



Our Municipality and the Regulation of Cannabis

FREQUENTLY ASKED QUESTIONS

How does the City currently regulate recreational (non-medical) cannabis in Prince Rupert?

Zoning:

The City currently has zoning regulations that specifically apply to commercial (recreational) retail sales and commercial (recreational) growing of cannabis. **Note**—this section **does not apply to the growth or sales of medical cannabis**, which is regulated by Health Canada. (See other side of page for information on regulation of medical cannabis).

In our Zoning bylaw, there are two different uses that we regulate pertaining to Cannabis—Cannabis Retail Sales and Commercial Cannabis Operations.

In 2018 the recreational use of cannabis was made legal by Provincial legislation. Following public notification and input, the City put into place zoning regulations that permitted the retail (not growth) of recreational cannabis in our downtown area. These new regulations restricted the retail sale of recreational cannabis to the downtown and Cow Bay areas only. In addition, the Bylaw restricted the number of retailers, stating that no Cannabis Retail Store may occur within 75 meters of another.

CANNABIS RETAIL SALES means a business under the regulations of the Cannabis Control and Licensing Act and where the principal business is the retail sales of Cannabis for consumption off site and includes government and private stores.

COMMERCIAL CANNABIS OPERATIONS means cannabis cultivation, propagation and processing for retail purposes

When the City updated our Zoning Bylaw in 2021, we also included restrictions on commercial growing of recreational cannabis. Commercial cannabis operations are only permitted in M2 (General Industrial) and M3 (Waterfront Industrial) zones and must be contained within enclosed buildings.

Recreational cannabis grow operations for retail purposes are also prohibited use as a home occupation in our Zoning Bylaw. However, individual residents are permitted to grow up to four plants for personal use, as permitted by the new Provincial Cannabis Act.

Business Licensing:

In 2018, at the same time our Zoning was amended, the City also updated our bylaws to include a new fee structure and Council consideration process for when we receive application referrals for commercial cannabis retail licenses from the Liquor and Cannabis Regulation Branch (LCRB). To obtain a municipal business license, applicants must:

- Go through a public notification and feedback process, with that feedback provided to Council prior to the granting of a license.
- Provide a detailed security plan, written proof from the Fire Chief that all fire safety standards are met, and owners and staff must provide criminal record checks and be free of convictions under the Controlled Drugs and Substances Act for a period of 10 years.

Council will make a determination on granting a business license based on public feedback as well as the above-provided information. The LCRB will not approve a retail license for a business that has not first received approval from the local government. In addition, growth of cannabis on site, drive through and delivery sales are not permitted, and operators must pay a business license application fee of \$5,000 and annual renewal fees of \$2,500 to the City.

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How is the growth of medical cannabis regulated?

The Federal government exercises sole authority over the regulation of medical cannabis, including by authorizing individuals and entities to produce medical cannabis. This licensing framework is overseen by Health Canada, who maintain a record of all medical growing licenses, the number of plants permitted, and location information.

The Federal government allows adult medical cannabis users to register for authorization to produce medical cannabis for their own purposes. Designated growers may grow medical cannabis for up to two authorized users, and one site may only be authorized for the production cannabis for up to four registered users. This type of cannabis production may occur in dwellings, as well as outdoors. There is no process for notifying local governments of this type of cannabis production.

Why is it challenging to regulate medical cannabis for municipalities?

Growth of medical cannabis is a right that is Federally protected, and so the municipality cannot unduly restrict an individual's right to medical access to cannabis by prohibiting it in certain areas—like we might otherwise do with zoning regulations.

In addition, due to individual privacy rights, Health Canada does not provide the City access to information on locations where cannabis growing operations are licensed for medical purposes, as well as the number of plants they are permitted to grow. It can therefore be challenging to know which operations are operating legally or illegally, or where they are to be able to conduct inspections of the premises for fire safety or other health and safety concerns. Although this information can be shared by Health Canada with law enforcement—this is only permitted if there is an investigation being pursued into suspected illegal activity.

What can the municipality do?

Given the principle of paramountcy of Federal as well as Provincial law over Municipal law, local governments can regulate, but not prohibit, the growth of cannabis for medical purposes. Based on Council's decision at the May 30th meeting, staff will be proceeding to develop a bylaw to regulate cannabis cultivation through the use of nuisance (odor) considerations as well as imposing building code, electrical code and fire safety regulations. Any updates to new or existing Bylaws will need to ensure there is no conflict with Federal or Provincial legislation and the supremacy of the Canadian Charter of Rights and Freedoms is recognized. Once the Bylaw(s) come into effect, the City will have additional mechanisms in place to enforce community standards for nuisance as well as health and safety.

How can community members and the municipality flag potential cannabis grow ops operating illegally in our community?

Community members and municipalities who are concerned about potential illegal cannabis growing operations in their respective communities can register a complaint with Health Canada using the location address of the potential site. If you have concerns about an operation, we encourage you to use this mechanism for reporting.

The Health Canada cannabis reporting portal, is available online at:

<https://health.canada.ca/en/health-canada/services/drugs-medication/cannabis/recalls-adverse-reactions-reporting/reporting-form.html>

Have more questions?

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