>The definition for General Industrial (Light) is deleted and replaced with:</p> <p>"General Industrial (Light) means Development industrial business uses that conduct their operations such that no significant adverse effects or nuisance factors such as noise, effluent, odour or emission is created or apparent outside an enclosed building or beyond the site that would make the use incompatible with adjacent nonindustrial uses. These uses are low risk prone activities, with no Dangerous Goods above minimum acceptable thresholds. This Land Use category may include, but is not limited to the following:</p> <ul style="list-style-type: none"> (a) processing of raw or finished materials; (b) transshipment of goods; (c) manufacturing or assembly of goods, products or equipment; (d) cleaning, servicing, repairing or testing of materials, goods and equipment normally associated with industrial or commercial business or those associated with personal or household use, where such operations have impacts that would typically make them incompatible in non-industrial districts; (e) research and development uses and laboratory facilities; (f) the training of personnel in general industrial operations; (g) these uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Light) businesses. <p>Pipe storage yards and Cannabis Production and Distribution are both excluded from this use class."</p>	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6d)
	270	<p>The definition for General Industrial (Medium) is deleted and replaced with:</p> <p>"General Industrial (Medium) means industrial logistics or industrial manufacturing, including activities involved in storage, transportation, distribution, wholesaling, manufacturing and servicing of industrial goods or equipment, which do not, in the opinion of the Development Authority, emit a significant level of noise, smoke, dust, odour, vibration or other nuisance factor beyond the Medium Industrial District boundary. Where these uses include on-site Dangerous and Hazardous Goods, a Dangerous Goods Impact Assessment (DGIA) will be required identifying the estimated risks using the Major Industrial Accidents Counsel of Canada (MIACC) Version 1 methodology (The MIACC's Acceptability Criteria). These uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Medium) businesses. Cannabis Production and Distribution is excluded from this use class."</p>	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6e)

	270	<p>The definition for General Industrial (Special) is deleted and replaced with:</p> <p>"General Industrial (Special) means industrial operations similar to those classified as General Industrial (Medium) uses, but which include moderate risk activities with Dangerous and Hazardous Goods. A Dangerous Goods Impact Assessment (DGIA) must be completed identifying the estimated risks using the Major Industrial Accidents Counsel of Canada (MIACC) Version 1 methodology (The MIACC's Acceptability Criteria). The uses must demonstrate that there is no more than a 10 in 1,000,000 risk fatality within a 160 meter diameter radius from the dangerous goods/products on site. These uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Special) businesses. Cannabis Production and Distribution is excluded from this use class."</p>	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6f)
	271	<p>The definition for Greenhouse is deleted and replaced with:</p> <p>"Greenhouse means a Development for the growing, acclimating, propagating, harvesting, displaying and selling of bedding, edible, Household and ornamental plants and may include accessory uses related to the storing, displaying and selling of gardening, nursery and related products. Cannabis Production and Distribution and Retail Store (Cannabis) are both excluded from this use class."</p>	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6g)
	273	<p>The definition for Home Occupation is deleted and replaced with:</p> <p>"Home Occupation means a secondary use to the residential use of a Dwelling for the purpose of a business which:</p> <ul style="list-style-type: none"> (a) is operated by a principal resident of the Dwelling; (b) may have business associated visits to the residence to a maximum of fifteen (15) per week; (c) may have a non-resident person employed in the Dwelling; (d) is not detectable from outside the Dwelling; (e) may have some business activities extend to the Garage and/or an Accessory Development; (f) may have some storage related to the business located inside the dwelling, Garage and/or an Accessory Development; (g) may have a business-related vehicle; and (h) does not use any outside Yard for storage or any type of business activity. <p>Cannabis Counselling and Retail Store (Cannabis) are both excluded from this use class."</p>	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6h)

	273	<p>The definition for Home Office is deleted and replaced with:</p> <p>"Home Office means a secondary use located within a Dwelling for the purpose of a business which:</p> <ul style="list-style-type: none"> (a) is operated by a principal resident of the Dwelling; (b) does not require business associated visits; (c) does not require any non-resident persons employed within the Dwelling; (d) is not detectable from outside the Dwelling; (e) does not extend the business activity to the Garage or outside yard; and (f) does not require parking of business-related vehicle. <p>Cannabis Counselling and Retail Store (Cannabis) are both excluded from this use class."</p>	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6i)
	274	<p>The definition for Late Night Club is deleted and replaced with:</p> <p>"Late Night Club means any premises or part thereof, the primary purpose of which is to host regular dances, entertainment performances or other events where:</p> <ul style="list-style-type: none"> (a) no alcohol, alcoholic beverages, or cannabis are available on the premises for consumption or sale; (b) 20 or more patrons are assembled at any time between 2:00 A.M. and 6:00 A.M.; (c) the events are held for the purpose of gain or profit; (d) tickets are sold or an entrance or attendance fee is charged for persons to attend; and (e) music, noise or sound of any kind or source is emitted, including, but not limited to the performing or playing of live music, amplified recorded or computer generated sounds." 	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6j)
	279	<p>The definition for Personal Service is deleted and replaced with:</p> <p>"Personal Service means a Development used for the provision of Personal Services to an individual which are related to the care and appearance of the body, or the cleaning and repair of personal effects and includes such uses as barbershops, hairdressers, tattoo parlours, beauty salons, tanning salons, shoe repair shops, Laundromats, dry cleaning outlets, but does not include Cannabis Counselling, Health Service, Retail Stores, Service Stations or Adult Entertainment Facilities."</p>	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6k)

	280	<p>The definition for Private Club is deleted and replaced with:</p> <p>"Private Club means Development used for the meeting, social or recreational activities of members of a non-profit philanthropic, social service, and athletic, business or fraternal organization, without on-site residences. Private Clubs may include lodges as well as rooms for eating, drinking and assembly. This use class does not allow for any cannabis consumption on the premise. Cannabis Production and Distribution is excluded from this use class."</p>	To exclude retail Store (Cannabis) from this definition and clarify that Retail Store (Cannabis) is a land use on its own.	6l)
The following new definition is added after the definition for Residential unit	283	"Retail Store (Cannabis) means a retail store licenced by the Province of Alberta to sell Cannabis and Cannabis Accessory to the public, for consumption elsewhere."	To be consistent with how the IUB define other types of retail stores and clarify that Retail Store (Cannabis) is a land use on its own.	6m)

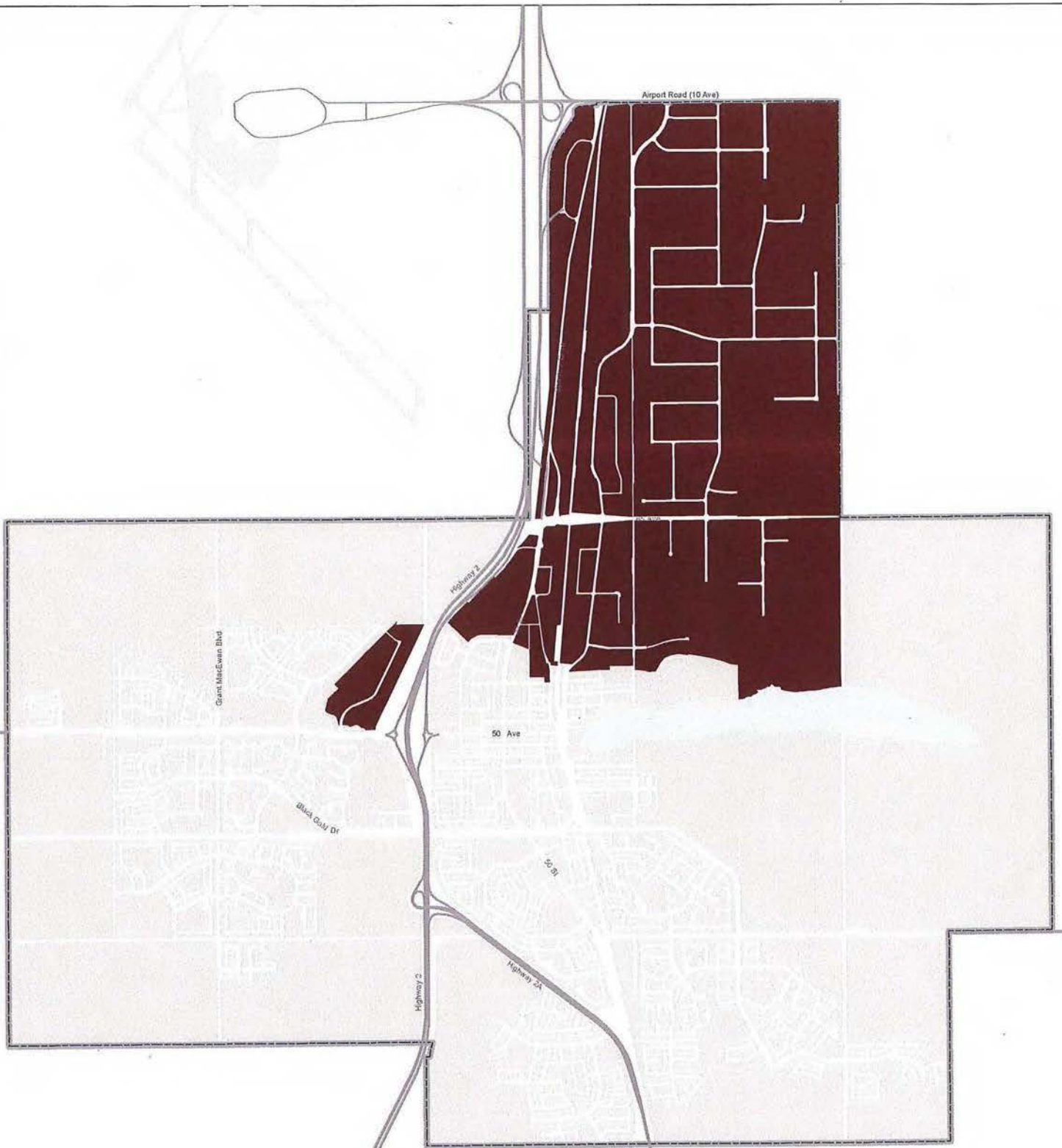



Figure 3.3 City of Leduc Cannabis Overlay Area

 Cannabis Overlay Area



MEETING DATE: May 28th, 2018

SUBMITTED BY: Ken Woitt, Director, Planning & Economic Development

PREPARED BY: Sylvain Losier, Manager, Current Planning and Development

REPORT TITLE: Bylaw 970-2017 – Amendment 74 to the Land Use Bylaw

REPORT SUMMARY

This report contains Administration analysis of the elements brought forward at the Public Hearing and contains recommendations towards the next steps with Bylaw 970-2017.

RECOMMENDATION

1. That Council give Bylaw 970-2017 second reading.
2. That council gives Bylaw 970-2017 third reading.

BACKGROUND

KEY ISSUE(S) / CONTEXT:

At the May 14, 2018 Council meeting, a Public Hearing was held under the Municipal Government Act for the purpose of allowing interested parties to communicate their thoughts and views on the proposed bylaw. At the Public Hearing, seven presentations were made by various interested parties. The key messages were:

1. Medical cannabis counselling shouldn't be located within the employment area far away from the hospital and the people that need this type of services.

Administration believes that the proposed bylaw address this situation. As noted in report 2017-CR-131, the proposed definition for Cannabis Counselling is targeting non-medical persons offering their service for counselling. This use is definitively geared towards the recreational side of cannabis. Our current Land Use Bylaw does support the presence of Health Services in numerous districts throughout the City of Leduc. This use includes medical staff which may choose or not, to provide their services to the public in regards to cannabis. However, there are no sales permitted at these locations.

2. Cannabis should not be allowed for personal growth from the date of cannabis legalization and therefore, people would buy from store.

Administration has looked into personal cultivation and is still investigating this component. Currently, the Land Use Bylaw doesn't regulate plants growing within dwelling units or their yards. It is our understanding that personal cultivation of four plants will be allowed by the federal regulation and this activity doesn't include any right of selling cannabis. Should a person decide to not obey the regulation, then the RCMP would have the ability to intervene.

As for the municipal role related to personal cultivation, there might be some merit in investigating the creation of awareness and/or educational material for people that intend to grow. This could help ensuring that personal cultivation is done in a respectful manner to the neighbourhood.

3. Separating distance from schools is important.

The current approach with its overlay will ensure that cannabis related land uses are not in proximity to schools.

4. Cannabis store should be separated from school and parks, but not from liquor store.

From the experience drawn from the American cities and Alberta Health Services, having a separating distance may help minimize the dual consumption of liquor and cannabis as the access to both products will be slightly less conducive if separated. Furthermore, by adding the separating distance between these two activities, it will reduce the amount of options for cannabis and liquor stores within the overlay, and therefore, reduce access to the product. Studies reviewed by Administration tend to support that conflict and issues increase as ease of accessibility to liquor or cannabis increase.

5. How was the 100 meter separating distance reached?

Administration reviewed the situation in numerous cities in the United States as well as the proposed bylaw of municipalities in Alberta, and it was noted that separating distances fluctuated from one municipality to another depending on the structure and the desire of the community. As the City of Leduc was already using 100 meters for separating distance between liquor store and parks, it was felt that this measure would be sufficient. After looking into it, Administration believes that the proposed separating distance, combined with the overlay approach, will provide a certain balance between protecting sensitive uses and enabling this new industry.

6. Cannabis store shouldn't be located within the downtown at this time, and therefore, the approach undertaken is appreciated.

Administration has presented various options to Council in the past and it was decided to explore a phased-in approach that could be reviewed in the future. Therefore, the proposed bylaw doesn't contain opportunities for Retail Store (Cannabis) downtown.

7. The cannabis regulation should be relaxed.

Administration has noticed that in many cities (USA) where cannabis has been legalized by the State, the regulations seem to relax over time. This is definitively something that Council could consider over time after the legalization has occurred and we have had more experience with the land uses related to cannabis within our community.

LEGISLATION AND/OR POLICY:

1. Municipal Government Act, RSA 2000, Chapter M-26, as amended
 - S. 640(2)(a) requires a municipality be divided into land use districts.
 - S. 606 and S. 692 govern the requirements for advertising a bylaw.

PAST COUNCIL CONSIDERATION:

The upcoming legalization of cannabis has been previously discussed at various Committee of the Whole meetings (June 26 and December 4, 2017; March 19, 2018) and at the March 12, 2018 Council meeting. Bylaw 970-2017 received 1st reading on Monday, April 23, 2018. The Public Hearing was held on May 14, 2018 in accordance with the MGA.

CITY OF LEDUC PLANS:

Bylaw 970-2017 is consistent with the City's Municipal Development Plan, as amended.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

Should Council agree with the recommendation, Administration will coordinate to ensure there is efficient communication with the community and the interested parties.

POLICY:

No policy changes are required.

LEGAL:

If the recommendation is accepted, the planning framework will be created to manage cannabis related land uses. This would include the creation of the overlay and the addition of Cannabis Production and Distribution, Cannabis Counselling, and Retail Store (Cannabis) as discretionary uses within the overlay, as well as the regulations in terms of location and separating distance.

IMPLEMENTATION / COMMUNICATIONS:

The public hearing was advertised in the April 27th and May 4th, 2018 issues of *'The Representative'* and notification was also made available on the City of Leduc cannabis webpage. Pending Council's decision, Administration will communicate the outcome using various platforms.

ALTERNATIVES:

1. After consideration of the Public Hearing information, that Council decide to make changes to the proposed bylaw and direct staff to prepare the amendment to the bylaw and come back at the June 25, meeting for 2nd reading.
2. After consideration of the Public Hearing information, that Council defeat Bylaw 970-2017.

ATTACHMENTS:

1. Bylaw 970-2017

Others Who Have Reviewed this Report

P. Benedetto, City Manager / M. Pieters, General Manager, Infrastructure & Planning

AMENDMENT #74 - TO BYLAW NO. 809-2013, THE LAND USE BYLAW

The *Municipal Government Act*, R.S.A. 2000, Chapter M-26, as amended (the "Act") grants a municipality the authority to pass a Land Use Bylaw;

AND: in accordance with the Act, the City of Leduc passed Land Use Bylaw No. 809-2013 to regulate and control the use and development of land and buildings in the City of Leduc, and the Council has deemed it expedient and necessary to amend Bylaw No. 809-2013;

AND: notice of intention to pass this bylaw has been given and a public hearing has been held in accordance with the Act;

THEREFORE: the Council of the City of Leduc in the Province of Alberta duly assembled hereby enacts as follows:

PART I: APPLICATION

That Bylaw No. 809-2013 be amended as follows:

1. Section 3.4.1. is deleted and replaced with the following:

"3.4.1. Overlays shall provide a means to add or remove land uses as well as to alter or specify regulations for Permitted and Discretionary Uses in otherwise appropriate districts in order to achieve the local planning objectives in specially designated areas throughout the City of Leduc."

2. Section 3.4.2.3. is deleted and replaced with the following:

"3.4.2.3. every use and regulation specified or changed by the Overlay."

3. Section 3.4.3. is deleted in its entirety.

4. The following new sections are added after Table 42.1.1:

"18.10. Cannabis Overlay

18.10.1. Purpose

18.10.1.1. The purpose of this overlay is to enable and coordinate the land uses associated with cannabis in order to ensure their proper integration within the Cannabis Overlay area.

18.10.2. Applicability

18.10.2.1. This Overlay shall apply to the area outlined in Figure 3.3: City of Leduc Cannabis Overlay Area.



Figure 3.3 City of Leduc Cannabis Overlay Area



18.10.3. Development Regulations

- 18.10.3.1. Development within this overlay shall be evaluated with respect to compliance with the underlying district and all other provisions of this Bylaw where not specifically overridden by this overlay. In the case of

conflicting regulations within this overlay and other sections of the Land Use Bylaw, the regulations contained in the overlay shall prevail.

- 18.10.3.2. Within the Cannabis Overlay, for any Parcel of land that is 1.99 ha or less at the time of the Development Permit application, a minimum separating distance of 100 meters shall be required between specific land uses located within the overlay as follow:

1) if the proposed use is Retail Store (Cannabis) - separating distance from an existing Retail Store (Cannabis) or an existing Retail Store (Liquor); or

2) if the proposed use is Retail Store (Liquor), - separating distance from an existing Retail Store (Cannabis) or an existing Retail Store (Liquor).

For the purpose of this section, the minimum 100.0 m separating distance shall be measured from the closet point of the subject Parcel of land boundary to the closest point of another Parcel of land boundary, and shall not be measured from the District boundaries or from the edges of Structures.

- 18.10.3.3. Within the Cannabis Overlay, for any Parcel of land that is 2.00 ha or greater at the time of the Development Permit application, no separating distance shall be required, but there shall be a limit of one (1) Retail Store (Liquor) or one (1) Retail Store (Cannabis) per Parcel of land.

- 18.10.3.4. Within the Cannabis Overlay, a Retail Store (Cannabis) or a Retail Store (Liquor) cannot be located on a Parcel of land abutting another Parcel of Land where a Retail Store (Cannabis), a Retail Store (Liquor), or a Day Care Facility exist at the time of the Development Permit application. Furthermore, a Day Care Facility cannot be located on a Parcel of land abutting another Parcel of Land where a Retail Store (Cannabis) or a Retail Store (Liquor) exist at the time of the Development Permit application.

- 18.10.3.5. Within the Cannabis Overlay, a Retail Store (Cannabis) or a Retail Store (Liquor) cannot be located on a Parcel of land abutting another Parcel of Land which is under the district General Recreation or Urban Services at the time of the Development Permit application.

- 18.10.3.6. Within a Cannabis Production and Distribution Use, all activities linked to the production, cultivation, and processing of cannabis shall be done indoors, within an enclosed building designed and equipped to prevent odours and noise from negatively impacting adjacent properties as per the requirement of Health Canada and Federal Legislation.

18.10.4. Land Uses

- 18.10.4.1. Permitted and Discretionary Uses within the underlying Land Use Districts remain Permitted and Discretionary within this Overlay.

18.10.4.2. In addition to the Uses identified in Section 18.10.4.1., the following Uses will be Discretionary within this Overlay:

1) Cannabis Counselling within the following underlying Land Use Districts: GC – General Commercial; CSC – Commercial Shopping Centre; IL – Light Industrial; IBL – Business Light Industrial; and IM – Medium Industrial.

2) Cannabis Production and Distribution within the following underlying Land Use Districts: IL – Light Industrial and IM – Medium Industrial.

3) Retail Store (Cannabis) within the following underlying Land Use Districts: GC – General Commercial; CSC – Commercial Shopping Centre; IL – Light Industrial; IBL – Business Light Industrial; and IM – Medium Industrial."

5. Section 26.0. Table 48: Glossary of Terms and Uses is amended as follows:

a) The definition for Agriculture is deleted and replaced with:

- i) "Agriculture means an agricultural activity conducted on agricultural land for gain or reward or in the hope or expectation of gain or reward, and includes:
 - (a) the cultivation of land,
 - (b) the raising of livestock, including domestic cervids within the meaning of the Livestock Industry Diversification Act and poultry,
 - (c) the raising of fur-bearing animals, game birds or fish,
 - (d) the production of agricultural field crops,
 - (e) the production of fruit, vegetables, sod, trees, shrubs and other specialty horticultural crops,
 - (f) the production of eggs and milk,
 - (g) the production of honey,
 - (h) the operation of agricultural machinery and equipment, including irrigation pumps,
 - (i) the application of fertilizers, insecticides, pesticides, fungicides and herbicides, including application by ground and aerial spraying, for agricultural purposes, and
 - (j) the collection, transportation, storage, application, use, transfer and disposal of manure, composting materials and compost, and the abandonment and reclamation of confined feeding operations and manure storage facilities.

Agriculture does not include Cannabis Production and Distribution."

b) The following new definitions are added after the definition for Campground:

- i) "Cannabis means a cannabis plant and any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, any substance or mixture of substances that contains or has on it any part of such a plant and any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained but does not include a non-viable seed of a cannabis plant, a mature stalk,

without any leaf, flower, seed or branch, of such a plant, fibre derived from a such a stalk and the root or any part of the root of such a plant."

- ii) "Cannabis Accessory
(a) means a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers, that is represented to be used in the consumption of cannabis or a thing that is represented to be used in the productions of cannabis; or
(b) for the purposes of this definition a thing is deemed to be represented to be used in the consumption or production of cannabis if the thing is sold at the same point of sale as cannabis."
- iii) "Cannabis Counselling
means a use where counselling on cannabis is provided by a person or group of persons who are not medical professionals, and whereas no sales or consumption of cannabis is permitted at the premise where the activity is conducted."
- iv) "Cannabis Plant
means a plant that belongs to the genus *Cannabis*."
- v) "Cannabis Production and Distribution
means a Development operated by a person who holds a licence under the federal Act that authorizes the person to produce cannabis. Typical activities would include the production, cultivation, processing, making, testing, manufacturing, packaging, storing, and transshipping of Cannabis in conformity with all federal and provincial Acts."

c) The definition for Commercial Storage Facility is deleted and replaced with:

- i) "Commercial Storage Facility
means a single Building storage facility in which all storage is indoors with an interior loading and unloading dock. Exterior storage is not permitted except for licenced vehicles that may be parked for extended periods of time, but does not include recreation vehicles. The Building will be of a single or multi Storey design with a higher exterior architectural standard suitable to a commercial usage area and does not include Cannabis Production and Distribution."

d) The definition for General Industrial (Light) is deleted and replaced with:

- i) "General Industrial (Light)
means Development industrial business uses that conduct their operations such that no significant adverse effects or nuisance factors such as noise, effluent, odour or emission is created or apparent outside an enclosed building or beyond the site that would make the use incompatible with adjacent nonindustrial uses. These uses are low risk prone activities, with no Dangerous Goods above minimum acceptable thresholds. This Land Use category may include, but is not limited to the following:
 - (a) processing of raw or finished materials;
 - (b) transshipment of goods;
 - (c) manufacturing or assembly of goods, products or equipment;
 - (d) cleaning, servicing, repairing or testing of materials, goods and equipment normally associated with industrial or commercial business or those associated with personal or household use, where such operations have impacts that would typically make them incompatible in non-industrial districts;
 - (e) research and development uses and laboratory facilities;

- (f) the training of personnel in general industrial operations;
- (g) these uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Light) businesses.

Pipe storage yards and Cannabis Production and Distribution are both excluded from this use class."

- e) The definition for General Industrial (Medium) is deleted and replaced with:

- i) "General Industrial (Medium)
means industrial logistics or industrial manufacturing, including activities involved in storage, transportation, distribution, wholesaling, manufacturing and servicing of industrial goods or equipment, which do not, in the opinion of the Development Authority, emit a significant level of noise, smoke, dust, odour, vibration or other nuisance factor beyond the Medium Industrial District boundary. Where these uses include on-site Dangerous and Hazardous Goods, a Dangerous Goods Impact Assessment (DGIA) will be required identifying the estimated risks using the Major Industrial Accidents Counsel of Canada (MIACC) Version 1 methodology (The MIACC's Acceptability Criteria). These uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Medium) businesses.

Cannabis Production and Distribution is excluded from this use class."

- f) The definition for General Industrial (Special) is deleted and replaced with:

- i) "General Industrial (Special)
means industrial operations similar to those classified as General Industrial (Medium) uses, but which include moderate risk activities with Dangerous and Hazardous Goods. A Dangerous Goods Impact Assessment (DGIA) must be completed identifying the estimated risks using the Major Industrial Accidents Counsel of Canada (MIACC) Version 1 methodology (The MIACC's Acceptability Criteria). The uses must demonstrate that there is no more than a 10 in 1,000,000 risk fatality within a 160 meter diameter radius from the dangerous goods/products on site. These uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Special) businesses.

Cannabis Production and Distribution is excluded from this use class."

- g) The definition for Greenhouse is deleted and replaced with:

- i) "Greenhouse
means a Development for the growing, acclimating, propagating, harvesting, displaying and selling of bedding, edible, Household and ornamental plants and may include accessory uses related to the storing, displaying and selling of gardening, nursery and related products. Cannabis Production and Distribution and Retail Store (Cannabis) are both excluded from this use class."

h) The definition for Home Occupation is deleted and replaced with:

- i) "Home Occupation
means a secondary use to the residential use of a Dwelling for the purpose of a business which:
 - (a) is operated by a principal resident of the Dwelling;
 - (b) may have business associated visits to the residence to a maximum of fifteen (15) per week;
 - (c) may have a non-resident person employed in the Dwelling;
 - (d) is not detectable from outside the Dwelling;
 - (e) may have some business activities extend to the Garage and/or an Accessory Development;
 - (f) may have some storage related to the business located inside the dwelling, Garage and/or an Accessory Development;
 - (g) may have a business-related vehicle; and
 - (h) does not use any outside Yard for storage or any type of business activity.

Cannabis Counselling and Retail Store (Cannabis) are both excluded from this use class."

i) The definition for Home Office is deleted and replaced with:

- i) "Home Office
means a secondary use located within a Dwelling for the purpose of a business which:
 - (a) is operated by a principal resident of the Dwelling;
 - (b) does not require business associated visits;
 - (c) does not require any non-resident persons employed within the Dwelling;
 - (d) is not detectable from outside the Dwelling;
 - (e) does not extend the business activity to the Garage or outside yard;
 - and
 - (f) does not require parking of business-related vehicle.

Cannabis Counselling and Retail Store (Cannabis) are both excluded from this use class."

j) The definition for Late Night Club is deleted and replaced with:

- i) "Late Night Club
means any premises or part thereof, the primary purpose of which is to host regular dances, entertainment performances or other events where:
 - (a) no alcohol, alcoholic beverages, or cannabis are available on the premises for consumption or sale;
 - (b) 20 or more patrons are assembled at any time between 2:00 A.M. and 6:00 A.M.;
 - (c) the events are held for the purpose of gain or profit;
 - (d) tickets are sold or an entrance or attendance fee is charged for persons to attend; and
 - (e) music, noise or sound of any kind or source is emitted, including, but not limited to the performing or playing of live music, amplified recorded or computer generated sounds."

k) The definition for Personal Service is deleted and replaced with:

- i) "Personal Service
means a Development used for the provision of Personal Services to an individual which are related to the care and appearance of the body, or the cleaning and repair of personal effects and includes such uses as barbershops, hairdressers, tattoo parlours, beauty salons, tanning salons, shoe repair shops, Laundromats, dry cleaning outlets, but does not include Cannabis Counselling, Health Service, Retail Stores, Service Stations or Adult Entertainment Facilities."

l) The definition for Private Club is deleted and replaced with:

- i) "Private Club
means Development used for the meeting, social or recreational activities of members of a non-profit philanthropic, social service, and athletic, business or fraternal organization, without on-site residences. Private Clubs may include lodges as well as rooms for eating, drinking and assembly. This use class does not allow for any cannabis consumption on the premise. Cannabis Production and Distribution is excluded from this use class."

m) The following new definition is added after the definition for Residential unit:

- i) "Retail Store (Cannabis)
means a retail store licenced by the Province of Alberta to sell Cannabis and Cannabis Accessory to the public, for consumption elsewhere."

PART II: ENACTMENT

This Bylaw shall come into force and effect when it receives Third Reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS _____ DAY OF _____, AD 2018.

READ A SECOND TIME IN COUNCIL, THIS _____ DAY OF _____, AD 2018.

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS _____ DAY OF _____, AD 2018.

Robert Young
MAYOR

Sandra Davis
CITY CLERK

Date Signed

MEETING DATE: June 11, 2018

SUBMITTED BY: Ken Woitt, Director Planning & Economic Development

PREPARED BY: Sylvain Losier, Manager, Current Planning & Development & Julie Paquette, Planning Intern

REPORT TITLE: Cannabis update report

REPORT SUMMARY

This report provides an overview of the City of Langford's approach to managing the retail sales of cannabis and provides a summary of what other municipalities in Alberta, that we have researched, are doing.

BACKGROUND

PREVIOUS COUNCIL/COMMITTEE ACTION:

The upcoming legalization of cannabis has previously been discussed at Committee of the Whole / Council meetings on June 26 and December 4, 2017, and on March 12 and March 19, 2018. Bylaw 970-2017 received 1st reading on Monday, April 23, 2018. The Public Hearing was held on May 14, 2018 in accordance with the Municipal Government Act, and 2nd reading was granted at the May 28, 2018 Council meeting.

KEY ISSUES:

During deliberation for 2nd reading, Council expressed the desire to receive additional information about the process from the City of Langford, British Columbia. They also wanted to have a table that is depicting what other municipalities are doing in Alberta. This information will be used in Council's deliberation for 3rd reading of the proposed bylaw 970-2017.

City of Langford's approach

In order to address the upcoming legalization of cannabis, the City of Langford has decided to adopt the pilot project approach. They have released a Request for Proposal (RFP) which explains the framework being established by the Federal and Provincial Governments. This RFP also contains guiding principles in terms of separating distances. The RFP is attached for reference as schedule 1.

As for the proposal requirements, it is an extensive list covering everything related to the land use component and beyond. Interested parties need to supply information about their personal and professional background, the security measure they would implement, how they would address nuisances related to the sale and consumption of cannabis, how they plan to assist the City with enforcement, policing, and financial pressures, as well as other requirements.

The RFP will be running for 1 month (May 1st to June 1st, 2018). Once the RFP is closed, the City will be opening the submission and will select up to 5 proponents for further discussion. This may lead to the proponents getting a temporary permit authorizing the sale of cannabis.

Administration's analysis of the Langford's approach.

The Langford approach is an interesting one. Applications will be received and evaluated based on their merit, but we are not clear on how the various criteria will be weighted. However, they do clearly mention that "...while not determinative, the City places importance on a Proponent's proposed plan to assist the City, including through financial contribution..." (Bottom of page 6, RFP). We can assume that for Langford, potential cost is a big concern, and based upon the language contained in the RFP, the city will have sole discretion on how to evaluate the proposal.

In terms of practicality, many of the requirements that the RFP is asking are being covered in Alberta by the Alberta gaming and Liquor Commission (AGLC) process. As for the guideline that the RFP includes, the City of Leduc did a very similar approach through its various analysis and discussions at the Committee of the Whole and Council meetings held so far. All of our analysis led to the proposed overlay and regulations being currently contemplated. Our proposed regulations are addressing many items similar to their guidelines.

In conclusion, the Langford's approach appears to postpone the decision on the retail sale of cannabis. We could consider a similar approach, but it would mean to throw away most, if not all, the work that has been done to date by Administration. Furthermore, the way we are managing temporary uses in Alberta seems different then in BC. Here, according to our own Land Use Bylaw and its upcoming amendment, a temporary use is contemplated for a use that is either permitted or similar to a use permitted within the district. This could mean that for the purpose of a similar RFP approach, we would have to consider the retailing of cannabis similar to use permitted in the districts, which would likely be Retail or Retail Store (Liquor). Administration believes that by not considering the cannabis retail similar to these for the time being might help with the distinction in the land uses and the support for the additional regulations.

In light of the cursory review of the Langford process and the regional context, Administration doesn't believe that an RFP process similar to Langford is desirable for the City of Leduc considering where we are in our own process.

Other municipalities

Administration has been reviewing the progress of other municipalities in relation to amendments to their Land Use Bylaw as well as their Business Licence Bylaw. On the land use side, Administration's preliminary conclusion is that there is little consistency in the approach taken by the municipalities. Within the municipalities we surveyed, it looks like the consistency is around keeping retail stores away from schools and within non-residential districts. As for separating distances and identifying what constitute a sensitive use that needs buffering, it varies from municipality to municipality. Furthermore, certain municipalities are proposing the use as permitted, others as discretionary, and some are even using both designations. Administration is attaching a table that was prepared in May as schedule 2 to this report to inform the discussion about land use related to cannabis.

In regards to business licensing, Administration has looked into potential fees and hours of operation limitations in other municipalities. Similar to the land use bylaw, Administration noted a great diversity of approaches to the upcoming legalization of cannabis. From the municipalities that we have observed, it appears that those who have a stratified system for business licensing are more prone to adding additional fees for cannabis than those like the City of Leduc that have an un-stratified system (meaning that we deal with all the businesses in a similar way). Similar to Langford's approach, it appears that a few municipalities such as Edmonton, will be attempting to cover expenses by allocating higher fees. Schedule 3 presents our finding so far in relation to fees. As for hours of operation. A few municipalities are looking into restricted hours. Schedule 4 is presenting our findings.

Should Council decide to explore a different fee structure or different hours of operation, Administration would recommend to complete the current amending process and deal with these new item separately, in another amending bylaw with its own independent process.

ATTACHMENTS:

Schedule 1 – Langford's RFP

Schedule 2 – Table depicting 10 municipalities progress on land use

Schedule 3 – Table depicting proposed fees in other municipalities

Schedule 4 - Table depicting proposed hours restriction in other municipalities

RECOMMENDATION

That this report be received as information to facilitate the discussion and support the Committee in providing a direction to Administration. Potential direction could be as follow:

- Should the Committee decide that no changes are required to the proposed amendments to the Land Use bylaw, proposed Bylaw 970-2017 could come forward at the June 11 Council meeting for 3rd reading;
- Should the Committee decide that minor changes are required to proposed Bylaw 970-2017, that Administration prepare those minor changes and come back to council on June 25 for 3rd reading consideration;
- Should the Committee decide that major changes are required to proposed Bylaw 970-2017, that Administration bring proposed Bylaw 970-2017 to Council on June 11 to be defeated. This would require starting a new process and would require a 3-6 months period of time.

It is important to note that all options listed above are also applicable to proposed Bylaw 971-2017, a bylaw to amend the Business Licencing Bylaw, with the addition of the following option:

Should the Committee decide that additional regulations are required, and that these would not be in conflict with the proposed regulations, then Administration could be directed to start a new bylaw to add the new proposed regulations.

Others Who Have Reviewed this Report

I. Sasyniuk, Acting City Manager / M. Pieters, General Manager, Infrastructure & Planning

CITY OF LANGFORD



'REQUEST FOR PROPOSAL'

(RFP)

FOR THE

RETAIL SALES OF CANNABIS AND CANNABIS RELATED PRODUCTS

IN THE

CITY OF LANGFORD, BC

CITY OF LANGFORD
REQUEST FOR PROPOSALS

RETAIL SALES OF CANNABIS AND CANNABIS RELATED PRODUCTS

Introduction

Historically, the non-medicinal use of cannabis and cannabis related products ("Cannabis Products") has been prohibited by federal law in Canada. As a result, the retail sale of Cannabis Products has been prohibited by the City of Langford (the "City") under the City's Zoning Bylaw No. 300.

The Government of Canada ("Canada") and the Government of British Columbia ("British Columbia") are currently in the process of establishing a regulatory framework (the "Regulatory Framework") authorizing the retail sale of Cannabis Products for non-medicinal use. While the Regulatory Framework has not been finalized, Canada and British Columbia have established a number of guiding principles as follows:

1. The production of Cannabis Products for non-medicinal use will generally be regulated by Canada;
2. The distribution and retail sale of Cannabis Products for non-medicinal use will generally be regulated by British Columbia;
3. The minimum age to purchase, possess, and consume Cannabis Products for non-medicinal purposes will be 19 years old;
4. The maximum amount of Cannabis Products for non-medicinal use allowed to be in an individual's possession in a public place will be 30 grams;
5. Drug impaired driving will continue to be illegal, with British Columbia toughening regulations to give police more tools to remove drug-impaired drivers from the road and to deter drug-affected driving;
6. The wholesale distribution of Cannabis Products for non-medicinal use will be through the British Columbia Liquor Distribution Branch;
7. The retail sale of Cannabis Products will be through retail stores operated by British Columbia and/or retail stores operated by the private sector; and,
8. The production and retail sale of Cannabis Products for non-medicinal use may further be regulated by local governments through their zoning and business licensing powers.

The City is in the process of considering how best to address for its community the impending legalization of the use of Cannabis Products for non-medicinal purposes, and whether to permit the retail sale of Cannabis Products.

The City recognizes that there is a desire by some of the City's residents to be able to purchase Cannabis Products for non-medicinal use from local businesses.

The City also recognizes that there are challenges to authorizing the retail sale of Cannabis Products for non-medicinal use within the City's boundaries. Those challenges include, but are not limited to, the following:

1. Determining the number of locations, if any, where the retail sale of Cannabis Products for non-medicinal use should be permitted within the City's boundaries;
2. Determining the appropriate location(s), if any, where the retail sale of Cannabis Products for non-medicinal use should be permitted within the City's boundaries;
3. Identifying and addressing the neighbourhood impacts of permitting in a particular location within the City's boundaries the retail sale of Cannabis Products for non-medicinal use;
4. Funding training costs for police and bylaw enforcement officers in addressing:
 - (a) Nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - (b) Impairment issues relating to public use of Cannabis Products for non-medicinal purposes;
5. Funding policing, bylaw enforcement, and administrative costs associated with:
 - (a) Ensuring that the retail sale of Cannabis Products for non-medicinal use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
 - (b) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - (c) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
6. Funding educational initiatives and materials associated with the above impacts and related social concerns.

As a first step in addressing for its community the impending legalization of the use of Cannabis Products for non-medicinal purposes, the City is considering moving forward with a pilot program (the "Pilot Program") under which the City will, on a case by case basis, consider issuing temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use.

As a next step, if the Pilot Program is successful, the City may move forward with considering the amendment of the City's Zoning Bylaw No. 300 to authorize the retail sale of Cannabis Products for non-medicinal use at particular locations within the City's boundaries.

For the Pilot Program, the City has adopted some guiding principles to be considered in determining the location(s), if any, in respect of which the City will consider issuing temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use. In this regard, the retail sale of Cannabis Products for non-medicinal use is preferred to not be located within:

1. 500 metres of any other location where the retail sale of Cannabis Products for non-medicinal use has been authorized;
2. 300 metres of any school;
3. 300 metres of any group daycare;
4. 150 metres of Centennial Park, Veterans Memorial Park, City Centre Park, Westhills YMCA, any regional or Provincial park, or Langford, Glen or Florence Lakes; and,
5. 50 metres of any land zoned R1 (One-family Residential) or R2 (One- and Two-Family Residential), except within the designated City Centre.

These guiding principles are expected to limit the number of locations where the retail sale of Cannabis Products for non-medicinal use would be considered appropriate, but are expected to allow for a number of locations spread throughout the City's boundaries, in existing areas of commercial retail, to meet the needs of the City's residents. It should be noted that at this time that City will only be considering up to 5 such locations for the retail sale of Cannabis Products.

The City is interested in receiving proposals from individuals and/or organizations interested in undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries.

Proposal Requirements

Individuals and/or organizations ("Proponents") interested in undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries should submit a proposal (a "Proposal") to the City in accordance with this Request for Proposals (the "RFP").

Proposals should be received in a sealed envelope labeled "RFP for Retail Sales of Cannabis and Cannabis Related Products" addressed to the attention of Braden Hutchins, Director of Corporate

Services, at the City's offices at 2nd Floor, 877 Goldstream Avenue, Victoria, B.C., V9B 2X8, by 3:00 p.m. (Pacific Standard Time), on June 1, 2018. Proposals not received in time will not be considered unless, in the complete, sole, and unfettered discretion of the City, the City determines it to be in the City's best interests to consider the Proposal.

Proposals should include the following information:

1. Name of Proponent;
2. Where the Proponent is a society:
 - (a) The names of the Proponent's directors; and,
 - (b) A copy of the Proponent's incorporation documents;
3. Where the Proponent is a company:
 - (a) The names of the Proponent's directors and shareholders; and,
 - (b) A copy of the Proponent's incorporation documents;
4. A detailed description of the Proponent's current business undertakings, including a description of the Proponent's experience in retail sales in a commercial sector specifically regulated by Canada or British Columbia (e.g., age restricted sales and/or controlled substance sales);
5. A detailed description of any enforcement actions or proceedings brought by Canada, British Columbia, a local government, or an agent or branch of either of them against the Proponent in relation to the past or current business undertakings of the Proponent or its principals, or against the past or current business undertakings of third parties with whom the Proponent or its principals were or are associated;
6. A detailed description of the Proponent's proposed business plan for undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries, including a detailed description of the following:
 - (a) Proposed hours of operation;
 - (b) Proposed plan for:
 - (i) Ensuring that the retail sale of Cannabis Products for non-medicinal use is in compliance with the Regulatory Framework and all applicable City bylaws;

- (ii) Security measures associated with the premises from which the retail sale of Cannabis Products for non-medicinal use will occur;
 - (iii) Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
 - (iv) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes;
 - (v) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - (vi) Providing educational initiatives and materials associated with the above impacts and related social concerns.
 - (c) Proposed plan for assisting the City, including through financial contributions, with policing and bylaw enforcement costs, including the costs of additional training, and other increased City costs, including administrative costs, associated with:
 - (i) Ensuring that the retail sale of Cannabis Products for non-medicinal use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
 - (ii) Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
 - (iii) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - (iv) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes;
 - (v) Providing educational initiatives and materials associated with the above impacts and related social concerns.
7. A description of the Proponent's ability to obtain bonding, if necessary, and a minimum of \$5 million insurance coverage;
 8. While not a requirement, a description of the Proponent's preferred location or locations for undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries;
 9. Where the Proponent has a legal interest in the preferred location or locations, or has an enforceable commitment to acquire a legal interest in the preferred location or locations, details of the legal interest or enforceable commitment;

10. While not a requirement, information on the potential form, character and design of the proposed retail store; and,
11. A description of the Proponent's expected timeframe for commencing the retail sale of Cannabis Products for non-medicinal use within the City's boundaries.

All enquiries to the City in any manner whatsoever related to this RFP must be directed in writing by email to Braden Hutchins, Director of Corporate Services, at bhutchins@langford.ca, and must be received by no later than 3:00 p.m. (Pacific Standard Time) on June 1, 2018. Proponents are asked not to communicate with Mayor or Council in relation to this RFP.

The City asks that Proponents make best efforts to provide all of the information requested above. However, a Proposal which does not include some of the requested information, or does not include significant details in relation of some of that information, may be considered by the City where, in the complete, sole, and unfettered discretion of the City, the City determines it to be in the City's best interests to consider the Proposal.

Evaluation of Proposals

It is expected that this RFP will be used to identify up to 5 Proponents (the "Preferred Proponents") with whom the City will enter into further discussions in relation to the consideration of the issuance of temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use at locations identified in the Proposals of the Preferred Proponents or in subsequent discussions between the City and the Preferred Proponents.

In evaluating the Proposals, the City has the complete, sole, and unfettered discretion to determine which Proposals are in the best interests of the City's residents and to select the Preferred Proponents on that basis.

Where two or more Proponents identify the same preferred location, or identify preferred locations that do not comply with the spacing requirements set out in the guiding principles identified by the City for the Pilot Program, the City will give priority, in its complete, sole, and unfettered discretion, to the Proponent whose Proposal is otherwise considered by the City, in its complete, sole, and unfettered discretion, to be in the best interests of the City's residents.

A Proponent who identifies more than one preferred location in its Proposal may be selected by the City as a Preferred Proponent. However, that Proponent may be required to elect a single preferred location and all further discussions between the City and the Preferred Proponent will be in relation to that preferred location.

Proponents should be aware that, while not determinative, the City places importance on a Proponent's proposed plan to assist the City, including through financial contributions, with policing and bylaw enforcement costs, including the costs of additional training, and other increased City costs, including administrative costs, associated with:

1. Ensuring that the retail sale of Cannabis Products for non-medicinal use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
2. Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
3. Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes;
4. Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
5. Providing educational initiatives and materials associated with the above impacts and related social concerns.

Proponents should also be aware that if they are identified as a Preferred Proponent, that they would be responsible for all costs related to a Temporary Use Permit application and that the submission of such Temporary Use Permit application requires public notification and Council approval. As such, being identified as a Preferred Proponent does not guarantee approval of a Temporary Use Permit.

Proponents should also be aware that Provincial approval of through the forthcoming B.C. Non-Medical Cannabis Regulatory Framework will also be required.

No Legal Rights

No action by the City in any manner whatsoever related to this RFP, including without limitation the City's authorization of the issuance of this RFP, the City's receipt of a Proposal, the City's consideration of a Proposal, the City's rejection of a Proposal, and the City's discussions with a Proponent, gives rise to any legal or other obligations enforceable against the City. By submitting a Proposal, a Proponent acknowledges that it has no rights, whether in law or otherwise, to make any claim against the City in any manner whatsoever related to this RFP.

Schedule 2

SUBJECT: Updated review of land use bylaw amendments for cannabis regulation in Alberta municipalities, as of May 2018

This memo is a follow-up to a previous memo dated February 8, 2018, and provides updated information on steps that other Alberta municipalities have implemented to adapt their land use bylaws in response to legalized recreational cannabis industries within their boundaries.

Information collected concerns the following ten municipalities:

- Calgary
- Edmonton
- Fort McMurray
- Fort Saskatchewan
- Leduc County
- Lethbridge
- St. Albert
- Spruce Grove
- Stony Plain
- Strathcona County

Overall, progress has been made amongst most of the surveyed Alberta municipalities, some of whom have passed or are currently discussing proposed bylaws amendments to reflect land used for the legal retail sale of non-medical cannabis. However, thus far only Calgary and Strathcona County have officially approved land use bylaw amendments to regulate the location of cannabis retail stores in their communities, with Edmonton, Spruce Grove, Leduc County, St. Albert and Fort Saskatchewan expected to join their ranks by the end of June. Fort McMurray and Stony Plain have only recently begun their public engagement processes on this topic, while Lethbridge is in the early stages of drafting a proposal for bylaw amendments to present to their council. The following table displays new information in red and previously reported information in black.

Municipality	Steps taken to regulate cannabis through land use controls
Calgary	<p><u>LUB Amendments:</u> Yes, medical, recreational, (and Cannabis Consumption Bylaw created)</p> <p><u>Other Actions:</u> Public Engagement and Research, Cannabis Store Guidelines document*</p> <p><u>Definitions:</u> Medical Marihuana, Medical Marihuana Production Facility, (now deemed Cannabis Facility), Medical Marihuana Counselling (now deemed to be Cannabis Counselling), Cannabis Store</p> <p><u>Clarifications:</u> Co-location allowed; Notice Posting requirements; Broad variance powers for 100m MSD between school reserve parcels & cannabis stores, and limited variance powers for cannabis store applications up to 10% of the 150m MSD from parcels containing schools or emergency shelters; The production, processing, storage or sale of cannabis can only occur where it has been approved through a development permit for a use where it is specifically allowed in the use definition or rules; Liquor Store cannot abut a Cannabis store (exceptions in C-R2, C-R3, and CR20-C20/R-20); Cannabis Store included in Sales Use Group; Within Mixed-Use General and Mixed-Use Active Frontage districts, the length of building façade that faces a street containing an individual cannabis counselling use on the floor closest to grade is a maximum of 9m.</p> <p><u>MSDs:</u> Yes; Cannabis Counselling: 300m from another cannabis counselling use, 150m from a parcel that contains a school (exemptions for applications in the C-R2 and C-R3 districts); Cannabis Facility: 75m from a residential district; Cannabis Stores: 150m from schools & emergency shelters, 300m between cannabis stores (exceptions in C-R2, C-R3, and CR20-C20/R-20), 100m from Municipal and School Reserve and School Reserve Parcels</p> <p><u>Viable Districts – Cultivation/Production:</u> Industrial-General (Discretionary)</p> <p><u>Viable Districts – Retail/other:</u></p> <p>Cannabis Counselling:</p> <p>Commercial-Neighbourhood 1 & 2, (Discretionary)</p> <p>Commercial-Community 1 & 2 (Discretionary) ,</p> <p>Commercial -Corridor 1-3(Discretionary),</p>

	<p>Commercial Office 1(Discretionary), Commercial-Regional 2 & 3 (Discretionary), Industrial-Business (Discretionary), Industrial-Edge (Discretionary), Industrial-Commercial (Discretionary), Centre City Multi-Residential High Rise Support Commercial (Discretionary), Centre City Mixed Use (Discretionary), Centre City Commercial Corridor (Discretionary), Centre City East Village Transition (Discretionary), Centre City East Village Integrated Residential (Discretionary), Centre City East Village Mixed Use (Discretionary), Centre City East Village Primarily Residential (Discretionary), Commercial Residential (CR20-C20/R-20), (Discretionary) Mixed Use-General, (Discretionary) Mixed Use-Active Frontage, (Discretionary) <i>Cannabis Store: Anywhere non-residential outside of the buffer zone.</i></p>
Edmonton	<p><u>LUB Amendments:</u> Yes, <i>land use framework for Cannabis Retail Sales to presented for public hearing on May 7, 2018, council decision deferred to June 7th.</i> <u>Other Actions:</u> Public Engagement and Research, <i>Information sessions for potential business owners, Development Permit fee proposed to be \$5,600, Business License \$2,500</i> <u>Definitions:</u> Cannabis, Cannabis Production and Distribution, Cannabis Lounge, Cannabis Retail Sales <u>Clarifications:</u> <i>Production, sale, and consumption</i> are not included in: Urban Indoor Farms/Gardens, Rural Farms, Recreational Acreage Farms (unless federally licensed) Major/Minor Home Business, Greenhouses, Convenience Stores, General Retail Stores. <i>Medical Cannabis Clinics and Counseling Services</i> are included as a typical use in Health Services definition. <i>Cannabis Lounges</i> not included in the following uses: Private Clubs, Nightclubs, Bars/Neighbourhood Pubs <u>MSDs:</u> <i>Yes</i> <i>200m between cannabis retail and schools, public libraries, and other cannabis retail. (Variance power for up to 20m only between cannabis retail sites for DO's, no variance for MSD from schools & public libraries.)</i></p>

	<p>100m from provincial health facilities, parks & rec centers (no variance power for DO's)</p> <p><u>Viable Districts – Cultivation/Production:</u> General Industrial use class zones (permitted use)</p> <p><u>Viable Districts – Retail/Other:</u> <i>Medical Cannabis Clinics and Counselling</i> in Health Services use class zones permitted or discretionary (Community Services 1, Urban Services, Urban Institutional, Marquis Retail Centre, Ellerslie Industrial Business, Blatchford Low to Medium Rise Residential, Blatchford Medium Rise Residential, RA9 High Rise Apartment, RA7 Low Rise Apartment, Clareview Campus High Density Residential, Urban Warehouse, Arena & Entertainment District Zone)</p> <p><i>Retail Sales (proposed): Permitted in Shopping Centres, Low Intensity Business, General Business, Highway Corridor, Commercial Office, Commercial Mixed Business, Industrial Business, Core Commercial Arts, Commercial Mixed Use, and Heritage Area, Jasper Ave Main Street Commercial, Urban Warehouse, and Arena & Entertainment District (13 districts: 9 Commercial, 3 Commercial Mixed Use, 1 Industrial zone with commercial emphasis.)</i></p>
Fort McMurray	<p><u>LUB Amendments:</u> No</p> <p><u>Other Actions:</u> Public engagement – survey ends May 15, 2018.</p> <p><u>Definitions:</u> n/a</p> <p><u>Clarifications:</u> n/a</p> <p><u>MSDs:</u> n/a</p> <p><u>Viable Districts – Cultivation/Production:</u> n/a</p> <p><u>Viable Districts – Retail:</u> n/a</p>
Fort Saskatchewan	<p><u>LUB Amendments:</u> Yes (1st reading)</p> <p><u>Other Actions:</u> Public Engagement; Council voted on a moderate approach; proposed LUB and smoking bylaw amendments presented for 1st reading on May 8th, Public Hearing scheduled for June 12th.</p> <p><u>Definitions:</u> Retail Store (Cannabis), Cannabis Production and Distribution Facility</p> <p><u>Clarifications:</u> cannabis related uses not included in retail store(general), agriculture, greenhouse, home business, home office, or industrial (general) uses.</p> <p><u>MSDs:</u> no</p> <p><u>Viable Districts – Cultivation/Production:</u> Light Industrial, Medium Industrial (both permitted)</p>

	<p><u>Viable Districts – Retail:</u> Vehicle oriented retail and service, Commercial shopping Centre, Fort mall redevelopment, Core commercial-downtown, Mall precinct-downtown, Mixed use-downtown (all discretionary)</p>
Leduc County	<p><u>LUB Amendments:</u> Yes, amendments forthcoming. Scheduled to go to council for 1st reading June 12th.</p> <p><u>Other Actions:</u> n/a</p> <p><u>Definitions:</u> n/a</p> <p><u>Clarifications:</u> n/a</p> <p><u>MSDs:</u> n/a</p> <p><u>Viable Districts – Cultivation/Production:</u> n/a</p> <p><u>Viable Districts – Retail:</u> n/a</p>
Lethbridge	<p><u>LUB Amendments:</u> No</p> <p><u>Other Actions:</u> Cannabis and Zoning FAQ page on website Open House proposed, but not scheduled yet. Currently working on LUB amendment proposal. Plan to have amendments formalized by late June.</p> <p><u>Definitions:</u> n/a</p> <p><u>Clarifications:</u> Licensed medical cannabis producers are considered "Manufacturing, Intensive"</p> <p><u>MSDs:</u> n/a</p> <p><u>Viable Districts – Cultivation/Production:</u> Heavy Industrial (permitted), General Industrial (discretionary)</p> <p><u>Viable Districts – Retail:</u> n/a</p>
<u>St. Albert</u>	<p><u>LUB Amendments:</u> Yes (medical), retail sales bylaw amendments in the works – approach mimicking liquor store districting. Proposed amendments to be presented to Council for 1st reading on May 28, 2018.</p> <p><u>Other Actions:</u> Cannabis Task Force, Work plan, Communications Tactics and Budget, Conceptual Phase Project Estimate, Public Engagement, presented smoking and business licensing bylaw amendment options to Committee of the Whole.</p> <p><u>Definitions:</u> Medical Marihuana Production Facility, replacing with "Cannabis Production Facility", adding "Cannabis Retail Store"</p> <p><u>Clarifications:</u> not disclosed yet.</p> <p><u>MSDs:</u> Same as provincial framework standards</p> <p><u>Viable Districts – Cultivation/Production:</u> Commercial and Industrial Services, Business Park, Business Park Transition, Business Park 2 Direct Control</p> <p><u>Viable Districts – Retail:</u> Discretionary use only, in same districts where Liquor sales are permitted or discretionary.</p>
<u>Spruce Grove</u>	<p><u>LUB Amendments:</u> Yes (medical, retail in the works)</p>

	<p><u>Other Actions:</u> First reading of bylaw amendments for retail passed, public hearing scheduled for May 14, 2018.</p> <p><u>Definitions:</u> Medical Marihuana, Medical Marihuana Production Facility</p> <p>Replacing the above with "Cannabis" and "Cannabis Production Facility"</p> <p>Add: "Cannabis Accessory", "Cannabis Sales"</p> <p><u>Clarifications:</u> Medical Marihuana Production Facility not a permitted use within: Agriculture, General Industrial, Greenhouse, or Retail Sales</p> <p><u>MSDs:</u> Yes; 300m from Libraries, Rec centers (indoor or outdoor), schools, and school reserve sites. 100m from Parks, Playgrounds, Child Care Facilities, Provincial Health Facilities, or a school located in a district where commercial uses are permitted.</p> <p><u>Viable Districts – Cultivation/Production:</u> General Industrial</p> <p><u>Viable Districts – Retail/Other:</u> Anywhere outside the buffer zone</p>
Stony Plain	<p><u>LUB Amendments:</u> No</p> <p><u>Other Actions:</u> Direction requested from Council, Public Engagement (Survey ends May 18)</p> <p><u>Definitions:</u> n/a</p> <p><u>Clarifications:</u> n/a</p> <p><u>MSDs:</u> n/a</p> <p><u>Viable Districts – Cultivation/Production:</u> n/a</p> <p><u>Viable Districts – Retail:</u> n/a</p>
Strathcona County	<p><u>LUB Amendments:</u> Yes</p> <p><u>Other Actions:</u> Public Engagement and Research, Retail Zoning bylaws passed</p> <p><u>Definitions:</u> "Cannabis Production Facility", "Retail, Cannabis"; remove "Drug Paraphernalia" and "Retail, Drug Paraphernalia" definitions</p> <p><u>Clarifications:</u> Cannabis Production Facility not a permitted use in: Agriculture (General), Agriculture (Intensive), Horticulture, Agriculture (Product Processing), Greenhouse; "Retail, Cannabis" is not to be contemplated as included in the following use definitions: "Flea Market", "Home Business", "Live-Work Unit", "Retail, Alcohol", "Retail, Convenience", "Retail, General", "Retail, Secondhand"</p> <p><u>MSDs:</u> Yes – 100m from schools, school reserves, and public health facilities.</p>

	<p><u>Viable Districts – Cultivation/Production:</u> Discretionary in Medium Industrial and Agriculture (General)</p> <p><u>Viable Districts – Retail:</u></p> <p><i>Permitted</i> in Arterial Commercial, Major Commercial, Salisbury Village Area 2 – Arterial Commercial, Salisbury Village Area 9 – Village Commercial, Salisbury Village Area 10 – Village Commercial/Employment, Salisbury Village Area 11 – Village Swing Site, DC1, DC3, DC10 – Area B, DC19 – Area A, and DC69 Area I (11 Districts)</p> <p><i>Discretionary</i> in Community Commercial, Highway Commercial, Service Commercial, Light Industrial, Rural Area - Local Commercial, Heavy Industrial Transition Overlay, Emerald Hills Area VII Commercial & High Density Residential, DC36, DC44, DC45, DC48 – A, B and C, DC54, DC 72 Areas I & II, and DC75 Area C (14 Districts)</p>
--	--

Schedule 3

SUBJECT: Cannabis (Retail) Business Licensing Fees

The purpose of this memo is to outline the reported strategies of various Alberta municipalities when it comes to licensing cannabis retail businesses. Each municipality is identified as having either an Un-stratified, Semi-Stratified or Stratified business licensing fee scheme, depending on whether they have 1-2, 3-4, or 5+ different fees for different types of businesses requiring licenses. This analysis was done for the purpose of determining whether the stratification of a municipality's existing business licensing scheme may be correlated with the decision to differentiate their cannabis business license fee amount from that of other retail or commercial businesses.

The information available from nine municipalities indicates that a minority of municipalities (Edmonton, Grand Prairie, and St. Albert) plan to set cannabis license fees higher than their standard fee for a general (retail) business license. The majority of municipalities surveyed appear to hold the view that the processing of business licenses for cannabis retail will be similar to that of any other business and will thus not justify levying a higher fee compared to other types of businesses.

In phone discussions, several municipal representatives mentioned that their administration deemed the argument for a tiered or differentiated business licensing scheme for cannabis to be difficult to defend if challenged in court. Although they do anticipate a need for additional municipal revenue to offset the increased costs of enforcement, public engagement, staffing, etc. related to regulating impacts of the cannabis industry on their communities, so far these municipalities believe that business licensing is not the appropriate avenue to pursue funding for these measures.

The following table summarizes this information, as collected from the respective municipal websites as well as by phone and notes from a meeting between several municipal business licensing officials on April 12, 2018. It was updated early May, 2018.

Municipality	Standard Base Fee	Cannabis Retail License Fee	Additional License Fees (Emergency services, etc.)	Total Non-res Cost (Standard/ Cannabis)	Remarks
Edmonton Stratified	\$283	\$2,500	Non-Resident: \$540	\$823 \$3,440	Proposed ; cannabis fee is higher than for bars, but lower than casinos. Option Analysis
Calgary Semi-stratified	\$191	\$191	Fire, Police, Planning : \$145 Non-resident: \$754	\$1,235 \$1,235	• License Fee Schedule
Airdrie Un-stratified	\$100	\$100	Non-Resident: \$100	\$200 \$200	• Info sheet Want to avoid being challenged in court (Like Vancouver is) over discriminatory fees for cannabis.
Grand Prairie Semi-stratified	\$0	\$5000	Non-resident: \$400	\$400 \$5,400	• Fee schedule Proposed; going to council 5/22/2018 Production & Dist. fee to be \$500.
Spruce Grove Un-stratified	\$260	\$260	Non-Resident: \$425	\$685 \$685	No changes planned for BL bylaw; only development permits.
Fort Saskatchewan	\$95	\$95	Non-Resident: \$225	\$320 \$320	• Fee Schedule

Un-stratified					Not differentiating ; feel that at the processing level they will not see any extra burden to necessitate a higher fee.
Beaumont	\$95		\$11	\$106	<ul style="list-style-type: none"> Fee Schedule No discussion yet.
Semi-stratified					
Stony Plain	\$100	\$100	\$100	\$200	<ul style="list-style-type: none"> Fee Schedule No fee change at this time; per Info Sharing meeting attended by S.Mytroen 4/12/2018
Un-stratified				\$200	
St. Albert	\$140.76	\$854.46	Non-Resident: \$541.62	\$682.38	Committee brief shows suggestion to add "cannabis" to the definition of "restricted products"; imposition of a fee optional, could be the same as Tobacco Retail License though.
Semi-stratified <ul style="list-style-type: none"> Tobacco Retail License Bylaw 				\$1,396.08	

Schedule 4

SUBJECT: Cannabis business hours of operation

According to the Government of Alberta's Cannabis Framework, cannabis retailers may be open from 10 am to 2 am, the same as liquor stores.

Municipality	Hours of Operation
Edmonton Stratified	Proposed hours of operation are 10 am to 11 pm, Monday through Sunday
Calgary Semi-stratified	10 am to 2 am.
Airdrie Un-stratified	Not disclosed yet
Grand Prairie Semi-stratified	Proposed; going to council 5/22/2018 daily operation hours of 10 am to 10 pm.
Spruce Grove Un-stratified	Public hearing to be held May 14, 2018; operating hours shall be 10 am to 11 pm.
Fort Saskatchewan Un-stratified	Not disclosed yet
Beaumont Semi-stratified	No discussion yet.
Stony Plain Un-stratified	No discussion yet.
St. Albert Semi-stratified	Not disclosed yet
• Tobacco Retail License Bylaw	

MEETING DATE: June 11th, 2018

SUBMITTED BY: Ken Woitt, Director, Planning & Economic Development

PREPARED BY: Sylvain Losier, Manager, Current Planning and Development

REPORT TITLE: Bylaw 970-2017 – Amendment 74 to the Land Use Bylaw

REPORT SUMMARY

This report contains Administration's recommendation towards the next steps with proposed Bylaw 970-2017.

RECOMMENDATION

1. That Council gives Bylaw 970-2017 third reading.

BACKGROUND

KEY ISSUE(S) / CONTEXT:

At the May 14, 2018 Council meeting, a Public Hearing was held under the Municipal Government Act (MGA) for the purpose of allowing interested parties to communicate their thoughts and views on the proposed bylaw. Following the Public Hearing, Council granted 2nd reading to the proposed bylaw and directed Administration to gather additional information to be presented at the June 11, 2018 Committee of the Whole. The required information related to the proposed bylaw were:

- Provide a quick overview of the Langford, BC approach; and
- Provide a table depicting what other municipalities are doing from a land use perspective in relation to cannabis legalization.

The required information was provided to Committee of the Whole (Report 2018-CoW-044).

LEGISLATION AND/OR POLICY:

1. Municipal Government Act, RSA 2000, Chapter M-26, as amended
 - S. 640(2)(a) requires a municipality be divided into land use districts.
 - S. 606 and S. 692 govern the requirements for advertising a bylaw.

PAST COUNCIL CONSIDERATION:

The upcoming legalization of cannabis has been previously discussed at various Committee of the Whole and Council meetings (June 26 and December 4, 2017; March 12, March 19, 2018). Bylaw 970-2017 received 1st reading on Monday, April 23, 2018. The Public Hearing was held on May 14, 2018 in accordance with the MGA, and 2nd reading was granted on Monday, May 28, 2018.

CITY OF LEDUC PLANS:

Bylaw 970-2017 is consistent with the City's Municipal Development Plan, as amended.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

Should Council agree with the recommendation, Administration will coordinate to ensure there is efficient communication with the community and the interested parties.

POLICY:

No policy changes are required.

LEGAL:

If the recommendation is accepted, the planning framework will be created to manage cannabis related land uses. This would include the creation of the overlay and the addition of Cannabis Production and Distribution, Cannabis Counselling, and Retail Store (Cannabis) as discretionary uses within the overlay, as well as the regulations in terms of location and separating distance.

IMPLEMENTATION / COMMUNICATIONS:

Pending Council's decision, Administration will communicate the outcome using various platforms.

ALTERNATIVES:

1. That Council decides to make minor changes to the proposed bylaw and direct staff to prepare the amendment to the bylaw and come back at the June 25, meeting for 3rd reading.
2. That Council defeats Bylaw 970-2017.

ATTACHMENTS:

1. Bylaw 970-2017

Others Who Have Reviewed this Report

I. Sasyniuk, Acting City Manager / B. Loewen, City Solicitor / M. Pieters, General Manager, Infrastructure & Planning

AMENDMENT #74 - TO BYLAW NO. 809-2013, THE LAND USE BYLAW

The *Municipal Government Act*, R.S.A. 2000, Chapter M-26, as amended (the "Act") grants a municipality the authority to pass a Land Use Bylaw;

AND: in accordance with the Act, the City of Leduc passed Land Use Bylaw No. 809-2013 to regulate and control the use and development of land and buildings in the City of Leduc, and the Council has deemed it expedient and necessary to amend Bylaw No. 809-2013;

AND: notice of intention to pass this bylaw has been given and a public hearing has been held in accordance with the Act;

THEREFORE: the Council of the City of Leduc in the Province of Alberta duly assembled hereby enacts as follows:

PART I: APPLICATION

That Bylaw No. 809-2013 be amended as follows:

1. Section 3.4.1. is deleted and replaced with the following:

"3.4.1. Overlays shall provide a means to add or remove land uses as well as to alter or specify regulations for Permitted and Discretionary Uses in otherwise appropriate districts in order to achieve the local planning objectives in specially designated areas throughout the City of Leduc."

2. Section 3.4.2.3. is deleted and replaced with the following:

"3.4.2.3. every use and regulation specified or changed by the Overlay."

3. Section 3.4.3. is deleted in its entirety.

4. The following new sections are added after Table 42.1.1:

"18.10. Cannabis Overlay

18.10.1. Purpose

18.10.1.1. The purpose of this overlay is to enable and coordinate the land uses associated with cannabis in order to ensure their proper integration within the Cannabis Overlay area.

18.10.2. Applicability

18.10.2.1. This Overlay shall apply to the area outlined in Figure 3.3: City of Leduc Cannabis Overlay Area.

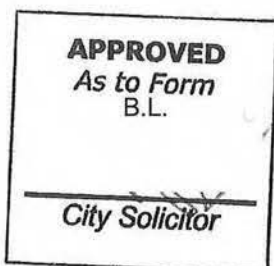
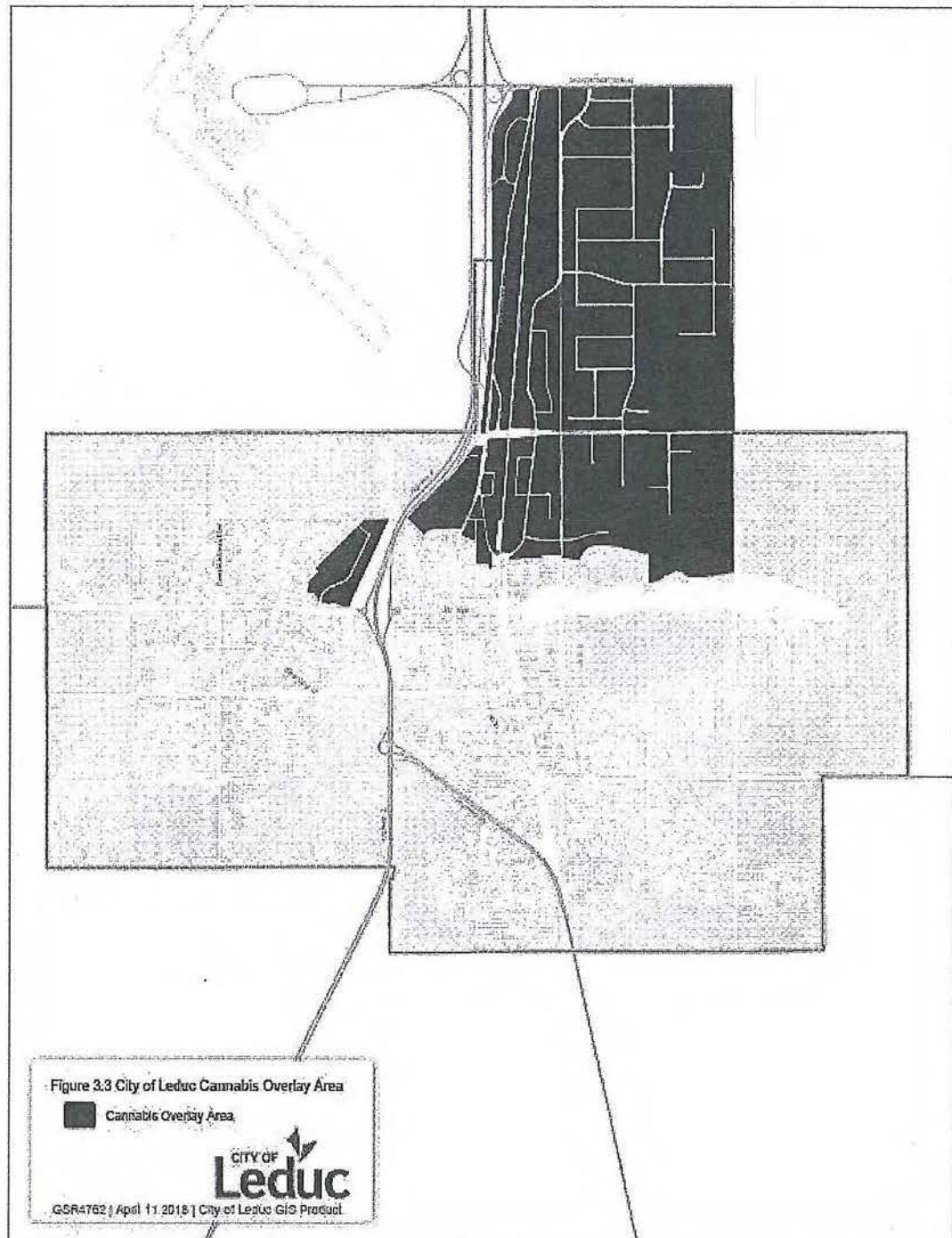


Figure 3.3 City of Leduc Cannabis Overlay Area



18.10.3. Development Regulations

- 18.10.3.1. Development within this overlay shall be evaluated with respect to compliance with the underlying district and all other provisions of this Bylaw where not specifically overridden by this overlay. In the case of

conflicting regulations within this overlay and other sections of the Land Use Bylaw, the regulations contained in the overlay shall prevail.

- 18.10.3.2. Within the Cannabis Overlay, for any Parcel of land that is 1.99 ha or less at the time of the Development Permit application, a minimum separating distance of 100 meters shall be required between specific land uses located within the overlay as follow:

1) if the proposed use is Retail Store (Cannabis) - separating distance from an existing Retail Store (Cannabis) or an existing Retail Store (Liquor); or

2) if the proposed use is Retail Store (Liquor), - separating distance from an existing Retail Store (Cannabis) or an existing Retail Store (Liquor).

For the purpose of this section, the minimum 100.0 m separating distance shall be measured from the closet point of the subject Parcel of land boundary to the closest point of another Parcel of land boundary, and shall not be measured from the District boundaries or from the edges of Structures.

- 18.10.3.3. Within the Cannabis Overlay, for any Parcel of land that is 2.00 ha or greater at the time of the Development Permit application, no separating distance shall be required, but there shall be a limit of one (1) Retail Store (Liquor) or one (1) Retail Store (Cannabis) per Parcel of land.

- 18.10.3.4. Within the Cannabis Overlay, a Retail Store (Cannabis) or a Retail Store (Liquor) cannot be located on a Parcel of land abutting another Parcel of Land where a Retail Store (Cannabis), a Retail Store (Liquor), or a Day Care Facility exist at the time of the Development Permit application. Furthermore, a Day Care Facility cannot be located on a Parcel of land abutting another Parcel of Land where a Retail Store (Cannabis) or a Retail Store (Liquor) exist at the time of the Development Permit application.

- 18.10.3.5. Within the Cannabis Overlay, a Retail Store (Cannabis) or a Retail Store (Liquor) cannot be located on a Parcel of land abutting another Parcel of Land which is under the district General Recreation or Urban Services at the time of the Development Permit application.

- 18.10.3.6. Within a Cannabis Production and Distribution Use, all activities linked to the production, cultivation, and processing of cannabis shall be done indoors, within an enclosed building designed and equipped to prevent odours and noise from negatively impacting adjacent properties as per the requirement of Health Canada and Federal Legislation.

18.10.4. Land Uses

- 18.10.4.1. Permitted and Discretionary Uses within the underlying Land Use Districts remain Permitted and Discretionary within this Overlay.

18.10.4.2. In addition to the Uses identified in Section 18.10.4.1., the following Uses will be Discretionary within this Overlay:

1) Cannabis Counselling within the following underlying Land Use Districts: GC – General Commercial; CSC – Commercial Shopping Centre; IL – Light Industrial; IBL – Business Light Industrial; and IM – Medium Industrial.

2) Cannabis Production and Distribution within the following underlying Land Use Districts: IL – Light Industrial and IM – Medium Industrial.

3) Retail Store (Cannabis) within the following underlying Land Use Districts: GC – General Commercial; CSC – Commercial Shopping Centre; IL – Light Industrial; IBL – Business Light Industrial; and IM – Medium Industrial."

5. Section 26.0. Table 48: Glossary of Terms and Uses is amended as follows:

a) The definition for Agriculture is deleted and replaced with:

- i) "Agriculture
means an agricultural activity conducted on agricultural land for gain or reward or in the hope or expectation of gain or reward, and includes:
- (a) the cultivation of land,
 - (b) the raising of livestock, including domestic cervids within the meaning of the Livestock Industry Diversification Act and poultry,
 - (c) the raising of fur-bearing animals, game birds or fish,
 - (d) the production of agricultural field crops,
 - (e) the production of fruit, vegetables, sod, trees, shrubs and other specialty horticultural crops,
 - (f) the production of eggs and milk,
 - (g) the production of honey,
 - (h) the operation of agricultural machinery and equipment, including irrigation pumps,
 - (i) the application of fertilizers, insecticides, pesticides, fungicides and herbicides, including application by ground and aerial spraying, for agricultural purposes, and
 - (j) the collection, transportation, storage, application, use, transfer and disposal of manure, composting materials and compost, and the abandonment and reclamation of confined feeding operations and manure storage facilities.

Agriculture does not include Cannabis Production and Distribution."

b) The following new definitions are added after the definition for Campground:

- i) "Cannabis
means a cannabis plant and any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, any substance or mixture of substances that contains or has on it any part of such a plant and any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained but does not include a non-viable seed of a cannabis plant, a mature stalk,

without any leaf, flower, seed or branch, of such a plant, fibre derived from a such a stalk and the root or any part of the root of such a plant."

- ii) "Cannabis Accessory
(a) means a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers, that is represented to be used in the consumption of cannabis or a thing that is represented to be used in the productions of cannabis; or
(b) for the purposes of this definition a thing is deemed to be represented to be used in the consumption or production of cannabis if the thing is sold at the same point of sale as cannabis."
- iii) "Cannabis Counselling
means a use where counselling on cannabis is provided by a person or group of persons who are not medical professionals, and whereas no sales or consumption of cannabis is permitted at the premise where the activity is conducted."
- iv) "Cannabis Plant
means a plant that belongs to the genus *Cannabis*."
- v) "Cannabis Production and Distribution
means a Development operated by a person who holds a licence under the federal Act that authorizes the person to produce cannabis. Typical activities would include the production, cultivation, processing, making, testing, manufacturing, packaging, storing, and transshipping of Cannabis in conformity with all federal and provincial Acts."

c) The definition for Commercial Storage Facility is deleted and replaced with:

- i) "Commercial Storage Facility
means a single Building storage facility in which all storage is indoors with an interior loading and unloading dock. Exterior storage is not permitted except for licenced vehicles that may be parked for extended periods of time, but does not include recreation vehicles. The Building will be of a single or multi Storey design with a higher exterior architectural standard suitable to a commercial usage area and does not include Cannabis Production and Distribution."

d) The definition for General Industrial (Light) is deleted and replaced with:

- i) "General Industrial (Light)
means Development industrial business uses that conduct their operations such that no significant adverse effects or nuisance factors such as noise, effluent, odour or emission is created or apparent outside an enclosed building or beyond the site that would make the use incompatible with adjacent nonindustrial uses. These uses are low risk prone activities, with no Dangerous Goods above minimum acceptable thresholds. This Land Use category may include, but is not limited to the following:
(a) processing of raw or finished materials;
(b) transshipment of goods;
(c) manufacturing or assembly of goods, products or equipment;
(d) cleaning, servicing, repairing or testing of materials, goods and equipment normally associated with industrial or commercial business or those associated with personal or household use, where such operations have impacts that would typically make them incompatible in non-industrial districts;
(e) research and development uses and laboratory facilities;

- (f) the training of personnel in general industrial operations;
- (g) these uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Light) businesses.

Pipe storage yards and Cannabis Production and Distribution are both excluded from this use class."

- e) The definition for General Industrial (Medium) is deleted and replaced with:

- i) "General Industrial (Medium)
means industrial logistics or industrial manufacturing, including activities involved in storage, transportation, distribution, wholesaling, manufacturing and servicing of industrial goods or equipment, which do not, in the opinion of the Development Authority, emit a significant level of noise, smoke, dust, odour, vibration or other nuisance factor beyond the Medium Industrial District boundary. Where these uses include on-site Dangerous and Hazardous Goods, a Dangerous Goods Impact Assessment (DGIA) will be required identifying the estimated risks using the Major Industrial Accidents Counsel of Canada (MIACC) Version 1 methodology (The MIACC's Acceptability Criteria). These uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Medium) businesses.

Cannabis Production and Distribution is excluded from this use class."

- f) The definition for General Industrial (Special) is deleted and replaced with:

- i) "General Industrial (Special)
means industrial operations similar to those classified as General Industrial (Medium) uses, but which include moderate risk activities with Dangerous and Hazardous Goods. A Dangerous Goods Impact Assessment (DGIA) must be completed identifying the estimated risks using the Major Industrial Accidents Counsel of Canada (MIACC) Version 1 methodology (The MIACC's Acceptability Criteria). The uses must demonstrate that there is no more than a 10 in 1,000,000 risk fatality within a 160 meter diameter radius from the dangerous goods/products on site. These uses may include any indoor display, office, technical or administrative support areas or any sales operation accessory to the General Industrial (Special) businesses.

Cannabis Production and Distribution is excluded from this use class."

- g) The definition for Greenhouse is deleted and replaced with:

- i) "Greenhouse
means a Development for the growing, acclimating, propagating, harvesting, displaying and selling of bedding, edible, Household and ornamental plants and may include accessory uses related to the storing, displaying and selling of gardening, nursery and related products. Cannabis Production and Distribution and Retail Store (Cannabis) are both excluded from this use class."

h) The definition for Home Occupation is deleted and replaced with:

- i) "Home Occupation
means a secondary use to the residential use of a Dwelling for the purpose of a business which:
 - (a) is operated by a principal resident of the Dwelling;
 - (b) may have business associated visits to the residence to a maximum of fifteen (15) per week;
 - (c) may have a non-resident person employed in the Dwelling;
 - (d) is not detectable from outside the Dwelling;
 - (e) may have some business activities extend to the Garage and/or an Accessory Development;
 - (f) may have some storage related to the business located inside the dwelling, Garage and/or an Accessory Development;
 - (g) may have a business-related vehicle; and
 - (h) does not use any outside Yard for storage or any type of business activity.

Cannabis Counselling and Retail Store (Cannabis) are both excluded from this use class."

i) The definition for Home Office is deleted and replaced with:

- i) "Home Office
means a secondary use located within a Dwelling for the purpose of a business which:
 - (a) is operated by a principal resident of the Dwelling;
 - (b) does not require business associated visits;
 - (c) does not require any non-resident persons employed within the Dwelling;
 - (d) is not detectable from outside the Dwelling;
 - (e) does not extend the business activity to the Garage or outside yard; and
 - (f) does not require parking of business-related vehicle.

Cannabis Counselling and Retail Store (Cannabis) are both excluded from this use class."

j) The definition for Late Night Club is deleted and replaced with:

- i) "Late Night Club
means any premises or part thereof, the primary purpose of which is to host regular dances, entertainment performances or other events where:
 - (a) no alcohol, alcoholic beverages, or cannabis are available on the premises for consumption or sale;
 - (b) 20 or more patrons are assembled at any time between 2:00 A.M. and 6:00 A.M.;
 - (c) the events are held for the purpose of gain or profit;
 - (d) tickets are sold or an entrance or attendance fee is charged for persons to attend; and
 - (e) music, noise or sound of any kind or source is emitted, including, but not limited to the performing or playing of live music, amplified recorded or computer generated sounds."

- k) The definition for Personal Service is deleted and replaced with:
- i) "Personal Service
means a Development used for the provision of Personal Services to an individual which are related to the care and appearance of the body, or the cleaning and repair of personal effects and includes such uses as barbershops, hairdressers, tattoo parlours, beauty salons, tanning salons, shoe repair shops, Laundromats, dry cleaning outlets, but does not include Cannabis Counselling, Health Service, Retail Stores, Service Stations or Adult Entertainment Facilities."
- l) The definition for Private Club is deleted and replaced with:
- i) "Private Club
means Development used for the meeting, social or recreational activities of members of a non-profit philanthropic, social service, and athletic, business or fraternal organization, without on-site residences. Private Clubs may include lodges as well as rooms for eating, drinking and assembly. This use class does not allow for any cannabis consumption on the premise. Cannabis Production and Distribution is excluded from this use class."
- m) The following new definition is added after the definition for Residential unit:
- i) "Retail Store (Cannabis)
means a retail store licenced by the Province of Alberta to sell Cannabis and Cannabis Accessory to the public, for consumption elsewhere."

PART II: ENACTMENT

This Bylaw shall come into force and effect when it receives Third Reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS _____ DAY OF _____, AD 2018.

READ A SECOND TIME IN COUNCIL, THIS _____ DAY OF _____, AD 2018.

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS _____ DAY OF _____, AD 2018.

Robert Young
MAYOR

Sandra Davis
CITY CLERK

Date Signed _____

DATE: April 7, 2018

MEETING DATE: April 23, 2018

SUBMITTED BY: Ken Woitt, Director, Planning & Development

PREPARED BY: Sylvain Losier, Manager, Current Planning and Development

REPORT TITLE: Bylaw 971-2017 – Amendment to the Business Licence Bylaw

REPORT NUMBER: 2017-CR-133

REPORT SUMMARY

Bylaw 971-2017 is proposing to amend the Business Licence Bylaw by updating references to existing bylaws and deleting a section that will become obsolete once the federal legislation on cannabis is in effect.

RECOMMENDATION

That Council give Bylaw 971-2017 first reading and set the Council meeting of May 14th as the time and place for the Public Hearing of said bylaw to be held in accordance with the Municipal Government Act (MGA).

BACKGROUND

KEY ISSUE(S) / CONTEXT:

With the upcoming legalisation of cannabis by the Government of Canada and the upcoming cannabis framework set by the Government of Alberta, the City of Leduc should take this opportunity to review its Business Licence Bylaw to evaluate how the proposed new acts and regulations could impact the Business Licence Bylaw. Under the proposed federal Act (Bill C-45), cannabis accessories are defined as follow:

cannabis accessory means

- (a) a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers, that is represented to be used in the consumption of cannabis or a thing that is represented to be used in the production of cannabis; or
- (b) a thing that is deemed under subsection (3) to be represented to be used in the consumption or production of cannabis. (*accessoire*)

Deeming — cannabis accessory

- (3) For the purposes of the definition *cannabis accessory*, a thing that is commonly used in the consumption or production of cannabis is deemed to be represented to be used in the consumption or production of cannabis if the thing is sold at the same point of sale as cannabis.

It is Administration's understanding that the Government of Alberta does not intend to restrict the sale of accessory as defined by federal legislation. However, all accessory to be sold at cannabis premises will have to be kept under lock. If a municipality adds additional restrictions to those imposed by the other levels of government, this will impact the competitiveness of the retail store. Therefore, an amendment to the bylaw is necessary as we currently limit to two (2) the type of accessory that can be sold in one (1) location (section 3, License requirements, subsection 5a). To be competitive, Administration believes that these stores may need to sell accessories.

As for the background verification in order to obtain a business license, considering that the provincial framework is quite robust, requiring financial, personal, and criminal verifications, Administration felt that it would not be necessary to duplicate the process by adding similar requirements to the municipal licensing process. As with any other industry, the issuance of a business license does not eliminate or supersede the requirements of meeting all federal and provincial acts, regulations, and other requirements.

LEGISLATION AND/OR POLICY:

1. Municipal Government Act, RSA 2000, Chapter M-26, as amended
 - S. 7 A council may pass bylaws for municipal purposes respecting the following matters:
 - (a) the safety, health and welfare of people and the protection of people and property; and
 - (e) businesses, business activities and persons engaged in business;...
 - Business License Bylaw 767-2011, as amended

PAST COUNCIL CONSIDERATION:

The upcoming legalisation and its potential implication for the Business License Bylaw has been discussed three (3) times (June 26th and December 4th, 2017, March 19, 2018) in Committee of the Whole (CoW). This is the first time that Bylaw 971-2017 is presented to Council.

CITY OF LEDUC PLANS:

Bylaw 971-2017 is consistent with the City's Municipal Development Plan, as amended.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

There are no organizational implications.

POLICY:

There are no policy implications.

IMPLEMENTATION / COMMUNICATIONS:

The public hearing will need to be advertised in the April 27th and May 4th, 2018 issues of 'The Representative' and notification will also be made available on the City of Leduc cannabis webpage.

ALTERNATIVES:

1. That Council direct Administration to amend the proposed Bylaw before giving 1st reading as amended.
2. That Council defeat Bylaw 971-2017, cancel the public hearing of May 14th, and direct Administration to create a new amending bylaw to address the upcoming legalisation of cannabis. The new approach could contemplate options such as:
 - a. categorizing industries for which a business licence is required,
 - b. imposing various fees pending on the industry category, and/or

- c. limiting the number of licence for certain industries.

ATTACHED REPORTS / DOCUMENTS:

1. Bylaw 971-2017
2. City of Leduc Business License Bylaw

Others Who Have Reviewed this Report

P. Benedetto, City Manager / B. Loewen, City Solicitor / M. Pieters, General Manager, Infrastructure & Planning

Bylaw No. 971-2017

PAGE 1

A BYLAW OF THE CITY OF LEDUC IN THE PROVINCE OF ALBERTA, TO AMEND BYLAW 767-2011 TO LICENSE AND REGULATE BUSINESSES

WHEREAS pursuant to section 7(e) of The *Municipal Government Act*, a council may pass bylaws for municipal purposes respecting businesses, business activities and persons engaged in business;

AND, in accordance with the Act, Council finds it desirable to amend Bylaw 767-2011;

THEREFORE, the Council of the City of Leduc in the Province of Alberta duly assembled, hereby enacts as follows:

That Bylaw 767-2011 shall be amended as follows:

1. Section 2 (1)(k) shall be deleted in its entirety and replaced with the following:

(k) "Fees Bylaw" means the current City of Leduc Fees Bylaw;

2. Section 2 (1)(m) shall be deleted in its entirety and replaced with the following:

(m) "Land Use Bylaw" means The City of Leduc Land Use Bylaw No. 809-2013;

3. The phrase "and Charges" shall be struck from sections 2(1)(o), 5(4), 5(6), 5(7) and 12(1).
4. Section 3(5)(a) shall be deleted in its entirety.
5. This Bylaw shall come into force and effect when it receives Third Reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS ____ DAY OF _____, AD 2018.

READ A SECOND TIME IN COUNCIL THIS ____ DAY OF _____ AD 2018.

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS ____ DAY OF _____, AD 2018.

APPROVED
As to Form

B. L.

City Solicitor

Date Signed

Bob Young
MAYOR

Sandra Davis
CITY CLERK

Date of Consolidation: September 3, 2014

Consolidation of Bylaw 767-2011

CITY OF LEDUC BUSINESS LICENSE BYLAW

Adopted September 26, 2011

As Amended By:

Bylaw 861-2014 adopted June 23, 2014

This consolidation is not an Official Bylaw. It is prepared by the City Clerk's Office for the assistance only.
Copies of the official bylaw(s) may be purchased from the City Clerk's Office.
This consolidated bylaw was authorized pursuant to Bylaw No. 389-97

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 1

A BYLAW OF THE CITY OF LEDUC, IN THE PROVINCE OF ALBERTA, TO LICENSE AND REGULATE BUSINESSES

WHEREAS pursuant to section 7(a) of the *Municipal Government Act*, a council may pass bylaws for municipal purposes respecting the safety, health and welfare of people and the protection of people and property; and

WHEREAS pursuant to section 7(e) of the *Municipal Government Act*, a council may pass bylaws for municipal purposes respecting businesses, business activities and persons engaged in business; and

WHEREAS pursuant to section 7(e) of the *Municipal Government Act*, a council may pass bylaws for municipal purposes respecting the enforcement of bylaws made under the *Municipal Government Act* or any other enactment including any or all of the matters listed therein; and

WHEREAS pursuant to section 8 of the *Municipal Government Act*, a council may in a bylaw:

- (a) Regulate or prohibit;
- (b) Deal with any development, activity, industry, business or thing in different ways, divide each of them into classes and deal with each class in different ways; and
- (c) Provide for a system of licences, permits or approvals, including any or all of the matters listed therein;

NOW THEREFORE the Council of the City of Leduc, in the Province of Alberta, duly assembled, enacts as follows:

PART I – GENERAL LICENSING PROVISIONS

Short Title

- 1 This Bylaw may be cited as the "Business Licence Bylaw".

Interpretation and Definitions

2

- (1) In this Bylaw, unless the context otherwise requires:

- (a) "*applicant*" means a *person* who applies for a *licence* or renewal of a *licence*;
- (b) "*business*" means:
 - (i) a commercial, merchandising or industrial activity or undertaking,
 - (ii) a profession, trade, occupation, calling or employment; or
 - (iii) an activity providing goods or services;

Whether or not for profit and however organized or formed, including a co-operative or association of *persons*.

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 2

- (c) "*carry on*", "*carrying on*", "*carried on*" and "*carries on*" means to conduct, operate, perform, keep, hold, occupy, deal in or use, for a fee or exchange of benefits, whether as principal or agent;
- (d) "*charitable organization*" means any incorporated or unincorporated organization that is formed for a *charitable purpose*;
- (e) "*charitable purpose*" includes a philanthropic, benevolent, educational, health, humane, religious, cultural, artistic or recreational purpose;
- (f) "*City*" means The City of Leduc, a municipal corporation in the Province of Alberta, and includes the area contained within the geographic boundaries of the City of Leduc where the context requires;
- (g) "*City Manager*" means the chief administrative officer of the *City* or his delegate;
- (h) "*Contractor*" means the business of offering to any *person* to perform or arrange to perform work involving an *improvement*;
- (i) "*Council*" as defined in the *Municipal Government Act, R.S.A. 2000, Chapter M-26, as amended*;
- (j) "*dwelling unit*" means a dwelling unit as defined in the *Land Use Bylaw*;
- (k) "*Fees and Charges Bylaw*" means The City of Leduc Fees and Charges Bylaw No. 712-2008;
- (l) "*improvement*" means anything built, placed, altered or repaired which is in, upon, over or under land or water, including a building and any clearing, dismantling, digging, drilling, excavating, grading, filling or tunneling;
- (m) "*Land Use Bylaw*" means The City of Leduc Land Use Bylaw No. 516-2002;
- (n) "*licence*" means a licence issued under this Bylaw;
- (o) "*licence fee*" means those fees payable for a *licence* as prescribed in the *Fees and Charges Bylaw*;
- (p) "*Licensee*" means a *person* holding a valid and subsisting *licence*;
- (q) "*mobile business unit*" means a motor vehicle, temporary structure or display, or stand from which a *business* is *carried on* and for which the *Licensee* is not listed on the assessment roll;
- (r) "*Municipal Tag*" means a ticket alleging an offence issued pursuant to the authority of a Bylaw of the *City*;
- (s) "*Peace Officer*" means a peace officer as defined in the *Provincial Offences Procedure Act*;
- (t) "*person*" means an individual human being or a corporation and includes a partnership, an association or a group of *persons* acting in concert unless the context explicitly or by necessary implication otherwise requires;
- (u) "*premises*" means a store, office, *dwelling unit*, warehouse, factory, building, enclosure or the place occupied or capable of being occupied, by any *person* for the purpose of *carrying on any business*;

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 3

(v) "*restricted product*" means any of the following:

- (i) a product that displays a marijuana plant
- (ii) a device intended to facilitate smoking activity, including a pipe (metal / glass blown, plastic, wood), water bong or vaporizer
- (iii) a type of grinder (electric or manual)
- (iv) a type of digital weigh scale
- (v) a detoxifying product (including a drink, pill or other product) marketed for masking drug effects or making such effects undetectable through tests;

Added – Bylaw 861-2014 – adopted June 23, 2014

(w) "*subsequent offence*" means any offence under this Bylaw committed by a *person* after that *person* has already been convicted of an offence under this Bylaw or has voluntarily paid a fine for such an offence;

(x) "*Violation Ticket*" means a violation ticket as defined in the *Provincial Offences Procedure Act*;

Re-lettering w and x – Bylaw 861-2014 adopted June 23, 2014

- (2) Nothing in this Bylaw relieves a Person from complying with any Federal or Provincial law or regulation, other bylaw or any requirement of any lawful permit, order or licence.
- (3) Every provision of this Bylaw is independent of all other provisions and if any provision of this Bylaw is declared invalid for any reason by a court of competent jurisdiction, all other provisions of this Bylaw shall remain valid and enforceable.
- (4) All schedules attached to this Bylaw shall form part of this Bylaw.
- (5) Any headings or subheadings in this Bylaw are included for guidance purposes and convenience only, and shall not form part of this Bylaw.
- (6) Specific references to laws in this Bylaw are meant to refer to the current laws applicable within the Province of Alberta as at the time this Bylaw was enacted and as they are amended from time to time, including successor legislation.
- (7) All references in this Bylaw shall be read with such changes in number and gender as may be appropriate according to whether the reference is to a male or female person, or a corporation or partnership.

Licence Requirements

3

- (1) No *person* shall *carry on a business* in the *City* unless the *person* holds a *licence* authorizing the *person* to *carry on* that *business*.

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 4

- (2)
- (a) Notwithstanding subsection (1), a *licence* is not required for:
 - (i) a business *carried on* by the *City*;
 - (ii) a *business carried on* by the Government of the Province of Alberta or the Government of Canada or a Crown Corporation created by either Government;
 - (iii) a *business* expressly exempted from the requirement of a *licence* by a statute of the Legislature of Alberta or Parliament of Canada or;
 - (iv) a *business carried on* by any *person* as part of the Leduc Farmer's Market;
 - (b) A *person* who contracts with any of the Governments or corporations designated in subsection (2)(a) will be subject to all the requirements of this Bylaw.
- (3) No *person* shall contravene a condition of a *licence*.
- (4) A *licence* is required for each *premises* or *mobile business unit* where the *business* is *carried on*.
- (5)
- (a) No *person* may, in a single business location or under a single business licence, display or offer for sale *restricted products* from 3 or more categories thereof.
 - (b) No *person* may sell a *restricted product* to a minor.
 - (c) No *person* shall display a *restricted product* at a place of business such that the *restricted product* is visible from outside the place of business.
 - (d) The restrictions of this section do not apply in the context of a licensed or regulated pharmacy as contemplated by the Pharmacy and Drug Act, RSA 2000 ch.P-13, or a licensed business within which such licensed or regulated pharmacy is operated.

Addition – Bylaw 861-2014 adopted June 23, 2014

Licence Application

4

- (1) Before the issue or renewal of a *licence* a *person* must submit to the *City Manager*:
 - (a) an application in a form established by the *City Manager*;
 - (b) the applicable *licence fee*; and
 - (c) any additional information required by this Bylaw or by the *City Manager*.
- (2) No *person* shall give false information in an application pursuant to the provisions of this Bylaw.

Licence Fees

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 5

5

- (1) Unless otherwise specified in this Bylaw, *licence fees* are not refundable.
- (2) The *City Manager* may refund a *licence fee* if the *licence* is not issued or renewed.
- (3) Where a *licence* has been issued in error without payment of the applicable *licence fee*, the *licence* may be revoked by the *City Manager*.
- (4) A *person* who does not reside or maintain a permanent *business premises* in the *City* shall pay the *non-resident licence fee* set out in the *Fees and Charges Bylaw*.
- (5) A *person* who operates a business from land zoned for residential use pursuant to the *City of Leduc Land Use Bylaw*.
- (6) A *Licensee* may apply to amend a *licence* by paying the amendment fee set out in the *Fees and Charges Bylaw*.
- (7) A *Licensee* may obtain a replacement *licence* for a *licence* that has been lost or destroyed by paying to the *City* the fee for a replacement *licence* set out in the *Fees and Charges Bylaw*.

Fee Exemptions for Charitable Organizations

6

- (1) Where any *charitable organization* wishes to be exempted from the requirements of this Bylaw to pay a *licence fee*, it shall apply to the *City Manager* for an exemption providing the name of the organization and such other information as the *City Manager* requires to determine that the organization is a *charitable organization*.
- (2) Where an exemption to pay the *licence fee* has previously been granted to the *charitable organization* applying under the same or similar circumstances or a similar relief or benefit was granted to the same or a similar *charitable organization* pursuant to the provisions of this Bylaw, the *City Manager* may issue a *licence* without requiring the payment of the *licence fee* from the *charitable organization*.
- (3) A *charitable organization* which receives an exemption under this section must otherwise comply with all provisions of this Bylaw.

Consultations and Approvals

7

- (1) The *City Manager* may consult, prior to issuing or renewing a *licence*, with authorities and agencies including but not limited to the Province of Alberta, the RCMP, and *City* departments, to determine whether they are in possession of information which, in the opinion of the *City Manager*, renders it inappropriate for a *licence* to be issued to a *person*.
- (2) Where a *person* intends to *carry on business* at a specific *premises* or location within the *City*, the *person* shall, prior to the *City Manager* issuing a *licence*, ensure that all necessary approvals required under the *Land Use Bylaw* have been obtained and shall provide satisfactory proof thereof to the *City Manager*.
- (3) Where a *licence* has been issued in error without all the necessary approvals required pursuant to this Bylaw, the *licence* may be revoked by the *City Manager*.

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 6

- (4) The *City Manager* may determine that it is inappropriate to issue a *licence* to a *person* where the safety, health or welfare of the public may be at risk due to the issuance of a *licence*.

Inspections

8

- (1) Where a *business* requires a consultation or approval for *licensing* or is *licensed*, then the *premises* and surrounding lot may be inspected by the *City Manager* or a *Peace Officer*.
- (2) A *person* who the *City Manager* or a *Peace Officer* reasonably believes is *carrying on a business* requiring a *licence*, an *applicant*, or a *Licensee* shall:
- (a) permit and assist in all inspections requested by the *City Manager* or a *Peace Officer*;
 - (b) furnish to the *City Manager* or a *Peace Officer* all identification, information, or documentation related to the inspection or *licensing* requirement; and
 - (c) not provide to a the *City Manager* or a *Peace Officer* false or misleading information or information intended to mislead with regard to any matter or thing arising in connection with the *licensing* of the *business*.
- (3) No *person* shall attempt to prevent, obstruct or hinder the *City Manager* or a *Peace Officer* from making an inspection authorized by this Bylaw.
- (4) During an inspection authorized under this section, the *City Manager* or a *Peace Officer* may examine any *business* record or document for the purpose of enforcing this Bylaw, remove any relevant record or document from the *premises* for the purpose of copying it, and will provide a receipt for any document or record so removed.
- (5) No *person* shall allow any false or misleading information to appear on any record required to be kept or prepared pursuant to this Bylaw.

License Approval, Refusal, Suspension or Revocation

9

- (1) The *City Manager* may refuse to issue or renew a *licence*, may suspend or revoke a *licence* and may impose any conditions on a *licence* for the following reasons:
- (a) The *applicant* or *Licensee* does not or no longer meets the requirements of this Bylaw with respect to the *licence* applied for or held;
 - (b) The *applicant* or *Licensee* or any of its' officers or employees:
 - (i) furnishes false information or misrepresents any fact or circumstance to a *Peace Officer* or the *City Manager*;

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 7

- (ii) has, in the opinion of the *City Manager* based on reasonable grounds, contravened this Bylaw whether or not the contravention has been prosecuted;
 - (iii) fails to pay any fee or outstanding fine required by this Bylaw; or
 - (c) In the opinion of the *City Manager*, based on reasonable grounds, it is in the public interest to do so.
- (2) Where any certificate, authority, licence or other document of qualification under this or any other Bylaw, or under any statute of Canada or the Province of Alberta is suspended, cancelled, terminated or surrendered, the *City Manager* shall suspend any *licence* issued under this Bylaw based in whole or in part on the certificate, authority, *licence* or other document of qualification.

Notice to Applicant or Licensee

- 10 Before refusing to issue or renew a *licence*, and before a *licence* is suspended or revoked or conditions are imposed, other than conditions imposed by this Bylaw, the *applicant* or *Licensee* must be given:
- (a) notice of the proposed refusal, suspension, revocation or the proposed conditions with reasons; and
 - (b) an opportunity to make written representations to the *City Manager*.

Decision of City Manager

- 11 If a decision is made to refuse the issue or renewal of a *licence*, to suspend or revoke a *licence* or to impose conditions on a *licence*, other than conditions imposed by this Bylaw, notice of the decision may be served on the *applicant* or *Licensee*:
- (a) in person on the *applicant* or *Licensee* or any of its officers or employees; or
 - (b) by registered mail to the address in the application or in the records of the *City* for the *Licensee*.

Appeal to City Council

- 12
- (1) A *person*:
- (a) who has been refused the issue or renewal of a *licence*;
 - (b) whose *licence* has been suspended or revoked; or
 - (c) whose *licence* is made subject to conditions, other than conditions imposed by this Bylaw;
- may appeal the decision within fourteen (14) days by providing written notice to the City Clerk and paying the notice of appeal fee set out in the *Fees and Charges Bylaw*.
- (2) Where a *Licensee* has given notice of an intention to appeal the revocation, suspension or conditions of a *licence*, the *City Manager* may, in the *City Manager's* sole discretion, stay the revocation, suspension or conditions pending the hearing of

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 8

the appeal if the continued operation of the *business* does not create a danger to the safety, health or welfare of the public.

Licence Identification

13

- (1) A *licence* must be issued on a form bearing the identification of the *City* and all *licences* issued pursuant to this Bylaw are and shall remain the property of the *City*.
- (2) A *licence* must bear on its face the date on which it is issued and the date on which the *licence* will expire.
- (3) A Licensee shall:
 - (a) post the *licence* in a prominent visible location in the *premises*; or
 - (b) if it is not practical to post the *licence*, produce the *licence* forthwith upon demand by a *Peace Officer*.
- (4) No person shall reproduce, alter, or deface a *licence*.

Notification of Changes

14 A Licensee shall forthwith notify the *City Manager* in writing of:

- (a) a change in the address of the *Licensee's business premises*;
- (b) a change in the partners of the *business* if the *licence* is issued to a partnership; or
- (c) a change in the officers or directors of the corporation if the *licence* is issued to a corporation.

Transfer of Licence

15 A *licence* does not confer any property right and no *Licensee* may sell, transfer, assign, lease or otherwise dispose of or deal in a *licence*.

Term of Licence

16

- (1) A *licence* issued pursuant to this Bylaw, unless previously suspended or revoked, or as otherwise specified in this Bylaw, is valid from the date issued stated thereon and shall expire at twelve o'clock midnight on December 31 in the year in which it was issued.
- (2) The *City Manager* may issue a *licence* for a limited term or for a specified date in any case where the *City Manager* considers it appropriate to do so.
- (3) A *person* may not appeal a decision to issue a *licence* for a limited term or for a specified date.

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 9

PART II – REGULATIONS PERTAINING TO PARTICULAR BUSINESSES

Contractor

17

- (1) A *Contractor* that applies to the *City* for a permit, including but not limited to a Building Permit, a Development Permit, a Plumbing and Gas Permit, an Electrical Permit or a Mechanical Permit, must have a *licence*.
- (2) The *City Manager* or a *Peace Officer* may inspect the *premises* or the site at which a *Contractor* is working.
- (3) Notwithstanding Section 30, proof of one offer to perform or offer to arrange to perform work on an *improvement* is sufficient to establish that the *business* of a *Contractor* is being *carried on*.

PART III – ENFORCEMENT

Offence

- 18 A *person* who contravenes this Bylaw is guilty of an offence.

Continuing Offence

- 19 In the case of an offence that is of a continuing nature, a contravention constitutes a separate offence in respect of each day, or part of a day, on which it continues and a *person* guilty of such an offence is liable to a fine in an amount not less than that established by this Bylaw for each such day.

Vicarious Liability

- 20 For the purposes of this Bylaw, an act or omission by an employee or agent of a *person* is deemed also to be an act or omission of the *person* if the act or omission occurred in the course of the employee's employment with the *person*, or in the course of the agent's exercising the powers or performing the duties on behalf of the *person* under their agency relationship.

Corporations and Partnerships

21

- (1) When a corporation commits an offence under this Bylaw, every principal, director, manager, employee or agent of the corporation who authorized the act or omission that constitutes the offence or assented to or acquiesced or participated in the act or omission that constitutes the offence is guilty of the offence whether or not the corporation has been prosecuted for the offence.
- (2) If a partner in a partnership is guilty of an offence under this Bylaw, each partner in that partnership who authorized the act or omission that constitutes the offence or assented to or acquiesced or participated in the act or omission that constitutes the offence is guilty of the offence.

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 10

Fines and Penalties

22

- (1) A *person* who is guilty of an offence is liable to a fine in an amount not less than that established in this Section, and not exceeding \$10,000.00, and to imprisonment for not more than 6 months for non-payment of a fine.
- (2) Without restricting the generality of subsection (1) the following fine amounts are established for use on *Municipal Tags* and *Violation Tickets* if a voluntary payment option is offered:
 - (a) \$300.00 for any offence for which a fine is not otherwise established in this Section;
 - (b) \$500.00 for any offence under Sections 3(1), 3(4), 4(2), 8;
 - (c) \$750.00 for any offence under Section 3(5);
 - (d) double these fine amounts for an *subsequent offence*.

Amended – Bylaw 861-2014 adopted June 23, 2014

Municipal Tag

23

- (1) A *Peace Officer* is hereby authorized and empowered to issue a *Municipal Tag* to any *person* who the *Peace Officer* has reasonable and probable grounds to believe has contravened any provision of this Bylaw.
- (2) A *Municipal Tag* may be issued to such *person*:
 - (a) either personally; or
 - (b) by mailing a copy to such *person* at his last known post office address.
- (3) The *Municipal Tag* shall be in a form approved by the *City Manager* and shall state:
 - (a) the name of the *person*;
 - (b) the offence;
 - (c) the specified penalty established by this Bylaw for the offence;
 - (d) that the penalty shall be paid within 30 days of the issuance of the *Municipal Tag*; and
 - (e) any other information as may be required by the *City Manager*.

Payment in Lieu of Prosecution

- 24 Where a *Municipal Tag* is issued pursuant to this Bylaw, the *person* to whom the *Municipal Tag* is issued may, in lieu of being prosecuted for the offence, pay to the *City* the penalty specified within the time period indicated on the *Municipal Tag*.

Violation Ticket

25

- (1) If a *Municipal Tag* has been issued and if the specified penalty has not been paid within the prescribed time, then a *Peace Officer* is hereby authorized and

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 11

empowered to issue a *Violation Ticket* pursuant to the *Provincial Offences Procedure Act*;

- (2) Notwithstanding subsection (1), a *Peace Officer* is hereby authorized and empowered to immediately issue a *Violation Ticket* pursuant to the *Provincial Offences Procedure Act* to any *person* who the *Peace Officer* has reasonable and probable grounds to believe has contravened any provision of this Bylaw;
- (3) If a *Violation Ticket* is issued in respect of an offence, the *Violation Ticket* may;
 - (a) specify the fine amount established by this Bylaw for the offence; or
 - (b) require a *person* to appear in court without the alternative of making a voluntary payment.

Voluntary Payment

26 A *person* who commits an offence may:

- (a) if a *Violation Ticket* is issued in respect of the offence; and
- (b) if the *Violation Ticket* specifies the fine amount established by this Bylaw for the offence;

make a voluntary payment by submitting to a Clerk of the Provincial Court, on or before the initial appearance date indicated on the *Violation Ticket*, the specified penalty set out on the *Violation Ticket*.

Obstruction

27 A *person* shall not obstruct or hinder any *person* in the exercise or performance of the *person's* powers pursuant to this Bylaw.

PART IV - GENERAL

Proof of Licence

28 The onus of proving that a *person* has a valid and subsisting *licence* for a *business* is on the *person* alleging the *licence* on a balance of probabilities.

Proof of Exemption

29 The onus of proving that a *person* is exempt from the provisions of this Bylaw requiring a *licence* is on the *person* alleging the exemption on a balance of probabilities.

Proof of Business

30 In a prosecution for a contravention of this Bylaw against *carrying on a business* without a *licence*, proof of one transaction in the *business* or that the *business* had been advertised is sufficient to establish that a *person* is *carrying on the business*.

Bylaw No. 767-2011
THE BUSINESS LICENCE BYLAW

PAGE 12

City Manager

- 31 Without restricting any other power, duty or function granted by this Bylaw, the *City Manager* may:
- (a) carry on whatever inspections are reasonably required to determine compliance with this Bylaw;
 - (b) delegate any powers, duties or functions under this Bylaw to an employee of the *City*; and
 - (c) establish forms for the purposes of this Bylaw.

Certified Copy of Record

- 32 A copy of a record of the *City*, certified by the *City Manager* as a true copy of the original, shall be admitted in evidence as prima facie proof of the facts stated in the record without proof of the appointment or signature of the *person* signing it.

Existing Licence

- 33 An existing licence issued under Bylaw No. 487-2000, the City of Leduc Business Licence Bylaw, remains valid until the term of such licence expires.

Repeal

- 34 Bylaw No. 487-2000 is repealed.

Enactment

- 35 This Bylaw shall come into force and effect when it received third reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS 24TH DAY OF MAY, 2011.

READ A SECOND TIME AS AMENDED IN COUNCIL THIS 26TH DAY OF SEPTEMBER, 2011.

READ A THIRD TIME AS AMENDED IN COUNCIL AND FINALLY PASSED THIS 26TH DAY OF SEPTEMBER, 2011.

"original signed"

Greg Krischke
MAYOR

"original signed"

Laura Knoblock
CITY CLERK

September 26, 2011
Date Signed

MEETING DATE: May 28th, 2018

SUBMITTED BY: Ken Woitt, Director, Planning & Development

PREPARED BY: Sylvain Losier, Manager, Current Planning and Development

REPORT TITLE: Bylaw 971-2017 – Amendment to the Business Licence Bylaw

REPORT SUMMARY

Bylaw 971-2017 is proposing to amend the Business Licence Bylaw by updating references to existing bylaws and deleting a section that will become obsolete once the federal legislation on cannabis is in effect.

RECOMMENDATION

1. That Council give Bylaw 971-2017 second reading.
2. That council gives Bylaw 971-2017 third reading.

BACKGROUND

KEY ISSUE(S) / CONTEXT:

At the May 14, 2018 Council meeting, a Public Hearing was held under the Municipal Government Act for the purpose of allowing interested parties to communicate their thoughts and views on the proposed bylaw. At the Public Hearing, nobody stepped forward to make any comments. In anticipation of the Public hearing, Alberta health Services (AHS) submitted a letter with a few points in regards to the proposed Business Licence Bylaw. These included:

- Limiting the amount of cannabis store in the first year
- Limiting the hours of operation
- Considering an educational component and public engagement to be added to the business application process
- Considering asking for waste management and disposal as well as storage

In regards to the limiting the amount of store, the proposed land use approach contains regulations that will indirectly limit the amount of store. The City has never considered imposing a “cap” or a moratorium on any industry, but there might be merit in evaluating this approach in a more comprehensive review of the bylaw. Administration believes that this could be contemplated as part of the bylaw review and considering that the bylaw was originally passed in 2011, it might be time to look into a full review in 2019.

As for hours of operation, the current bylaw doesn't contain any restriction applied at large or per industry, but on individual application, the City always have the authority to impose hours restrictions should there be issues around a specific licence. In the survey that was completed earlier this year by the city of Leduc, 61% of respondent did not want to see any additional hour's restriction. Information gathered from a few other municipalities seems to favour additional municipal restriction (City of Edmonton: 10 am – 11 pm; Calgary: 10 am – 2 am; Grand Prairie: 10 am – 10 am; Spruce Grove 10 am – 11 pm). However, many municipalities have yet to make their decision.

For the educational and public engagement component, Administration believes that these 2 items need to be addressed separately. For public engagement, considering that all cannabis uses will be discretionary, there will be a mechanism in place to ensure that all interested parties are informed before the establishment of any cannabis related business. Therefore, we believe that this piece is covered. As for the education program requirement, it is unclear to Administration the intent and the desired outcome. Considering that all staff in a cannabis shop will undergo the provincial training, it is expected that they will have a minimum of knowledge on the various product and effects. They will be sharing this information with the individuals going to their business, but we do not believe that the intent is for these businesses and these staffs to provide education to the public. In the survey conducted by the City of Leduc, the open comments section indicated that the participants are looking to the various level of government to provide the educational pieces link to cannabis.

Lastly, for waste management, Administration feels that this is significant element for the use class Cannabis Production and Distribution. Considering that we have the ability to request documents, plans, studies, and any other pertinent information when an application for a development permit is made, we do not believe that we need to duplicate the process into the business licence process. Administration will develop a tool to add to our checklist for these specific application.

LEGISLATION AND/OR POLICY:

1. Municipal Government Act, RSA 2000, Chapter M-26, as amended
 - S. 7 A council may pass bylaws for municipal purposes respecting the following matters:
 - (a) the safety, health and welfare of people and the protection of people and property; and
 - (e) businesses, business activities and persons engaged in business;...
 - Business License Bylaw 767-2011, as amended

PAST COUNCIL CONSIDERATION:

The upcoming legalization of cannabis has been previously discussed with Council and Bylaw 971-2017 received 1st reading on Monday, April 23, 2018 and the non-statutory Public hearing was held on May 14, 2018.

CITY OF LEDUC PLANS:

Bylaw 971-2017 is consistent with the City's Municipal Development Plan, as amended.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

Administration will need to update their checklist for waste management plan for cannabis related land uses.

POLICY:

There are no policy implications.

LEGAL:

If the recommendation is accepted the prohibition on selling prohibited items together in one location will be removed. This will impact future cannabis retailers after cannabis legalization but will also remove operational restrictions from existing businesses.

IMPLEMENTATION / COMMUNICATIONS:

The public hearing was advertised in the April 27th and May 4th, 2018 issues of 'The Representative' and notification was also made available on the City of Leduc cannabis webpage.

Once the bylaw is approved, Communication will update the web page to inform all interested parties.

ALTERNATIVES:

1. After consideration of the non-statutory Public Hearing, that Council direct administration to amend Bylaw 971-2017, to address the upcoming legalization of cannabis. The amendments could contemplate elements such as:
 - a. categorizing industries for which a business licence is required,
 - b. imposing various fees pending on the industry category,
 - c. limiting the number of licence for certain industries,
 - d. imposing hours restrictions for specific industries, and/or
 - e. any other elements as deemed necessary by Council.

Elements a, b, or c would require a period of approximately 6 months for Administration to investigate and provide options to Council.

2. After consideration of the non-statutory Public Hearing, that Council defeat Bylaw 971-2017.

ATTACHMENTS:

1. Bylaw 971-2017

Others Who Have Reviewed this Report

M. Pieters, Acting City Manager / B. Loewen, City Solicitor / M. Pieters, General Manager, Infrastructure & Planning

Bylaw No. 971-2017

PAGE 1

A BYLAW OF THE CITY OF LEDUC IN THE PROVINCE OF ALBERTA, TO AMEND BYLAW 767-2011 TO LICENSE AND REGULATE BUSINESSES

WHEREAS pursuant to section 7(e) of The *Municipal Government Act*, a council may pass bylaws for municipal purposes respecting businesses, business activities and persons engaged in business;

AND, in accordance with the Act, Council finds it desirable to amend Bylaw 767-2011;

THEREFORE, the Council of the City of Leduc in the Province of Alberta duly assembled, hereby enacts as follows:

That Bylaw 767-2011 shall be amended as follows:

1. Section 2 (1)(k) shall be deleted in its entirety and replaced with the following:

(k) "Fees Bylaw" means the current City of Leduc Fees Bylaw;

2. Section 2 (1)(m) shall be deleted in its entirety and replaced with the following:

(m) "Land Use Bylaw" means The City of Leduc Land Use Bylaw No. 809-2013;

3. The phrase "and Charges" shall be struck from sections 2(1)(o), 5(4), 5(6), 5(7) and 12(1).
4. Section 3(5)(a) shall be deleted in its entirety.
5. This Bylaw shall come into force and effect when it receives Third Reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS ____ DAY OF _____, AD 2018.

READ A SECOND TIME IN COUNCIL THIS ____ DAY OF _____ AD 2018.

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS ____ DAY OF _____, AD 2018.

APPROVED
As to Form

B. L.

City Solicitor

Date Signed

Bob Young
MAYOR

Sandra Davis
CITY CLERK

MEETING DATE: June 11, 2018

SUBMITTED BY: Ken Woitt, Director Planning & Economic Development

PREPARED BY: Sylvain Losier, Manager, Current Planning & Development & Julie Paquette, Planning Intern

REPORT TITLE: Cannabis update report

REPORT SUMMARY

This report provides an overview of the City of Langford's approach to managing the retail sales of cannabis and provides a summary of what other municipalities in Alberta, that we have researched, are doing.

BACKGROUND

PREVIOUS COUNCIL/COMMITTEE ACTION:

The upcoming legalization of cannabis has previously been discussed at Committee of the Whole / Council meetings on June 26 and December 4, 2017, and on March 12 and March 19, 2018. Bylaw 970-2017 received 1st reading on Monday, April 23, 2018. The Public Hearing was held on May 14, 2018 in accordance with the Municipal Government Act, and 2nd reading was granted at the May 28, 2018 Council meeting.

KEY ISSUES:

During deliberation for 2nd reading, Council expressed the desire to receive additional information about the process from the City of Langford, British Columbia. They also wanted to have a table that is depicting what other municipalities are doing in Alberta. This information will be used in Council's deliberation for 3rd reading of the proposed bylaw 970-2017.

City of Langford's approach

In order to address the upcoming legalization of cannabis, the City of Langford has decided to adopt the pilot project approach. They have released a Request for Proposal (RFP) which explains the framework being established by the Federal and Provincial Governments. This RFP also contains guiding principles in terms of separating distances. The RFP is attached for reference as schedule 1.

As for the proposal requirements, it is an extensive list covering everything related to the land use component and beyond. Interested parties need to supply information about their personal and professional background, the security measure they would implement, how they would address nuisances related to the sale and consumption of cannabis, how they plan to assist the City with enforcement, policing, and financial pressures, as well as other requirements.

The RFP will be running for 1 month (May 1st to June 1st, 2018). Once the RFP is closed, the City will be opening the submission and will select up to 5 proponents for further discussion. This may lead to the proponents getting a temporary permit authorizing the sale of cannabis.

Administration's analysis of the Langford's approach.

The Langford approach is an interesting one. Applications will be received and evaluated based on their merit, but we are not clear on how the various criteria will be weighted. However, they do clearly mention that "...while not determinative, the City places importance on a Proponent's proposed plan to assist the City, including through financial contribution..." (Bottom of page 6, RFP). We can assume that for Langford, potential cost is a big concern, and based upon the language contained in the RFP, the city will have sole discretion on how to evaluate the proposal.

In terms of practicality, many of the requirements that the RFP is asking are being covered in Alberta by the Alberta gaming and Liquor Commission (AGLC) process. As for the guideline that the RFP includes, the City of Leduc did a very similar approach through its various analysis and discussions at the Committee of the Whole and Council meetings held so far. All of our analysis led to the proposed overlay and regulations being currently contemplated. Our proposed regulations are addressing many items similar to their guidelines.

In conclusion, the Langford's approach appears to postpone the decision on the retail sale of cannabis. We could consider a similar approach, but it would mean to throw away most, if not all, the work that has been done to date by Administration. Furthermore, the way we are managing temporary uses in Alberta seems different then in BC. Here, according to our own Land Use Bylaw and its upcoming amendment, a temporary use is contemplated for a use that is either permitted or similar to a use permitted within the district. This could mean that for the purpose of a similar RFP approach, we would have to consider the retailing of cannabis similar to use permitted in the districts, which would likely be Retail or Retail Store (Liquor). Administration believes that by not considering the cannabis retail similar to these for the time being might help with the distinction in the land uses and the support for the additional regulations.

In light of the cursory review of the Langford process and the regional context, Administration doesn't believe that an RFP process similar to Langford is desirable for the City of Leduc considering where we are in our own process.

Other municipalities

Administration has been reviewing the progress of other municipalities in relation to amendments to their Land Use Bylaw as well as their Business Licence Bylaw. On the land use side, Administration's preliminary conclusion is that there is little consistency in the approach taken by the municipalities. Within the municipalities we surveyed, it looks like the consistency is around keeping retail stores away from schools and within non-residential districts. As for separating distances and identifying what constitute a sensitive use that needs buffering, it varies from municipality to municipality. Furthermore, certain municipalities are proposing the use as permitted, others as discretionary, and some are even using both designations. Administration is attaching a table that was prepared in May as schedule 2 to this report to inform the discussion about land use related to cannabis.

In regards to business licensing, Administration has looked into potential fees and hours of operation limitations in other municipalities. Similar to the land use bylaw, Administration noted a great diversity of approaches to the upcoming legalization of cannabis. From the municipalities that we have observed, it appears that those who have a stratified system for business licensing are more prone to adding additional fees for cannabis than those like the City of Leduc that have an un-stratified system (meaning that we deal with all the businesses in a similar way). Similar to Langford's approach, it appears that a few municipalities such as Edmonton, will be attempting to cover expenses by allocating higher fees. Schedule 3 presents our finding so far in relation to fees. As for hours of operation. A few municipalities are looking into restricted hours. Schedule 4 is presenting our findings.

Should Council decide to explore a different fee structure or different hours of operation, Administration would recommend to complete the current amending process and deal with these new item separately, in another amending bylaw with its own independent process.

ATTACHMENTS:

Schedule 1 – Langford's RFP

Schedule 2 – Table depicting 10 municipalities progress on land use

Schedule 3 – Table depicting proposed fees in other municipalities

Schedule 4 - Table depicting proposed hours restriction in other municipalities

RECOMMENDATION

That this report be received as information to facilitate the discussion and support the Committee in providing a direction to Administration. Potential direction could be as follow:

- Should the Committee decide that no changes are required to the proposed amendments to the Land Use bylaw, proposed Bylaw 970-2017 could come forward at the June 11 Council meeting for 3rd reading;
- Should the Committee decide that minor changes are required to proposed Bylaw 970-2017, that Administration prepare those minor changes and come back to council on June 25 for 3rd reading consideration;
- Should the Committee decide that major changes are required to proposed Bylaw 970-2017, that Administration bring proposed Bylaw 970-2017 to Council on June 11 to be defeated. This would require starting a new process and would require a 3-6 months period of time.

It is important to note that all options listed above are also applicable to proposed Bylaw 971-2017, a bylaw to amend the Business Licencing Bylaw, with the addition of the following option:

Should the Committee decide that additional regulations are required, and that these would not be in conflict with the proposed regulations, then Administration could be directed to start a new bylaw to add the new proposed regulations.

Others Who Have Reviewed this Report

I. Sasyniuk, Acting City Manager / M. Pieters, General Manager, Infrastructure & Planning

CITY OF LANGFORD



'REQUEST FOR PROPOSAL'

(RFP)

FOR THE

RETAIL SALES OF CANNABIS AND CANNABIS RELATED PRODUCTS

IN THE

CITY OF LANGFORD, BC

CITY OF LANGFORD
REQUEST FOR PROPOSALS

RETAIL SALES OF CANNABIS AND CANNABIS RELATED PRODUCTS

Introduction

Historically, the non-medicinal use of cannabis and cannabis related products ("Cannabis Products") has been prohibited by federal law in Canada. As a result, the retail sale of Cannabis Products has been prohibited by the City of Langford (the "City") under the City's Zoning Bylaw No. 300.

The Government of Canada ("Canada") and the Government of British Columbia ("British Columbia") are currently in the process of establishing a regulatory framework (the "Regulatory Framework") authorizing the retail sale of Cannabis Products for non-medicinal use. While the Regulatory Framework has not been finalized, Canada and British Columbia have established a number of guiding principles as follows:

1. The production of Cannabis Products for non-medicinal use will generally be regulated by Canada;
2. The distribution and retail sale of Cannabis Products for non-medicinal use will generally be regulated by British Columbia;
3. The minimum age to purchase, possess, and consume Cannabis Products for non-medicinal purposes will be 19 years old;
4. The maximum amount of Cannabis Products for non-medicinal use allowed to be in an individual's possession in a public place will be 30 grams;
5. Drug impaired driving will continue to be illegal, with British Columbia toughening regulations to give police more tools to remove drug-impaired drivers from the road and to deter drug-affected driving;
6. The wholesale distribution of Cannabis Products for non-medicinal use will be through the British Columbia Liquor Distribution Branch;
7. The retail sale of Cannabis Products will be through retail stores operated by British Columbia and/or retail stores operated by the private sector; and,
8. The production and retail sale of Cannabis Products for non-medicinal use may further be regulated by local governments through their zoning and business licensing powers.

The City is in the process of considering how best to address for its community the impending legalization of the use of Cannabis Products for non-medicinal purposes, and whether to permit the retail sale of Cannabis Products.

The City recognizes that there is a desire by some of the City's residents to be able to purchase Cannabis Products for non-medicinal use from local businesses.

The City also recognizes that there are challenges to authorizing the retail sale of Cannabis Products for non-medicinal use within the City's boundaries. Those challenges include, but are not limited to, the following:

1. Determining the number of locations, if any, where the retail sale of Cannabis Products for non-medicinal use should be permitted within the City's boundaries;
2. Determining the appropriate location(s), if any, where the retail sale of Cannabis Products for non-medicinal use should be permitted within the City's boundaries;
3. Identifying and addressing the neighbourhood impacts of permitting in a particular location within the City's boundaries the retail sale of Cannabis Products for non-medicinal use;
4. Funding training costs for police and bylaw enforcement officers in addressing:
 - (a) Nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - (b) Impairment issues relating to public use of Cannabis Products for non-medicinal purposes;
5. Funding policing, bylaw enforcement, and administrative costs associated with:
 - (a) Ensuring that the retail sale of Cannabis Products for non-medicinal use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
 - (b) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - (c) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
6. Funding educational initiatives and materials associated with the above impacts and related social concerns.

As a first step in addressing for its community the impending legalization of the use of Cannabis Products for non-medicinal purposes, the City is considering moving forward with a pilot program (the "Pilot Program") under which the City will, on a case by case basis, consider issuing temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use.

As a next step, if the Pilot Program is successful, the City may move forward with considering the amendment of the City's Zoning Bylaw No. 300 to authorize the retail sale of Cannabis Products for non-medicinal use at particular locations within the City's boundaries.

For the Pilot Program, the City has adopted some guiding principles to be considered in determining the location(s), if any, in respect of which the City will consider issuing temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use. In this regard, the retail sale of Cannabis Products for non-medicinal use is preferred to not be located within:

1. 500 metres of any other location where the retail sale of Cannabis Products for non-medicinal use has been authorized;
2. 300 metres of any school;
3. 300 metres of any group daycare;
4. 150 metres of Centennial Park, Veterans Memorial Park, City Centre Park, Westhills YMCA, any regional or Provincial park, or Langford, Glen or Florence Lakes; and,
5. 50 metres of any land zoned R1 (One-family Residential) or R2 (One- and Two-Family Residential), except within the designated City Centre.

These guiding principles are expected to limit the number of locations where the retail sale of Cannabis Products for non-medicinal use would be considered appropriate, but are expected to allow for a number of locations spread throughout the City's boundaries, in existing areas of commercial retail, to meet the needs of the City's residents. It should be noted that at this time that City will only be considering up to 5 such locations for the retail sale of Cannabis Products.

The City is interested in receiving proposals from individuals and/or organizations interested in undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries.

Proposal Requirements

Individuals and/or organizations ("Proponents") interested in undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries should submit a proposal (a "Proposal") to the City in accordance with this Request for Proposals (the "RFP").

Proposals should be received in a sealed envelope labeled "RFP for Retail Sales of Cannabis and Cannabis Related Products" addressed to the attention of Braden Hutchins, Director of Corporate

Services, at the City's offices at 2nd Floor, 877 Goldstream Avenue, Victoria, B.C., V9B 2X8, by 3:00 p.m. (Pacific Standard Time), on June 1, 2018. Proposals not received in time will not be considered unless, in the complete, sole, and unfettered discretion of the City, the City determines it to be in the City's best interests to consider the Proposal.

Proposals should include the following information:

1. Name of Proponent;
2. Where the Proponent is a society:
 - (a) The names of the Proponent's directors; and,
 - (b) A copy of the Proponent's incorporation documents;
3. Where the Proponent is a company:
 - (a) The names of the Proponent's directors and shareholders; and,
 - (b) A copy of the Proponent's incorporation documents;
4. A detailed description of the Proponent's current business undertakings, including a description of the Proponent's experience in retail sales in a commercial sector specifically regulated by Canada or British Columbia (e.g., age restricted sales and/or controlled substance sales);
5. A detailed description of any enforcement actions or proceedings brought by Canada, British Columbia, a local government, or an agent or branch of either of them against the Proponent in relation to the past or current business undertakings of the Proponent or its principals, or against the past or current business undertakings of third parties with whom the Proponent or its principals were or are associated;
6. A detailed description of the Proponent's proposed business plan for undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries, including a detailed description of the following:
 - (a) Proposed hours of operation;
 - (b) Proposed plan for:
 - (i) Ensuring that the retail sale of Cannabis Products for non-medicinal use is in compliance with the Regulatory Framework and all applicable City bylaws;

- (ii) Security measures associated with the premises from which the retail sale of Cannabis Products for non-medicinal use will occur;
 - (iii) Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
 - (iv) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes;
 - (v) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - (vi) Providing educational initiatives and materials associated with the above impacts and related social concerns.
 - (c) Proposed plan for assisting the City, including through financial contributions, with policing and bylaw enforcement costs, including the costs of additional training, and other increased City costs, including administrative costs, associated with:
 - (i) Ensuring that the retail sale of Cannabis Products for non-medicinal use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
 - (ii) Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
 - (iii) Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes; and,
 - (iv) Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes;
 - (v) Providing educational initiatives and materials associated with the above impacts and related social concerns.
7. A description of the Proponent's ability to obtain bonding, if necessary, and a minimum of \$5 million insurance coverage;
 8. While not a requirement, a description of the Proponent's preferred location or locations for undertaking the retail sale of Cannabis Products for non-medicinal use within the City's boundaries;
 9. Where the Proponent has a legal interest in the preferred location or locations, or has an enforceable commitment to acquire a legal interest in the preferred location or locations, details of the legal interest or enforceable commitment;

10. While not a requirement, information on the potential form, character and design of the proposed retail store; and,
11. A description of the Proponent's expected timeframe for commencing the retail sale of Cannabis Products for non-medicinal use within the City's boundaries.

All enquiries to the City in any manner whatsoever related to this RFP must be directed in writing by email to Braden Hutchins, Director of Corporate Services, at bhutchins@langford.ca, and must be received by no later than 3:00 p.m. (Pacific Standard Time) on June 1, 2018. Proponents are asked not to communicate with Mayor or Council in relation to this RFP.

The City asks that Proponents make best efforts to provide all of the information requested above. However, a Proposal which does not include some of the requested information, or does not include significant details in relation of some of that information, may be considered by the City where, in the complete, sole, and unfettered discretion of the City, the City determines it to be in the City's best interests to consider the Proposal.

Evaluation of Proposals

It is expected that this RFP will be used to identify up to 5 Proponents (the "Preferred Proponents") with whom the City will enter into further discussions in relation to the consideration of the issuance of temporary use permits authorizing the retail sale of Cannabis Products for non-medicinal use at locations identified in the Proposals of the Preferred Proponents or in subsequent discussions between the City and the Preferred Proponents.

In evaluating the Proposals, the City has the complete, sole, and unfettered discretion to determine which Proposals are in the best interests of the City's residents and to select the Preferred Proponents on that basis.

Where two or more Proponents identify the same preferred location, or identify preferred locations that do not comply with the spacing requirements set out in the guiding principles identified by the City for the Pilot Program, the City will give priority, in its complete, sole, and unfettered discretion, to the Proponent whose Proposal is otherwise considered by the City, in its complete, sole, and unfettered discretion, to be in the best interests of the City's residents.

A Proponent who identifies more than one preferred location in its Proposal may be selected by the City as a Preferred Proponent. However, that Proponent may be required to elect a single preferred location and all further discussions between the City and the Preferred Proponent will be in relation to that preferred location.

Proponents should be aware that, while not determinative, the City places importance on a Proponent's proposed plan to assist the City, including through financial contributions, with policing and bylaw enforcement costs, including the costs of additional training, and other increased City costs, including administrative costs, associated with:

1. Ensuring that the retail sale of Cannabis Products for non-medicinal use in a particular location is in compliance with the Regulatory Framework and all applicable City bylaws;
2. Minimizing the impact on the neighbourhood of the retail sale of Cannabis Products for non-medicinal use;
3. Addressing nuisance issues relating to public use of Cannabis Products for non-medicinal purposes;
4. Addressing impairment issues relating to public use of Cannabis Products for non-medicinal purposes; and,
5. Providing educational initiatives and materials associated with the above impacts and related social concerns.

Proponents should also be aware that if they are identified as a Preferred Proponent, that they would be responsible for all costs related to a Temporary Use Permit application and that the submission of such Temporary Use Permit application requires public notification and Council approval. As such, being identified as a Preferred Proponent does not guarantee approval of a Temporary Use Permit.

Proponents should also be aware that Provincial approval of through the forthcoming B.C. Non-Medical Cannabis Regulatory Framework will also be required.

No Legal Rights

No action by the City in any manner whatsoever related to this RFP, including without limitation the City's authorization of the issuance of this RFP, the City's receipt of a Proposal, the City's consideration of a Proposal, the City's rejection of a Proposal, and the City's discussions with a Proponent, gives rise to any legal or other obligations enforceable against the City. By submitting a Proposal, a Proponent acknowledges that it has no rights, whether in law or otherwise, to make any claim against the City in any manner whatsoever related to this RFP.

Schedule 2

SUBJECT: Updated review of land use bylaw amendments for cannabis regulation in Alberta municipalities, as of May 2018

This memo is a follow-up to a previous memo dated February 8, 2018, and provides updated information on steps that other Alberta municipalities have implemented to adapt their land use bylaws in response to legalized recreational cannabis industries within their boundaries.

Information collected concerns the following ten municipalities:

- Calgary
- Edmonton
- Fort McMurray
- Fort Saskatchewan
- Leduc County
- Lethbridge
- St. Albert
- Spruce Grove
- Stony Plain
- Strathcona County

Overall, progress has been made amongst most of the surveyed Alberta municipalities, some of whom have passed or are currently discussing proposed bylaws amendments to reflect land used for the legal retail sale of non-medical cannabis. However, thus far only Calgary and Strathcona County have officially approved land use bylaw amendments to regulate the location of cannabis retail stores in their communities, with Edmonton, Spruce Grove, Leduc County, St. Albert and Fort Saskatchewan expected to join their ranks by the end of June. Fort McMurray and Stony Plain have only recently begun their public engagement processes on this topic, while Lethbridge is in the early stages of drafting a proposal for bylaw amendments to present to their council. The following table displays new information in red and previously reported information in black.

Municipality	Steps taken to regulate cannabis through land use controls
Calgary	<p><u>LUB Amendments:</u> Yes, medical, recreational, (and Cannabis Consumption Bylaw created)</p> <p><u>Other Actions:</u> Public Engagement and Research, Cannabis Store Guidelines document*</p> <p><u>Definitions:</u> Medical Marihuana, Medical Marihuana Production Facility, (now deemed Cannabis Facility), Medical Marihuana Counselling (now deemed to be Cannabis Counselling), Cannabis Store</p> <p><u>Clarifications:</u> Co-location allowed; Notice Posting requirements; Broad variance powers for 100m MSD between school reserve parcels & cannabis stores, and limited variance powers for cannabis store applications up to 10% of the 150m MSD from parcels containing schools or emergency shelters; The production, processing, storage or sale of cannabis can only occur where it has been approved through a development permit for a use where it is specifically allowed in the use definition or rules; Liquor Store cannot abut a Cannabis store (exceptions in C-R2, C-R3, and CR20-C20/R-20); Cannabis Store included in Sales Use Group; Within Mixed-Use General and Mixed-Use Active Frontage districts, the length of building façade that faces a street containing an individual cannabis counselling use on the floor closest to grade is a maximum of 9m.</p> <p><u>MSDs:</u> Yes; Cannabis Counselling: 300m from another cannabis counselling use, 150m from a parcel that contains a school (exemptions for applications in the C-R2 and C-R3 districts); Cannabis Facility: 75m from a residential district; Cannabis Stores: 150m from schools & emergency shelters, 300m between cannabis stores (exceptions in C-R2, C-R3, and CR20-C20/R-20), 100m from Municipal and School Reserve and School Reserve Parcels</p> <p><u>Viable Districts – Cultivation/Production:</u> Industrial-General (Discretionary)</p> <p><u>Viable Districts – Retail/other:</u></p> <p>Cannabis Counselling:</p> <p>Commercial-Neighbourhood 1 & 2, (Discretionary)</p> <p>Commercial-Community 1 & 2 (Discretionary) ,</p> <p>Commercial -Corridor 1-3(Discretionary),</p>

	<p>Commercial Office 1(Discretionary), Commercial-Regional 2 & 3 (Discretionary), Industrial-Business (Discretionary), Industrial-Edge (Discretionary), Industrial-Commercial (Discretionary), Centre City Multi-Residential High Rise Support Commercial (Discretionary), Centre City Mixed Use (Discretionary), Centre City Commercial Corridor (Discretionary), Centre City East Village Transition (Discretionary), Centre City East Village Integrated Residential (Discretionary), Centre City East Village Mixed Use (Discretionary), Centre City East Village Primarily Residential (Discretionary), Commercial Residential (CR20-C20/R-20), (Discretionary) Mixed Use-General, (Discretionary) Mixed Use-Active Frontage, (Discretionary) <i>Cannabis Store: Anywhere non-residential outside of the buffer zone.</i></p>
Edmonton	<p><u>LUB Amendments:</u> Yes, <i>land use framework for Cannabis Retail Sales to presented for public hearing on May 7, 2018, council decision deferred to June 7th.</i></p> <p><u>Other Actions:</u> Public Engagement and Research, <i>Information sessions for potential business owners, Development Permit fee proposed to be \$5,600, Business License \$2,500</i></p> <p><u>Definitions:</u> Cannabis, Cannabis Production and Distribution, Cannabis Lounge, Cannabis Retail Sales <u>Clarifications:</u> <i>Production, sale, and consumption</i> are not included in: Urban Indoor Farms/Gardens, Rural Farms, Recreational Acreage Farms (unless federally licensed) Major/Minor Home Business, Greenhouses, Convenience Stores, General Retail Stores. <i>Medical Cannabis Clinics and Counseling Services</i> are included as a typical use in Health Services definition. <i>Cannabis Lounges</i> not included in the following uses: Private Clubs, Nightclubs, Bars/Neighbourhood Pubs <u>MSDs:</u> <i>Yes</i> <i>200m between cannabis retail and schools, public libraries, and other cannabis retail. (Variance power for up to 20m only between cannabis retail sites for DO's, no variance for MSD from schools & public libraries.)</i></p>

	<p>100m from provincial health facilities, parks & rec centers (no variance power for DO's)</p> <p><u>Viable Districts – Cultivation/Production:</u> General Industrial use class zones (permitted use)</p> <p><u>Viable Districts – Retail/Other:</u> <i>Medical Cannabis Clinics and Counselling</i> in Health Services use class zones permitted or discretionary (Community Services 1, Urban Services, Urban Institutional, Marquis Retail Centre, Ellerslie Industrial Business, Blatchford Low to Medium Rise Residential, Blatchford Medium Rise Residential, RA9 High Rise Apartment, RA7 Low Rise Apartment, Clareview Campus High Density Residential, Urban Warehouse, Arena & Entertainment District Zone)</p> <p><i>Retail Sales (proposed): Permitted in Shopping Centres, Low Intensity Business, General Business, Highway Corridor, Commercial Office, Commercial Mixed Business, Industrial Business, Core Commercial Arts, Commercial Mixed Use, and Heritage Area, Jasper Ave Main Street Commercial, Urban Warehouse, and Arena & Entertainment District (13 districts: 9 Commercial, 3 Commercial Mixed Use, 1 Industrial zone with commercial emphasis.)</i></p>
Fort McMurray	<p><u>LUB Amendments:</u> No</p> <p><u>Other Actions:</u> Public engagement – survey ends May 15, 2018.</p> <p><u>Definitions:</u> n/a</p> <p><u>Clarifications:</u> n/a</p> <p><u>MSDs:</u> n/a</p> <p><u>Viable Districts – Cultivation/Production:</u> n/a</p> <p><u>Viable Districts – Retail:</u> n/a</p>
Fort Saskatchewan	<p><u>LUB Amendments:</u> Yes (1st reading)</p> <p><u>Other Actions:</u> Public Engagement; Council voted on a moderate approach; proposed LUB and smoking bylaw amendments presented for 1st reading on May 8th, Public Hearing scheduled for June 12th.</p> <p><u>Definitions:</u> Retail Store (Cannabis), Cannabis Production and Distribution Facility</p> <p><u>Clarifications:</u> cannabis related uses not included in retail store(general), agriculture, greenhouse, home business, home office, or industrial (general) uses.</p> <p><u>MSDs:</u> no</p> <p><u>Viable Districts – Cultivation/Production:</u> Light Industrial, Medium Industrial (both permitted)</p>

	<p><u>Viable Districts – Retail:</u> Vehicle oriented retail and service, Commercial shopping Centre, Fort mall redevelopment, Core commercial-downtown, Mall precinct-downtown, Mixed use-downtown (all discretionary)</p>
Leduc County	<p><u>LUB Amendments:</u> Yes, amendments forthcoming. Scheduled to go to council for 1st reading June 12th.</p> <p><u>Other Actions:</u> n/a</p> <p><u>Definitions:</u> n/a</p> <p><u>Clarifications:</u> n/a</p> <p><u>MSDs:</u> n/a</p> <p><u>Viable Districts – Cultivation/Production:</u> n/a</p> <p><u>Viable Districts – Retail:</u> n/a</p>
Lethbridge	<p><u>LUB Amendments:</u> No</p> <p><u>Other Actions:</u> Cannabis and Zoning FAQ page on website Open House proposed, but not scheduled yet. Currently working on LUB amendment proposal. Plan to have amendments formalized by late June.</p> <p><u>Definitions:</u> n/a</p> <p><u>Clarifications:</u> Licensed medical cannabis producers are considered "Manufacturing, Intensive"</p> <p><u>MSDs:</u> n/a</p> <p><u>Viable Districts – Cultivation/Production:</u> Heavy Industrial (permitted), General Industrial (discretionary)</p> <p><u>Viable Districts – Retail:</u> n/a</p>
<u>St. Albert</u>	<p><u>LUB Amendments:</u> Yes (medical), retail sales bylaw amendments in the works – approach mimicking liquor store districting. Proposed amendments to be presented to Council for 1st reading on May 28, 2018.</p> <p><u>Other Actions:</u> Cannabis Task Force, Work plan, Communications Tactics and Budget, Conceptual Phase Project Estimate, Public Engagement, presented smoking and business licensing bylaw amendment options to Committee of the Whole.</p> <p><u>Definitions:</u> Medical Marihuana Production Facility, replacing with "Cannabis Production Facility", adding "Cannabis Retail Store"</p> <p><u>Clarifications:</u> not disclosed yet.</p> <p><u>MSDs:</u> Same as provincial framework standards</p> <p><u>Viable Districts – Cultivation/Production:</u> Commercial and Industrial Services, Business Park, Business Park Transition, Business Park 2 Direct Control</p> <p><u>Viable Districts – Retail:</u> Discretionary use only, in same districts where Liquor sales are permitted or discretionary.</p>
<u>Spruce Grove</u>	<p><u>LUB Amendments:</u> Yes (medical, retail in the works)</p>

	<p><u>Other Actions:</u> First reading of bylaw amendments for retail passed, public hearing scheduled for May 14, 2018.</p> <p><u>Definitions:</u> Medical Marihuana, Medical Marihuana Production Facility</p> <p>Replacing the above with "Cannabis" and "Cannabis Production Facility"</p> <p>Add: "Cannabis Accessory", "Cannabis Sales"</p> <p><u>Clarifications:</u> Medical Marihuana Production Facility not a permitted use within: Agriculture, General Industrial, Greenhouse, or Retail Sales</p> <p><u>MSDs:</u> Yes; 300m from Libraries, Rec centers (indoor or outdoor), schools, and school reserve sites. 100m from Parks, Playgrounds, Child Care Facilities, Provincial Health Facilities, or a school located in a district where commercial uses are permitted.</p> <p><u>Viable Districts – Cultivation/Production:</u> General Industrial</p> <p><u>Viable Districts – Retail/Other:</u> Anywhere outside the buffer zone</p>
Stony Plain	<p><u>LUB Amendments:</u> No</p> <p><u>Other Actions:</u> Direction requested from Council, Public Engagement (Survey ends May 18)</p> <p><u>Definitions:</u> n/a</p> <p><u>Clarifications:</u> n/a</p> <p><u>MSDs:</u> n/a</p> <p><u>Viable Districts – Cultivation/Production:</u> n/a</p> <p><u>Viable Districts – Retail:</u> n/a</p>
Strathcona County	<p><u>LUB Amendments:</u> Yes</p> <p><u>Other Actions:</u> Public Engagement and Research, Retail Zoning bylaws passed</p> <p><u>Definitions:</u> "Cannabis Production Facility", "Retail, Cannabis"; remove "Drug Paraphernalia" and "Retail, Drug Paraphernalia" definitions</p> <p><u>Clarifications:</u> Cannabis Production Facility not a permitted use in: Agriculture (General), Agriculture (Intensive), Horticulture, Agriculture (Product Processing), Greenhouse; "Retail, Cannabis" is not to be contemplated as included in the following use definitions: "Flea Market", "Home Business", "Live-Work Unit", "Retail, Alcohol", "Retail, Convenience", "Retail, General", "Retail, Secondhand"</p> <p><u>MSDs:</u> Yes – 100m from schools, school reserves, and public health facilities.</p>

	<p><u>Viable Districts – Cultivation/Production:</u> Discretionary in Medium Industrial and Agriculture (General)</p> <p><u>Viable Districts – Retail:</u></p> <p><i>Permitted</i> in Arterial Commercial, Major Commercial, Salisbury Village Area 2 – Arterial Commercial, Salisbury Village Area 9 – Village Commercial, Salisbury Village Area 10 – Village Commercial/Employment, Salisbury Village Area 11 – Village Swing Site, DC1, DC3, DC10 – Area B, DC19 – Area A, and DC69 Area I (11 Districts)</p> <p><i>Discretionary</i> in Community Commercial, Highway Commercial, Service Commercial, Light Industrial, Rural Area - Local Commercial, Heavy Industrial Transition Overlay, Emerald Hills Area VII Commercial & High Density Residential, DC36, DC44, DC45, DC48 – A, B and C, DC54, DC 72 Areas I & II, and DC75 Area C (14 Districts)</p>
--	--

Schedule 3

SUBJECT: Cannabis (Retail) Business Licensing Fees

The purpose of this memo is to outline the reported strategies of various Alberta municipalities when it comes to licensing cannabis retail businesses. Each municipality is identified as having either an Un-stratified, Semi-Stratified or Stratified business licensing fee scheme, depending on whether they have 1-2, 3-4, or 5+ different fees for different types of businesses requiring licenses. This analysis was done for the purpose of determining whether the stratification of a municipality's existing business licensing scheme may be correlated with the decision to differentiate their cannabis business license fee amount from that of other retail or commercial businesses.

The information available from nine municipalities indicates that a minority of municipalities (Edmonton, Grand Prairie, and St. Albert) plan to set cannabis license fees higher than their standard fee for a general (retail) business license. The majority of municipalities surveyed appear to hold the view that the processing of business licenses for cannabis retail will be similar to that of any other business and will thus not justify levying a higher fee compared to other types of businesses.

In phone discussions, several municipal representatives mentioned that their administration deemed the argument for a tiered or differentiated business licensing scheme for cannabis to be difficult to defend if challenged in court. Although they do anticipate a need for additional municipal revenue to offset the increased costs of enforcement, public engagement, staffing, etc. related to regulating impacts of the cannabis industry on their communities, so far these municipalities believe that business licensing is not the appropriate avenue to pursue funding for these measures.

The following table summarizes this information, as collected from the respective municipal websites as well as by phone and notes from a meeting between several municipal business licensing officials on April 12, 2018. It was updated early May, 2018.

Municipality	Standard Base Fee	Cannabis Retail License Fee	Additional License Fees (Emergency services, etc.)	Total Non-res Cost (Standard/ Cannabis)	Remarks
Edmonton Stratified	\$283	\$2,500	Non-Resident: \$540	\$823 \$3,440	Proposed ; cannabis fee is higher than for bars, but lower than casinos. Option Analysis
Calgary Semi-stratified	\$191	\$191	Fire, Police, Planning : \$145 Non-resident: \$754	\$1,235 \$1,235	• License Fee Schedule
Airdrie Un-stratified	\$100	\$100	Non-Resident: \$100	\$200 \$200	• Info sheet Want to avoid being challenged in court (Like Vancouver is) over discriminatory fees for cannabis.
Grand Prairie Semi-stratified	\$0	\$5000	Non-resident: \$400	\$400 \$5,400	• Fee schedule Proposed; going to council 5/22/2018 Production & Dist. fee to be \$500.
Spruce Grove Un-stratified	\$260	\$260	Non-Resident: \$425	\$685 \$685	No changes planned for BL bylaw; only development permits.
Fort Saskatchewan	\$95	\$95	Non-Resident: \$225	\$320 \$320	• Fee Schedule

Un-stratified					Not differentiating ; feel that at the processing level they will not see any extra burden to necessitate a higher fee.
Beaumont	\$95		\$11	\$106	<ul style="list-style-type: none"> Fee Schedule No discussion yet.
Semi-stratified					
Stony Plain	\$100	\$100	\$100	\$200	<ul style="list-style-type: none"> Fee Schedule No fee change at this time; per Info Sharing meeting attended by S.Mytroen 4/12/2018
Un-stratified				\$200	
St. Albert	\$140.76	\$854.46	Non-Resident: \$541.62	\$682.38	Committee brief shows suggestion to add "cannabis" to the definition of "restricted products"; imposition of a fee optional, could be the same as Tobacco Retail License though.
Semi-stratified <ul style="list-style-type: none"> Tobacco Retail License Bylaw 				\$1,396.08	

Schedule 4

SUBJECT: Cannabis business hours of operation

According to the Government of Alberta's Cannabis Framework, cannabis retailers may be open from 10 am to 2 am, the same as liquor stores.

Municipality	Hours of Operation
Edmonton Stratified	Proposed hours of operation are 10 am to 11 pm, Monday through Sunday
Calgary Semi-stratified	10 am to 2 am.
Airdrie Un-stratified	Not disclosed yet
Grand Prairie Semi-stratified	Proposed; going to council 5/22/2018 daily operation hours of 10 am to 10 pm.
Spruce Grove Un-stratified	Public hearing to be held May 14, 2018; operating hours shall be 10 am to 11 pm.
Fort Saskatchewan Un-stratified	Not disclosed yet
Beaumont Semi-stratified	No discussion yet.
Stony Plain Un-stratified	No discussion yet.
St. Albert Semi-stratified	Not disclosed yet
• Tobacco Retail License Bylaw	

MEETING DATE: June 11th, 2018

SUBMITTED BY: Ken Woitt, Director, Planning & Development

PREPARED BY: Sylvain Losier, Manager, Current Planning and Development

REPORT TITLE: Bylaw 971-2017 – Amendment to the Business Licence Bylaw

REPORT SUMMARY

This report contains Administration's recommendation towards the next steps with proposed Bylaw 971-2017.

RECOMMENDATION

1. That council gives Bylaw 971-2017 third reading.

BACKGROUND

KEY ISSUE(S) / CONTEXT:

At the May 14, 2018 Council meeting, a Public Hearing was held under the Municipal Government Act for the purpose of allowing interested parties to communicate their thoughts and views on the proposed bylaw. At the Public Hearing, nobody stepped forward to make any comments. In anticipation of the Public hearing, Alberta health Services (AHS) submitted a letter with a few points in regards to the proposed Business Licence Bylaw. These included:

At the May 14, 2018 Council meeting, a Public Hearing was held under the Municipal Government Act (MGA) for the purpose of allowing interested parties to communicate their thoughts and views on the proposed bylaw. Following the Public Hearing, Council granted 2nd reading to the proposed bylaw and directed Administration to gather additional information to be presented at the June 11, 2018 Committee of the Whole. The required information related to the proposed bylaw were:

- Provide a table depicting what other municipalities are doing from a business licensing perspective in relation to cannabis legalization for:
 - Fees for licenses; and
 - Hours of operation for the Retail Store (Cannabis).

The required information was provided to Committee of the Whole (Report 2018-CoW-044).

LEGISLATION AND/OR POLICY:

1. Municipal Government Act, RSA 2000, Chapter M-26, as amended
 - S. 7 A council may pass bylaws for municipal purposes respecting the following matters:
 - (a) the safety, health and welfare of people and the protection of people and property; and
 - (e) businesses, business activities and persons engaged in business;...
 - Business License Bylaw 767-2011, as amended

PAST COUNCIL CONSIDERATION:

The upcoming legalization of cannabis has been previously discussed at various Committee of the Whole and Council meetings (June 26 and December 4, 2017; March 12, March 19, 2018). Bylaw 970-2017 received 1st reading on Monday, April 23, 2018. The Public Hearing was held on May 14, 2018 in accordance with the MGA, and 2nd reading was granted on Monday, May 28, 2018.

CITY OF LEDUC PLANS:

Bylaw 971-2017 is consistent with the City's Municipal Development Plan, as amended.

IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

Should Council agree with the recommendation, Administration will coordinate to ensure there is efficient communication with the community and the interested parties.

POLICY:

There are no policy implications.

LEGAL:

If the recommendation is accepted the prohibition on selling prohibited items together in one location will be removed. This will impact future cannabis retailers after cannabis legalization but will also remove operational restrictions from existing businesses.

IMPLEMENTATION / COMMUNICATIONS:

Pending Council's decision, Administration will communicate the outcome using various platforms.

ALTERNATIVES:

1. That Council decides to make minor changes to the proposed bylaw and direct staff to prepare the amendment to the bylaw and come back at the June 25, meeting for 3rd reading.
2. That Council defeats Bylaw 971-2017.

ATTACHMENTS:

1. Bylaw 971-2017

Others Who Have Reviewed this Report

I. Sasyniuk, Acting City Manager / B. Loewen, City Solicitor / M. Pieters, General Manager, Infrastructure & Planning

Bylaw No. 971-2017

PAGE 1

A BYLAW OF THE CITY OF LEDUC IN THE PROVINCE OF ALBERTA, TO AMEND BYLAW 767-2011 TO LICENSE AND REGULATE BUSINESSES

WHEREAS pursuant to section 7(e) of The *Municipal Government Act*, a council may pass bylaws for municipal purposes respecting businesses, business activities and persons engaged in business;

AND, in accordance with the Act, Council finds it desirable to amend Bylaw 767-2011;

THEREFORE, the Council of the City of Leduc in the Province of Alberta duly assembled, hereby enacts as follows:

That Bylaw 767-2011 shall be amended as follows:

1. Section 2 (1)(k) shall be deleted in its entirety and replaced with the following:

(k) "Fees Bylaw" means the current City of Leduc Fees Bylaw;

2. Section 2 (1)(m) shall be deleted in its entirety and replaced with the following:

(m) "Land Use Bylaw" means The City of Leduc Land Use Bylaw No. 809-2013;

3. The phrase "and Charges" shall be struck from sections 2(1)(o), 5(4), 5(6), 5(7) and 12(1).
4. Section 3(5)(a) shall be deleted in its entirety.
5. This Bylaw shall come into force and effect when it receives Third Reading and is duly signed.

READ A FIRST TIME IN COUNCIL THIS ____ DAY OF _____, AD 2018.

READ A SECOND TIME IN COUNCIL THIS ____ DAY OF _____ AD 2018.

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS ____ DAY OF _____, AD 2018.

APPROVED
As to Form

B. L.

City Solicitor

Date Signed

Bob Young
MAYOR

Sandra Davis
CITY CLERK

GOVERNANCE

IX.

COUNCIL CALENDAR UPDATES

Information Items

Grants to Organizations

Information Items

Appointment of a Council Member to the Edmonton Metropolitan Region Board Integrated Transportation & Transit Systems Working Group

XI.

ADJOURNMENT