

REQUEST FOR DECISION

Zoning Amendment Bylaw No. 1544-2017, No. 1545-2017
and No. 1547-2017 – Cannabis Regulations

Meeting Date: April 18, 2018

To: SLRD Board

RECOMMENDATIONS:

THAT first reading of Bylaw No. 1544-2017, cited as "Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999, Amendment Bylaw No. 1544-2017" be rescinded.

THAT first reading of Bylaw No. 1545-2017, cited as "Squamish-Lillooet Regional District Electoral Area B Zoning Bylaw No. 1300-2013, Amendment Bylaw No. 1545-2017" be rescinded.

THAT first reading of Bylaw No. 1546-2017, cited as "Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002, Amendment Bylaw No. 1546-2017" be rescinded.

THAT first reading of Bylaw No. 1547-2017, cited as "Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016, Amendment Bylaw No. 1547-2017" be rescinded.

THAT Bylaw No. 1544-2017, cited as "Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999, Amendment Bylaw No. 1544-2017" be read a first and second time.

THAT Bylaw No. 1545-2017, cited as "Squamish-Lillooet Regional District Electoral Area B Zoning Bylaw No. 1300-2013, Amendment Bylaw No. 1545-2017" be read a first and second time.

THAT Bylaw No. 1546-2017, cited as "Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002, Amendment Bylaw No. 1546-2017" be read a first and second time.

THAT Bylaw No. 1547-2017, cited as "Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016, Amendment Bylaw No. 1547-2017" be read a first and second time.

(2/3 majority - delegated authority)

THAT the Board direct staff to schedule and advertise a public hearing and delegate the holding of the public hearing to Chair Jack Crompton with Electoral Area C Director Russell Mack as alternate delegate pursuant to Section 469 of the *Local Government Act*, for the consideration of Bylaw No. 1544-2017, cited as "Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999, Amendment Bylaw No. 1544-2017", Bylaw No. 1545-2017, cited as

“Squamish-Lillooet Regional District Electoral Area B Zoning Bylaw No. 1300-2013, Amendment Bylaw No. 1545-2017, Bylaw No. 1546-2017”, cited as “Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002, Amendment Bylaw No. 1546-2017”, and Bylaw No. 1547-2017, cited as “Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016, Amendment Bylaw No. 1547-2017.”

KEY ISSUES/CONCEPTS:

The Board made the following resolutions at its September 20, 2017 Board meeting:

THAT Bylaw No. 1544-2017, cited as “Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999, Amendment Bylaw No. 1544-2017” be introduced and read a first time;

THAT Bylaw No. 1545-2017, cited as “Squamish-Lillooet Regional District Electoral Area B Zoning Bylaw No. 1300-2013, Amendment Bylaw No. 1545-2017” be introduced and read a first time;

THAT Bylaw No. 1546-2017, cited as “Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002, Amendment Bylaw No. 1546-2017” be introduced and read a first time;

THAT Bylaw No. 1547-2017, cited as “Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016, Amendment Bylaw No. 1547-2017” be introduced and read a first time; and

THAT second reading of Bylaw No. 1544-2017, Bylaw No. 1545-2017, Bylaw No. 1546-2017 and Bylaw No. 1547-2017 be subject to Squamish-Lillooet Regional District (SLRD) staff bringing a report to the SLRD Board containing options to regulate marijuana dispensaries.

In April 2017, the Government of Canada introduced Bill C-45 (the *Cannabis Act*) and Bill C-46 (the Act to amend the *Criminal Code*) with plans to make non-medical cannabis legal in Canada by July 2018. The *Cannabis Act* is currently sitting at second reading, with June 7 the deadline for the Senate to pass the legislation, as agreed upon by the Senate leaders and government. While the proposed *Cannabis Act* provides an overall framework for cannabis legalization and regulation, it also provides authorities for all levels of government. Generally the *Cannabis Act* provides authority for the Federal government to regulate commercial cultivation, processing, and sales (by phone or online), with Federal licences required for these activities. Provincial governments will have authority to establish age limit, distribution and retail models, among others. Local governments will have authority to regulate certain aspects like retail location and rules, regulatory compliance, public consumption, and land use/zoning. As such, local governments are preparing for cannabis legalization through regulatory updates.

General legal recommendations suggest that local governments: consult with residents; enact restrictive zoning so as to preclude the possibility of lawful non-conforming retail outlets; and relax/tailor regulation once the Federal/Provincial scheme is announced/implemented. This has been the approach of many municipalities and regional districts.

A key concern is the potential for legal non-conformity or “grandfathering” (as per section 528 of the *Local Government Act*) of cannabis retail operations. To address this concern, the proposed zoning amendments would prohibit cannabis retail in the SLRD Electoral Areas now, ahead of the Federal and Provincial changes thereby ensuring that potential cannabis retail/sales

operations do not have an argument for legal non-conformity. It should be recognized that as the SLRD does not have the authority to issue business licences, zoning is the only authority the SLRD can exercise to regulate where and how cannabis is sold. The subject zoning amendments also propose new definitions and seek to clarify existing cannabis production (cultivation/processing) regulations.

RELEVANT POLICIES:

Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999
Squamish-Lillooet Regional District Electoral Area B Zoning Bylaw No. 1300-2013
Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002
Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016

BACKGROUND:

Current Status

On February 6, 2018 the Senate announced that the highly anticipated legalization of recreational use cannabis in Canada could be delayed. It was indicated at this Senate meeting that full implementation of legal recreational use cannabis could be delayed beyond July 1, 2018, with Federal officials predicting a delay of at least two to three months. Yet with the Senate giving second reading of the *Cannabis Act* on March 22, 2017, the government has indicated that it still expects the proposed legislation to pass by July 2018. Time is of the essence for local governments to prepare regulations, should there be a desire to regulate beyond what is being set out by the Federal and Provincial governments.

BC's Approach to Cannabis Legalization and Regulation

(Paraphrased from the Province's press release and website)

In preparation for the Federal government's legalization of non-medical cannabis in July 2018, BC has made a number of decisions about what the provincial regulatory framework will look like.

Minimum Age of Possession

British Columbia's minimum age to possess, purchase and consume cannabis will be 19 years old. A minimum age of 19 is consistent with B.C.'s minimum age for alcohol and tobacco and with the age of majority in B.C.

Distribution Framework

The Province has confirmed that B.C. will have a government-operated wholesale distribution model, with the Liquor Distribution Branch as the wholesale distributor of non-medical cannabis. Retailers will only be able to sell non-medical cannabis that has been acquired from the Liquor Distribution Branch.

Retail Framework

The Liquor Distribution Branch will also operate retail stores, and the Liquor Control and Licensing Branch will be responsible for licensing private stores and monitoring the retail sector. It is anticipated that the operating rules governing public and private cannabis retail stores will be similar to those currently in place for liquor.

In urban areas, licenced retailers will not be able to sell cannabis in the same stores as liquor or tobacco. The Province recognizes retail access for people in rural areas will require a different approach than those used in urban communities and will establish exceptions for rural non-medical cannabis retail stores, similar to those of rural liquor stores. Non-medical cannabis

sales will only be permitted at licenced retail stores, although offsite sales may be considered in the future.

The Province will not be regulating the location of cannabis retail stores. Local government jurisdiction over land use management is recognized, including jurisdiction to set requirements for the proximity of a store to another cannabis store, schools, daycares or other land uses.

Local governments must also be in support of the particular location of a proposed store, including a government retail store, for the Province to issue a licence. The process to obtain local government support has not yet been established, however, the [Cannabis Private Retail Licencing Guide](#) indicates the issuance of a private licence may require public consultation, a council or board resolution, and notification of the resolution to the Liquor Control and Licensing Branch.

In addition to the ability to further restrict cannabis retail (i.e. set regulations pertaining to location, proximity, operating hours, security, etc.) local governments will have the ability to completely ban cannabis sales (including public stores) if they so choose.

This spring, the Province will launch an early registration process for individuals and businesses who are interested in applying for a cannabis retail licence.

Public Consumption

The Province will generally allow adults to use non-medical cannabis in public spaces where tobacco smoking and vaping are permitted. There will be additional restrictions on smoking and vaping non-medical cannabis in areas frequented by children, including community beaches, parks and playgrounds. The use of cannabis in any form will also be prohibited in vehicles.

Local governments will be able to set additional restrictions on cannabis consumption, as they do now for tobacco use. Landlords and strata councils will also be able to restrict or prohibit non-medical cannabis smoking at tenanted and strata properties.

Personal Cultivation

The Province has indicated that adults will be permitted to grow up to four cannabis plants per household, as provided for in the proposed federal *Cannabis Act*, but the plants must not be visible from public spaces off the property. Cultivation will also be prohibited in dwellings that are used as daycares. Landlords and strata corporations will be able to prohibit this use of residential dwellings.

Drug Impaired Driving

Drug impaired driving will continue to be illegal in B.C. The Province will increase training for law enforcement in this area and toughen provincial regulations to give police more tools to remove drug-impaired drivers from the road and deter drug-affected driving, including:

- B.C. will create a new 90-day Administrative Driving Prohibition (ADP) for drug affected driving
- The current zero tolerance restrictions for the presence of alcohol for drivers in the Graduated Licensing Program (GLP) will be expanded to include zero tolerance for the presence of THC

Federal, Provincial and Local Government Authorities – Summary

ACTIVITY	AUTHORITY RESPONSIBLE		
	FEDERAL	PROVINCIAL	MUNICIPAL
Possession limits **	●		
Trafficking	●		
Advertisement and packaging **	●		
Impaired driving	●	●	
Medical cannabis	●		
Seed-to-sale tracking system	●		
Production (cultivation and processing)	●		
Age limit (federal minimum) **	●	●	
Public health	●	●	
Education	●	●	●
Taxation	●		●
Home cultivation (growing plants at home) **	●		
Workplace safety		●	
Distribution and wholesaling		●	
Retail model		●	
Retail location and rules		●	●
Regulatory compliance	●	●	●
Public consumption		●	●
Land use/zoning		●	●

Source: City of Surrey – *Cannabis Legalization: An Evolving Framework for BC Municipalities*

Note that this table refers to municipal powers, which in some cases do not apply to Regional Districts.

Terminology

Cannabis vs. Marijuana/Marihuana - According to Health Canada, *“the word “marijuana” is a common term used most often in reference to the dried flowers and leaves of the cannabis plant. It is a slang term that is not scientifically precise.”* Health Canada has indicated cannabis is the more appropriate term and cannabis will be the term used in all new Federal regulations/legislation.

Under the Cannabis Act (as per second reading), **cannabis** means a cannabis plant and anything referred to in Schedule 1 but does not include anything referred to in Schedule 2. (cannabis)

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

Medical vs. Non-medical/recreational – There is no need for local governments to make a distinction between medical cannabis and non-medical/recreation cannabis; local government authority will be the same for both; distinction will remain at the Federal government level through Federal government licences.

To learn more about the proposed Federal Licences and Requirements, see Appendix F and G.

Sale of Cannabis for Medical Purposes

According to Health Canada, under the *Cannabis Act* a licence for the sale of cannabis for medical purposes would authorize the sale of cannabis products obtained from a federally-licensed processor to registered clients (or to an individual who is responsible for a registered client) in a manner consistent with the current system established under the *Access to Cannabis for Medical Purposes Regulations* (ordered over the phone, online or via written order, with secure delivery through the mail or by courier). Thus, there is no need for local government regulations, such as cannabis retail, to address medical cannabis sales. To clarify, the following Q&A is provided in the [B.C. Cannabis Retail Licensing Guide](#):

I only want to sell medical cannabis; can I apply for a medical cannabis retail licence? No, medical cannabis will continue to be sold online by federally licensed producers only. However, like other Canadians, medical users will be able to buy cannabis from retailers of non-medical cannabis. The federal government has committed to conducting a review of the medical cannabis system in five years.

As with other licences, a licence for sale for medical purposes would authorize related activities, such as possession, transportation, research and development, storage, destruction, and the intra-industry sale of cannabis to other federal licence holders. These are beyond the authority of local governments to regulate.

Municipality Approaches within the SLRD

District of Squamish The bylaws establishing the regulation of marijuana dispensaries were adopted on July 5, 2016. The District of Squamish began accepting Business Licence applications for marijuana dispensaries starting July 6, 2016. Marijuana dispensaries are regulated predominately through business licences: requiring a security plan and proof of a security alarm contract providing monitoring at all time, criminal record check, certificate of title or lease, signage, odour control systems and limiting the number of licences a licence holder may have. District of Squamish Zoning Bylaw No. 2200, 2011 generally defines marijuana dispensary and outlines conditions of use. <i>Section 4.37 Marijuana Dispensary – Conditions of Use</i> <i>a) A Marijuana Dispensary use is permitted in zones that permit ‘retail store’ as a principal use.</i> <i>b) In all zones a Marijuana Dispensary is not permitted within 300 metres of the nearest property line of a site containing another Marijuana Dispensary.</i> <i>c) In all zones a Marijuana Dispensary is not permitted within 300 metres of the nearest property line of a site containing a school.</i> <i>d) A Marijuana Dispensary is not permitted within 300 metres of the nearest property line of the site containing the Squamish Youth Resource Centre, the Squamish Skateboard Park, and Carson Place Park, located at 38648 Buckley Avenue or where relocated from time to time.</i> <i>e) A Marijuana Dispensary is not permitted on parcels with Frontage on Cleveland Avenue.</i>
Resort Municipality of Whistler (RMOW) The RMOW Zoning Bylaw No. 303, 2015 was amended on February 6, 2018 to maintain the status quo for cannabis production, distribution and retail in the RMOW. Note a public hearing was held on January 23, 2018. Under the current zoning, retail remains prohibited and production and distribution remains limited to a single site in Function Junction. Additionally, the new bylaw regulations do not distinguish between recreational cannabis and medical cannabis.
Village of Pemberton The Village of Pemberton Zoning Bylaw No. 466, 2001 was amended on February 7, 2017, adding a definition of marihuana operation and prohibiting marihuana operation. Note a public hearing was held on this matter. It was also resolved THAT if Zoning Amendment (Marihuana Operations) Bylaw No. 809, 2017 is adopted, that the Village not accept any rezoning applications to permit a marihuana operation until the Zoning Bylaw Review process is completed (anticipated by December 31, 2017; currently under development). More recently, VoP staff have been directed to take a high-level look at cannabis retail within the Village of Pemberton.
District of Lillooet SLRD staff are not aware of any consideration of cannabis regulations at this time.

Agricultural Land Reserve

The growing of medical marihuana is expressly allowed as a *farm use* in the Agricultural Land Reserve (ALR). The Agricultural Land Commission Act and ALR Regulation were amended in 2015 to recognize and respect the federal government's policy and legislation around the production of medical marijuana and provides consistency for communities throughout British Columbia. Local governments are allowed to limit and regulate this farm use but not prohibit. According to ALC officials, they have determined that as of the present time, non-medical/recreational cannabis cultivation is not allowed and is not considered a farm use. This will be re-evaluated once the *Cannabis Act* comes into effect. There has been no indication from the Ministry of Agriculture, ALC, or Provincial or Federal government as to how the *Cannabis Act* will consider non-medical cannabis production in the ALR. However, given that the type of use is not changing (cannabis production), only the users (medical vs. non-medical), it is very possible non-medical cannabis production will be considered a *farm use* (the Federal government determined cannabis to be a crop and the Provincial government made medical marihuana production facility a farm use; once cannabis is legal there will be no distinction in terms of the production of cannabis; the medical vs. non-medical distinction will only be at the sales end of the supply chain).

ANALYSIS:

Summary of Proposed Amendments:

- Exclude the sale of cannabis as a part of retail uses (currently permitted in commercial zones, some industrial zones, and under some home business/home craft provisions) by prohibiting *cannabis retail* in the Electoral Area zoning bylaws. This will address concerns about legal non-conformity and will compel any prospective cannabis retail sales outlets to apply for a rezoning, thus allowing for public input and Board decision-making. It also acknowledges that regional districts have a more limited authority to regulate compared to municipalities which have broader authority under the Community Charter and powers such as business licensing.
- Replace all references to *medical marihuana production facility* with *cannabis production facility*. The *Cannabis Act* and subsequent Federal licences for cultivation and processing (production) will not distinguish between medical cannabis production and non-medical/recreational cannabis production. This will mean that in the SLRD cannabis production will be permitted as per the current *medical marihuana production facility* zoning regulations, which went through an extensive public process. Additionally, it should be noted that the *Marihuana for Medical Purposes Regulations* (MMPR) are no longer in effect.
- Add definition of cannabis, cannabis retail, and cannabis production facility.

See Appendices B, C, D, and E for the full proposed zoning amendments.

Regional District Authorities

As the SLRD does not have the authority to issue business licences, zoning is the only authority the SLRD can exercise to regulate where and how cannabis is sold.

Current and Proposed Zoning

Cannabis Retail

The permissive and generally undefined character of retail type uses in the SLRD would permit cannabis sales in a wide range of locations: all commercial zones, including tourist commercial, resort commercial and backcountry commercial; some industrial zones; and home businesses/home craft (permitted in most zones in the SLRD).

As such, it is recommended that the SLRD exercise its authority by updating the SLRD Electoral Area zoning bylaws in preparation for the Cannabis Act coming into force.

Recommended Approach: prohibit cannabis retail

Without the ability to develop a comprehensive business licencing program for this use, prohibiting cannabis retail outright and providing for consideration through the zoning amendment process allows public input and Board decision-making on a site-specific basis. It also prevents the potential for legal non-conformity or “grandfathering” (as per section 528 of the *Local Government Act*) of cannabis retail operations. This has been the approach of many regional districts, recognizing municipalities have broader authority under the Community Charter, as well as capacity to manage such commercial uses and associated impacts.

CANNABIS RETAIL

Current Zoning	Recommended Approach	Proposed Zoning
Retail use permitted in all commercial zones, some industrial zones, and provided for under some home business/home craft	Prohibit cannabis retail	Add under General Regulations: “Unless expressly permitted in this Bylaw, cannabis retail is prohibited in all zones including zones which broadly permit retail sales/stores or use, farm retail sales/retail sales of farm products, convenience store, or accessory retail use/auxiliary retail sales.”

Cannabis Production Facilities

SLRD Zoning Bylaws currently speak to *Medical Marihuana Production Facilities*.

This terminology and related regulations are no longer in effect. On August 11, 2016, Health Canada announced the new *Access to Cannabis for Medical Purposes Regulations* (ACMPR). The ACMPR came into force on August 24, 2016, replacing the *Marihuana for Medical Purposes Regulations* (MMPR). According to Health Canada, “should the proposed Cannabis Act be approved by Parliament and receive Royal Assent, cannabis would be removed from the CDSA [Controlled Drugs and Substances Act] and would instead be subject to the Cannabis Act and its regulations. It is critical that there be a smooth transition between frameworks. To that end, the proposed Cannabis Act includes a number of transitional provisions to provide, for example, that licences issued under the ACMPR, NCR, or the IHR that are in force immediately before the day cannabis is repealed from the CDSA would remain in effect until such time as they expire or are revoked. As part of the transition, the intention is to enact new regulations under the Cannabis Act, addressing areas such as specific requirements for different types of licence holders, or packaging and labelling requirements for different types of cannabis products”. Thus local government bylaws should reflect the terminology and regulations

proposed under the *Cannabis Act*. Cannabis production facility will cover all cannabis production (cultivation and processing). In addition to the terminology shift, SLRD staff are recommending that the current zoning regulations for *medical marihuana production facilities* be maintained for *cannabis production facilities*. Extensive public process went into the development of these regulations, with careful attention to lot size, setbacks, height, and gross floor area requirements. This is critical in the rural context, given concerns about water use/servicing, energy use, well contamination, pesticides, safety and agricultural and neighbourhood impacts.

Recommended Approach: replace all references to *medical marihuana production facility* with *cannabis production facility*, thereby: updating the terminology to reflect current and proposed Federal regulations; and regulating cannabis production as per the current SLRD *medical marihuana production facility* provisions, the development of which underwent an extensive public process. These regulations have been included in Appendix A for the Board's reference.

Cannabis Definitions

Recommended action: update the definitions section of the SLRD Electoral Area zoning bylaws to include cannabis, cannabis retail and cannabis production facility.

DEFINITIONS

Current Zoning	Recommended Approach	Proposed Zoning
N/A	Update definitions section to include <i>cannabis</i> , <i>cannabis retail</i> and <i>cannabis production facility</i> .	CANNABIS means cannabis as defined in the <i>Cannabis Act</i> as amended from time to time. CANNABIS RETAIL means the sale of cannabis. CANNABIS PRODUCTION FACILITY means a premise used for cultivation, processing, testing, destroying, storing or distribution of cannabis authorized by a licence issued by Health Canada.

To summarize, staff are recommending the SLRD take an incremental approach to the regulation of cannabis in the Electoral Areas – maintaining the status quo for both retail and production while considering new uses through site-specific zoning amendment processes (once the *Cannabis Act* comes into effect). This has been the approach of many other local governments, especially regional districts who are more limited in their authorities compared with municipalities (i.e. no business licences). Other options to regulate cannabis are outlined below under the Options section.

The SLRD will also need to update the Electoral Area Official Community Plans at some point in the future; specifically, there is a medical marihuana production facility development permit area covering each Electoral Area. These updates are not as urgent and can come after the zoning approach is adopted.

REGIONAL IMPACT ANALYSIS:

Cannabis legalization and regulation will have impacts across the regional district, though impacts and concerns may vary between urban and rural/remote areas. Authorities also vary between municipalities and regional districts. As such, the SLRD approach may differ from that of some of the member municipalities.

OPTIONS:

Option 1

Amend SLRD Electoral Area zoning bylaws in preparation for the *Cannabis Act* coming into effect.

Rescind Bylaw Nos. 1544-2017, 1545-2017, 1546-2017 and 1547-2017. As these are short bylaw, it was felt it was easier to rescind and re-read vs. amending. The changes from the initial bylaw introduced is including definitions regarding cannabis and its production and removing the definition of medical marihuana production facility (related to the introduction of the new changes).

Give Bylaw Nos. 1544-2017, 1545-2017, 1546-2017 and 1547-2017 first and second reading and schedule public hearings.

Option 2

Amend SLRD Electoral Area zoning bylaws in preparation for the *Cannabis Act* coming into effect.

Rescind Bylaw Nos. 1544-2017, 1545-2017, 1546-2017 and 1547-2017.

Give Bylaw Nos. 1544-2017, 1545-2017, 1546-2017 and 1547-2017 first, second and third readings, waive the public hearings and adopt the bylaw.

Option 3

Partially amend SLRD Electoral Area zoning bylaws in preparation for the Cannabis Act coming into effect. Do not prohibit cannabis retail and leave for the Federal and Provincial governments to regulate (licences, taxation, retail model, etc.); the location of retail would be unregulated, but replace all references to *medical marihuana production facility* with *cannabis production facility*.

Rescind Bylaw Nos. 1544-2017, 1545-2017, 1546-2017 and 1547-2017.

Give Bylaw Nos. 1544-2017, 1545-2017, 1546-2017 and 1547-2017 first, second and third readings as amended, waive the public hearings and adopt the bylaw.

Option 4

Do not amend the SLRD Electoral Area zoning bylaws; consider amendments following the *Cannabis Act* coming into effect.

Other Options: Refer back to staff for more information prior to giving any readings of the bylaws. Other decision, as determined by the Board.

Preferred Option

Option 1 or Option 2. Option 1 provides for community input, so it is preferred overall.

Follow Up Actions

General legal recommendations emphasize the importance of amending zoning bylaws in advance of the *Cannabis Act* coming into effect. Under Option 1, a public hearing could be scheduled for May, with Bylaw Nos. 1544-2017, 1545-2017, 1546-2017 and 1547-2017 adopted in June 2018 prior to the federal regulations regarding the legalization of cannabis coming into force July 1. A regional public hearing could be held at the SLRD Boardroom in Pemberton for all four bylaws, with advertisements in all local newspapers (Lillooet News, Pique and Chief). Given the nature of the proposed amendments – updating terminology and prohibiting a use that is currently illegal – the Board may deem this to be appropriate. Note the public may submit written comments in addition to attending a public hearing. Future site-specific zoning amendment processes to allow for cannabis retail would also trigger a public hearing process, in which the community could provide further input.

APPENDICES:

Appendix A: Current Zoning Regulation for Medical Marihuana Production Facilities
Appendix B: Bylaw No. 1544-2017
Appendix C: Bylaw No. 1545-2017
Appendix D: Bylaw No. 1546-2017
Appendix E: Bylaw No. 1547-2017
Appendix F: Supply Chain for Commercial Production and Sale of Cannabis
Appendix G: Proposed Requirements for Cultivation, Processing, and Federal Sale Licences

Submitted by: C. Daniels, Planner
Endorsed by: K. Needham, Director of Planning and Development
Reviewed by: L. Flynn, Chief Administrative Officer

CURRENT ZONING

Medical marihuana production facility is currently allowed in the following Electoral Area zones
Electoral Area A Rural Resource 1 (RR1), Rural Resource 2 (RR2) – 10 ha or greater; Light Industrial Zone (M1) and Heavy Industrial (M2) – 0.5 ha or greater where serviced by a sewer system and 1 ha or greater otherwise
Electoral Area B Rural Resource 1 (RR1), Rural Resource 2 (RR2), Rural Resource 3 (RR3) – 10 ha or greater; 100 ha or greater for lands within the ALR Rural Resource 4 (RR4) and Rural Resource 5 (RR5) – 10 ha or greater
Electoral Area C Rural 1 (RR1) – 10 ha or greater; Agriculture (AGR) – 60 ha or greater; Industrial (I1) and Resource Industrial (I2) – 0.5 ha or greater
Electoral Area D Agriculture 1 Zone (AGR1) – 60 ha or greater; Rural Resource 2 Zone (RR2), Rural Resource 3 Zone (RR3) and Rural Resource 4 Zone (RR4) – 10 ha or greater

**SQUAMISH-LILLOOET REGIONAL DISTRICT
BYLAW NO. 1544-2017**

A bylaw of the Squamish-Lillooet Regional District to amend the Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999 (Electoral Area A)

WHEREAS the Board of the Squamish-Lillooet Regional District wishes to amend Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999;

NOW THEREFORE, the Regional Board of the Squamish-Lillooet Regional District, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as "Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999, Amendment Bylaw No. 1544-2017".
2. Squamish-Lillooet Regional District Zoning Bylaw No. 670, 1999 is amended by inserting a new section 4.16 into Section 4 General Regulations as follows:

Cannabis Retail

4.16 Unless expressly permitted in this bylaw, *cannabis retail* is prohibited in all zones including zones which broadly permit retail sales/stores or use, farm retail sales/retail sales of farm products, convenience store, or accessory retail use/auxiliary retail sales.

- (a) By replacing all references to *medical marihuana production facility* with *cannabis production facility*.
- (b) By deleting the term and definition "*medical marihuana production facility*" from Section 1 Definitions.
- (c) By adding new terms and definitions to Section 1 Definitions in alphabetical order, as follows:

CANNABIS means cannabis as defined in the *Cannabis Act*.

CANNABIS RETAIL means the sale of cannabis.

CANNABIS PRODUCTION FACILITY means a premise used for cultivation, processing, testing, destroying, storing or distribution of cannabis authorized by a licence issued by Health Canada.

READ A FIRST TIME this	20 th day of	SEPTEMBER, 2017.
FIRST READING RESCINDED this	18 th day of	APRIL, 2018.
READ A FIRST TIME, as amended, this	18 th day of	APRIL, 2018.
READ A SECOND TIME this	18 th day of	APRIL, 2018.
PUBLIC HEARING held on the	day of	, 2018.
READ A THIRD TIME this	day of	, 2018.
ADOPTED this	day of	, 2018.

Jack Crompton
Chair

Kristen Clark
Corporate Officer

**SQUAMISH-LILLOOET REGIONAL DISTRICT
BYLAW NO. 1545-2017**

A bylaw of the Squamish-Lillooet Regional District to amend the Squamish-Lillooet Regional District Electoral
Area B Zoning Bylaw No. 1300-2013

WHEREAS the Board of the Squamish-Lillooet Regional District wishes to amend Squamish-Lillooet Regional District Electoral Area B Zoning Bylaw No. 1300-2013;

NOW THEREFORE, the Regional Board of the Squamish-Lillooet Regional District, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as "Squamish-Lillooet Regional District Electoral Area B Zoning Bylaw No. 1300-2013, Amendment Bylaw No. 1545-2017".
2. Squamish-Lillooet Regional District Electoral Area B Zoning Bylaw No. 1300-2013 is amended by inserting a new section 4.16 into Section 4 General Regulations as follows:

Cannabis Retail

4.16 Unless expressly permitted in this Bylaw, *cannabis retail* is prohibited in all zones including zones which broadly permit retail sales/stores or use, farm retail sales/retail sales of farm products, convenience store, or accessory retail use/auxiliary retail sales.

- (a) By replacing all references to *medical marihuana production facility* with *cannabis production facility*.
- (b) By deleting the term and definition "*medical marihuana production facility*" from Section 1 Definitions.
- (c) By adding new terms and definitions to Section 1 Definitions in alphabetical order, as follows:

CANNABIS means cannabis as defined in the *Cannabis Act*.

CANNABIS RETAIL means the sale of cannabis.

CANNABIS PRODUCTION FACILITY means a premise used for cultivation, processing, testing, destroying, storing or distribution of cannabis authorized by a licence issued by Health Canada.

READ A FIRST TIME this	20 th day of	SEPTEMBER, 2017.
FIRST READING RESCINDED this	18 th day of	APRIL, 2018.
READ A FIRST TIME, as amended, this	18 th day of	APRIL, 2018.
READ A SECOND TIME this	18 th day of	APRIL, 2018.
PUBLIC HEARING held on the	day of	, 2018.
READ A THIRD TIME this	day of	, 2018.
ADOPTED this	day of	, 2018.

Jack Crompton
Chair

Kristen Clark
Corporate Officer

**SQUAMISH-LILLOOET REGIONAL DISTRICT
BYLAW NO. 1546-2017**

A bylaw of the Squamish-Lillooet Regional District to amend the Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002

WHEREAS the Board of the Squamish-Lillooet Regional District wishes to amend Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002;

NOW THEREFORE, the Regional Board of the Squamish-Lillooet Regional District, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as "Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002, Amendment Bylaw No. 1546-2017".
2. Squamish-Lillooet Regional District Electoral Area C Zoning Bylaw No. 765, 2002 is amended by inserting a new section 4.26 into Part 4 General Zoning Provisions and Regulations as follows:

Cannabis Retail

4.26 Unless expressly permitted in this Bylaw, *cannabis retail* is prohibited in all zones including zones which broadly permit retail sales/stores or use, farm retail sales/retail sales of farm products, convenience store, or accessory retail use/auxiliary retail sales.

- (a) By replacing all references to *medical marihuana production facility* with *cannabis production facility*.
- (b) By deleting the term and definition "*medical marihuana production facility*" from Part 1 Interpretation.
- (c) By adding new terms and definitions to Part 1 Interpretation in alphabetical order, as follows:

CANNABIS means cannabis as defined in the *Cannabis Act*.

CANNABIS RETAIL means the sale of cannabis.

CANNABIS PRODUCTION FACILITY means a premise used for cultivation, processing, testing, destroying, storing or distribution of cannabis authorized by a licence issued by Health Canada.

READ A FIRST TIME this	20 th day of	SEPTEMBER, 2017.
FIRST READING RESCINDED this	18 th day of	APRIL, 2018.
READ A FIRST TIME, as amended, this	18 th day of	APRIL, 2018.
READ A SECOND TIME this	18 th day of	APRIL, 2018.
PUBLIC HEARING held on the	day of	, 2018.
READ A THIRD TIME this	day of	, 2018.
ADOPTED this	day of	, 2018.

Jack Crompton
Chair

Kristen Clark
Corporate Officer

**SQUAMISH-LILLOOET REGIONAL DISTRICT
BYLAW NO. 1547-2017**

A bylaw of the Squamish-Lillooet Regional District to amend the Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016

WHEREAS the Board of the Squamish-Lillooet Regional District wishes to amend Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016;

NOW THEREFORE, the Regional Board of the Squamish-Lillooet Regional District, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as "Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016, Amendment Bylaw No. 1547-2017".
2. Squamish-Lillooet Regional District Electoral Area D Zoning Bylaw No. 1350-2016 is amended by inserting a new section 4.24 into Section 4 General Regulations as follows:

Cannabis Retail

4.24 Unless expressly permitted in this Bylaw, *cannabis retail* is prohibited in all zones including zones which broadly permit retail sales/stores or use, farm retail sales/retail sales of farm products, convenience store, or accessory retail use/auxiliary retail sales.

- (a) By replacing all references to *medical marihuana production facility* with *cannabis production facility*.
- (b) By deleting the term and definition "*medical marihuana production facility*" from Section 1 Definitions.
- (c) By adding new terms and definitions to Section 1 Definitions in alphabetical order, as follows:

CANNABIS means cannabis as defined in the *Cannabis Act*.

CANNABIS RETAIL means the sale of cannabis.

CANNABIS PRODUCTION FACILITY means a premise used for cultivation, processing, testing, destroying, storing or distribution of cannabis authorized by a licence issued by Health Canada.

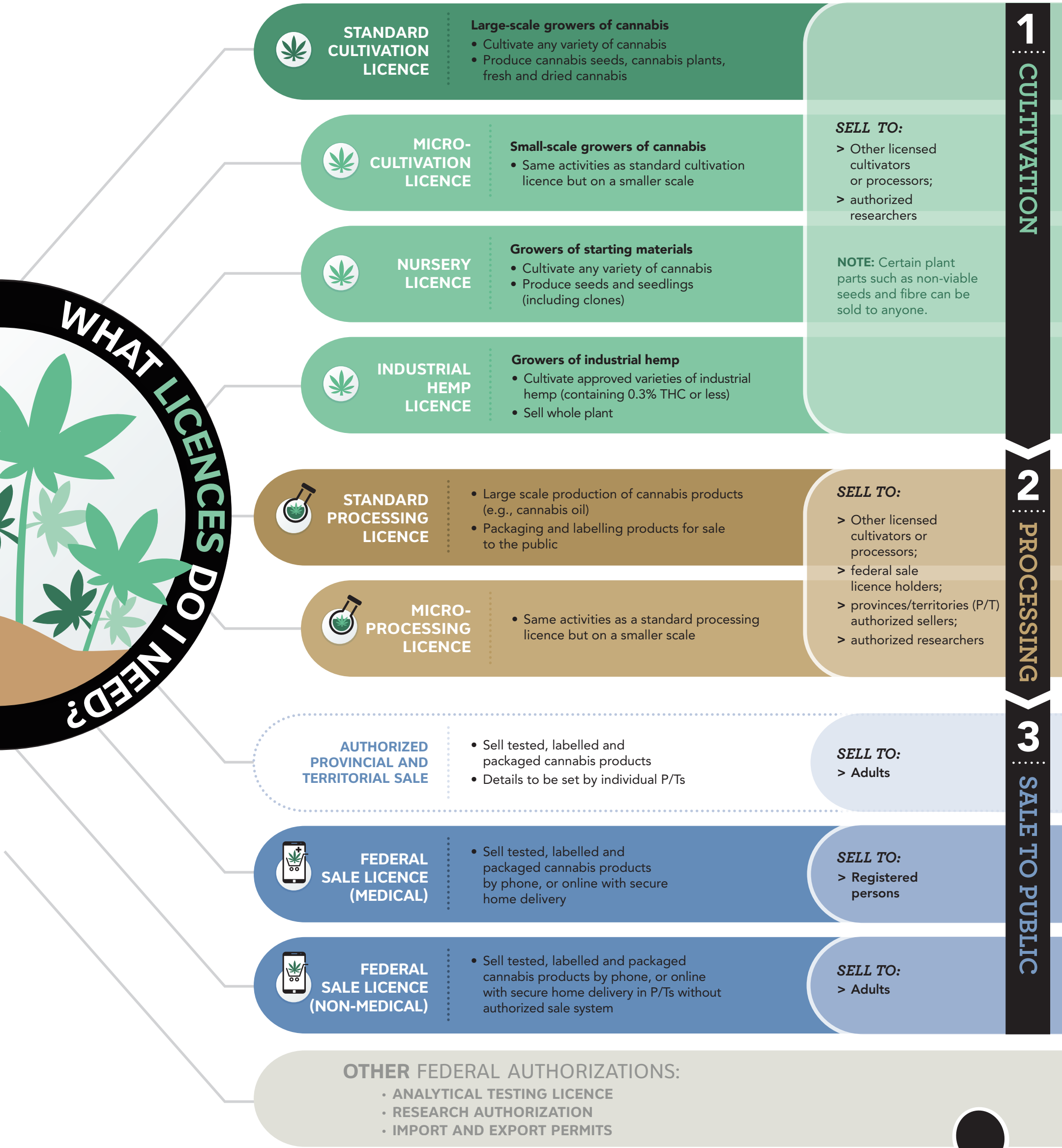
READ A FIRST TIME this	20 th day of	SEPTEMBER, 2017.
FIRST READING RESCINDED this	18 th day of	APRIL, 2018.
READ A FIRST TIME, as amended, this	18 th day of	APRIL, 2018.
READ A SECOND TIME this	18 th day of	APRIL, 2018.
PUBLIC HEARING held on the	day of	, 2018.
READ A THIRD TIME this	day of	, 2018.
ADOPTED this	day of	, 2018.

Jack Crompton
Chair

Kristen Clark
Corporate Officer

SUPPLY CHAIN FOR THE COMMERCIAL PRODUCTION AND SALE OF CANNABIS

Proposed Federal Licences



ADDITIONAL NOTES:

ALL FEDERAL LICENCE HOLDERS CAN CONDUCT RELATED ACTIVITIES SUCH AS:

- possession, transportation, storage, destruction, and intra-industry sales.

INDIVIDUALS OR ORGANIZATIONS MAY HOLD ONE OR MULTIPLE CLASSES OF LICENCES, WITH SOME EXCEPTIONS:

- A federal licence is required to obtain an import/export permit (for scientific or medical purposes, or in respect of industrial hemp)



PROPOSED REQUIREMENTS

FOR CULTIVATION, PROCESSING, AND FEDERAL SALE LICENCES



REQUIREMENTS

	CULTIVATION LICENCES				PROCESSING LICENCES		FEDERAL SALE LICENCES (medical and non-medical)	
	Standard	Micro	Nursery	Hemp	Standard	Micro	Cannabis on-site	No cannabis on-site
LOCATION								
Indoor	✓	✓	✓	✓	✓	✓	✓	✓
Outdoor	✓	✓	✓	✓				
PHYSICAL SECURITY								
Perimeter of the site								
Physical barriers (for example, walls or fences with secured entry points) to prevent unauthorized access	✓	✓	✓		✓	✓	✓	
Visual monitoring, keep recording for 1 year	✓				✓		✓	
Alarm or other intrusion detection system	✓				✓		✓	
Indoor areas on-site where cannabis is present, excluding growing areas								
Physical barriers to prevent unauthorized access	✓	✓	✓		✓	✓	✓	
Visual monitoring, keep recording for 1 year	✓				✓		✓	
Alarm or other intrusion detection system	✓				✓		✓	
Access restricted to employees to perform job duties (e.g., key card, key)	✓	✓	✓		✓		✓	
Additional requirements for areas where cannabis is stored								
Identity recorded of every person entering or exiting the area	✓				✓		✓	
PERSONNEL SECURITY CLEARANCE								
Specified employees must hold a valid security clearance	✓	✓	✓		✓	✓	✓	✓
GOOD PRODUCTION PRACTICES								
Clean equipment	✓	✓	✓	✓	✓	✓		
Sanitation of indoor areas	✓	✓	✓		✓	✓		
Analytical Testing (microbial contamination, heavy metals, pesticides, THC, CBD) (limited requirements for hemp)	All cannabis will be tested prior to processing, packaging, and sale →				✓	✓		
Quality Assurance Person					✓	✓		
REPORTING AND RECORD KEEPING								
Maintain records and report information that, for example, demonstrates compliance with good production practices and describes product recall activities and adverse effects.	✓	✓	✓	✓	✓	✓	✓	✓
CANNABIS TRACKING SYSTEM								
Report information with respect to production levels, inventory amounts, and sales volume.	✓	✓	✓	✓	✓	✓	✓	✓