

In October 2018, the Federal Government legalized, regulated and restricted access to cannabis through the *Cannabis Act*. Under federal law, the Government of Canada established:

- Adults can possess up to 30 grams of legally-produced cannabis
- Adults can grow up to four cannabis plants per household
- Licensed production of cannabis is controlled by the federal government
- Distribution of medical cannabis is controlled by the federal government
- Distribution and sale of recreational cannabis is controlled by the provincial government
- New provisions to address impaired driving and enforcement of illegal operations

The Village of Cache Creek is undertaking a process to develop a regulatory framework for the licensed retail sales, licensed production and consumption of cannabis within our community.

Why are we undertaking this process?

Currently, there are no municipal regulations to deal with legal or illegal cannabis businesses within the Village. This framework will help establish measures to regulate cannabis businesses in the Village of Cache Creek and take enforcement actions against illegal operations. The municipal framework will work in concert with Federal and Provincial legislation to ensure that regulations are clearly outlined and easy to enforce. If the community is supportive of cannabis-related businesses, the Village will need to have regulations in place before they are authorized to operate here.

What is the current framework for cannabis use in the Village of Cache Creek?

Currently, the Village does not permit the sale and production of cannabis through its policies and regulations.

Public consumption of cannabis is limited by Provincial Legislation, which prohibits cannabis smoking everywhere that tobacco smoking is prohibited and everywhere that children commonly gather (playgrounds, sports fields, skate parks, etc.).

What is the process and timeline for the new municipal regulations related to cannabis businesses?

The Village is in the process of developing regulations for cannabis that involves several steps. Key milestones in the planning process are identified by the phases below and new regulations are anticipated to be in place by 2021.





| SUMMER | | | FALL | | | WINTER | |
|---|---------|-----------------------------|------|---------------------------------|---|-----------------------------------|--|
| Phase 1 | Phase 2 | | | Phase 3 | | Phase 4 | |
| Background ReviewPublic Engagement | | p framework p new Bylaws | • | Public review of draft Bylaw | : | Finalize Report Bylaw approval | |

Please note due to the dynamic nature of community planning projects, the schedule is subject to change.

How are residents of Cache Creek being consulted?

A public survey is available from September 8 – September 25, 2020 and interviews are being conducted with local business owners to determine if the community is supportive of fully licensed and regulated cannabis businesses and what measures need to be in place to make cannabis-related businesses work in Cache Creek.

What is the federal government's responsibility in cannabis sales and production?

Through the Cannabis Act, the federal government is responsible for instituting a federal licensing regime for cannabis production that enforces health and safety requirements and protect against the involvement of organized crime in the legal industry. All cannabis producers are required to obtain a Federal licence and abide by Health Canada's regulations which include mitigation of odours and strict health and safety/security measures.

The federal government also regulates how cannabis or cannabis-related products can be promoted, packaged, labelled and displayed to protect youth; industry-wide rules on cannabis products and production practices including tracking, and rules for distribution and sales to ensure a public health.

More information on Federal Cannabis laws and regulations can be found here.

What is the provincial government's responsibility in cannabis sales and production?

In addition to their authority to establish legal age, possession, and personal cultivation regulations, provinces and territories control the distribution and retail sales of non-medical cannabis within their jurisdictions.

The BC Liquor Distribution Branch (LDB) is the sole wholesale distributor of non-medical cannabis for the province and operates standalone, public retail stores as well as an provides online sales. They only purchase non-medical cannabis from federally licensed producers.

The Liquor and Cannabis Regulation Branch (LCRB) is responsible for licensing private non-medical cannabis retail stores in British Columbia. It enforces rules governing retails stores similar to those in





place for liquor. Privately owned stores are not authorized to sell cannabis online. Cannabis sales are only permitted in licensed retail stores and product must be obtained from federally licensed producers.

More information on Cannabis Sales from the Province of BC can be found here.

What is the Village's responsibility in cannabis sales and production?

The Village can set a variety of regulatory measures to work in combination with Provincial and Federal legislation, including:

- Restricting where cannabis can be sold or grown, with the exception of cultivation in the Agricultural Land Reserve which can only be regulated and not restricted,
- Limit the hours that cannabis retail stores can operate or impose other conditions such as signage specifications,
- Establishing local zoning rules for cannabis-based businesses;
- Restricting where cannabis may be consumed (i.e. through Clean Air Bylaws); and
- Charging applicant fees to assess applications and complete required inspections.

Where can cannabis be grown?

Currently, the Federal Access to Cannabis for Medical Purposes Regulations allows the cultivation of cannabis (medical and recreational) within the Agricultural Land Reserve (ALR). Local governments cannot restrict cannabis production within the ALR so long as it is grown in an open field, in a structure that is soil-based or in an existing licensed operation. Local governments can, however, prohibit the development of industrial-style, cement-based and bunker-style cannabis production on ALR land.

Additionally, adults are allowed to grow up to four cannabis plants per household, but the plants must not be visible from public spaces off the property. Home cultivation of non-medical cannabis is banned in dwellings used as daycares. Landlords and strata councils are also able to restrict or prohibit home cultivation.

The application process to apply to become a licensed cannabis producer is strictly through the federal government. It is the responsibility of the federal government to notify the municipality of any new application in order to provide the local government with an opportunity to provide comment.



Who will regulate cannabis sales?

The Liquor and Cannabis Regulation Branch, formerly the Liquor Control and Licensing Branch, is responsible for licensing non-medical cannabis private stores and monitoring the non-medical cannabis retail sector in B.C. It governs retails stores similar to those currently in place for liquor.

The Liquor and Cannabis Regulation Branch consults with the municipalities on each application submitted for a retail sales licence. The municipality will be required to consult with the community on each application. Applications will only be approved by the Liquor and Cannabis Regulation Branch if written support from the municipality is provided.

What is the application process for retail stores?

If the Village approves specific zoning for recreational cannabis retail, stores will be required to submit a licence application to the Liquor and Cannabis Regulation Branch (LCRB). When an application is received, the LCRB will notify the Village of the area where the proposed store will be located. Upon receipt of notice, the Village can:

- Choose not to make any recommendation in respect of the application for a cannabis retail store licence (Note: this would end a licence application in progress because the LCRB cannot issue a licence unless the local government gives the LCRB a positive recommendation that the licence be issue). Or,
- Choose to make comments and recommendations in respect of an application for a cannabis retail store licence.

If the local government chooses to make a comments and recommendation on the licensee's application to the LCRB, it must gather the views of residents (this can be through public hearing, public notification period or another means). If it makes a recommendation to deny the application, then the LCRB will not issue the licence.

What security measures must be in place for a cannabis retail store?

A cannabis retail store must, at a minimum, have the following security requirements:

- 1. An audible intruder alarm system monitored by a third-party
- 2. An audible fire alarm system monitored by a third-party
- 3. Locked retail display cases
- 4. Locked storage room
- 5. Secure perimeter door locks
- 6. Security cameras with full unobstructed view of:
 - a. the retail sales area





- b. any product storage area
- c. both the interior and exterior of all store entrances/exits.

How do cannabis retail stores obtain their product?

All non-medical cannabis products are distributed through the BC Liquor Distribution Branch. As with alcohol sales, retail businesses will not be permitted to grow their own product or source it from a third-party.

What are the economic impacts of cannabis-related businesses?

Municipalities across Canada have seen a range of benefits and challenges associated with cannabisrelated businesses. Licenced producers, retail operators and the municipalities they operate within have been responding the changing market since legalization of recreational cannabis in 2018.

Provincial tax from the sale and production of cannabis also benefits municipalities as it is redistributed from the Province. Employment has been a major local benefit of both retail and production cannabis businesses in Canada.

Watch a video from the Province of BC about the value add of cannabis -Link

How can I open a cannabis business in the Village of Cache Creek?

Currently, cannabis use, production and sales are prohibited within the Village of Cache with the except of those production operations conforming to rules within the ALR. The Village is working on a regulatory framework and plans to have this in place by 2021. If the community is supportive of cannabis-related businesses within the Village, the framework will identify zoning and business licensing requirements for opening a cannabis business in Cache Creek. The direction of the legislative framework will be identified following the community consultation phase.

Non-medical cannabis will only be sold in standalone cannabis retail stores, and will not be sold alongside other products, such as liquor.

When can private retailers apply for a license?

The Village will not review applications for cannabis retail stores prior to the development and implementation of local-level regulations which are anticipated to be in place early 2021.

In addition, all applicants must also would be required to apply to the Liquor and Cannabis Regulation Branch for a private non-medical cannabis retail store licence through the <u>cannabis</u> <u>licensing application portal</u>.





Where can I find more information on cannabis for medical and non-medical purposes?

There are several sources of government information on cannabis for medical and non-medical purposes. Here are a few:

Government of Canada - Cannabis Legalization and Regulation https://www.justice.gc.ca/eng/cj-jp/cannabis/

Cannabis Act - Get the Facts:

https://www.canada.ca/en/services/health/campaigns/introduction-cannabis-act-questions-answers.html

Health Canada Cannabis Legalization and Regulation Facts:

https://www.canada.ca/en/services/health/campaigns/legalizing-strictly-regulating-cannabis-facts.html

Province of British Columbia – Get Cannabis Clarity: https://cannabis.gov.bc.ca/

Understanding the Access to Cannabis for Medical Purposes Regulations:

 $\frac{https://www.canada.ca/en/health-canada/services/publications/drugs-health-products/understanding-new-access-to-cannabis-for-medical-purposes-regulations.html}{}$

Cannabis Distribution System in B.C. http://www.bcldb.com/cannabis



Tel: (250) 457-6237

Fax: (250) 457-9192