

# **Report on Ontario Cannabis Legislation, Cannabis Retail Stores, and Response to Council Direction of August 29, 2018**

**December 5, 2018**

# Introduction

- **Purpose of the report:**
  - To provide Council with an update on Ontario's cannabis laws, the provincial framework for private retail cannabis stores, and responses to Council direction of August 29, 2018
  - To recommend that City Council allow cannabis retail stores in Ottawa next April 1, 2019
- **Direction to Staff of August 29<sup>th</sup>:**
  - Update on Cannabis laws, associated regulations and analysis of municipal powers
  - Summary of outreach to AMO, Government of Ontario, City of Toronto and Ottawa Public Health
  - Outline of work to date of the City's Integrated Cannabis Legalization Team
  - Analysis of implications of the opt-out option
  - Results of the public opinion polling and online survey
- **January 22, 2019 deadline to opt-out**
  - If Council does not opt-out by deadline, retail cannabis stores are allowed (*opt-in* by default)

# Cannabis Legalization

- Federal Government legalized access to recreational cannabis across Canada on October 17, 2018
- Both Federal and Provincial rules apply:
  - In Ontario, legal age is 19 (to buy, possess, consume or grow)
  - 30 grams possession limit
  - 4 plants per residence
  - Medical cannabis still regulated by separate Federal regime
- How cannabis is sold in Ontario is controlled entirely by the Province:
  - As of October 17, 2018: online only through the Ontario Cannabis Store
  - As of April 1, 2019: private retail stores in municipalities that allow them

# Key Dates

April 2017

Nov 2017

June 7

June 21

Aug 13

Aug 29



Federal  
*Cannabis Act*  
introduced

Ontario legislation  
enacted;  
government-run  
stores planned

Provincial  
election

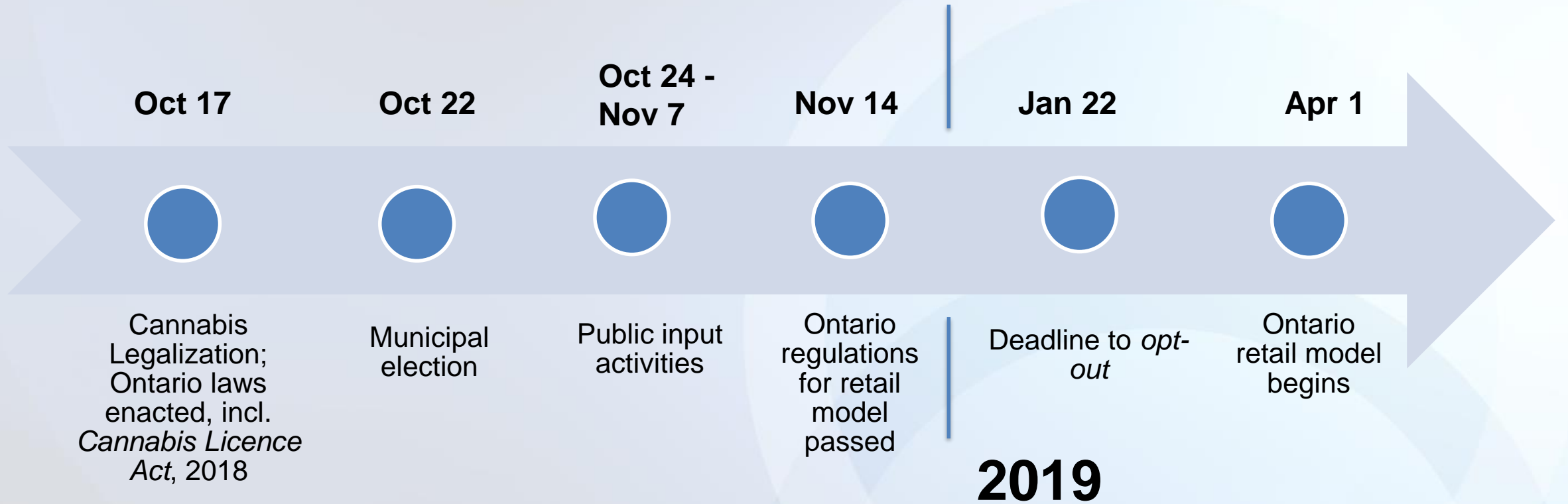
Federal  
*Cannabis Act*  
enacted

Ontario announces  
new private retail  
model

Council  
direction to  
staff

**2018**

# Key Dates Continued



# Cannabis Implementation Work

- City of Ottawa's Integrated Cannabis Legalization Steering Committee and Operational Team
  - Established in October 2017
  - Response readiness and coordination for legalization among City departments and partners
  - Cannabis information page on Ottawa.ca
  - Public and internal communications on cannabis
  - Collaboration with OPH, OPS, Ottawa Community Housing
- Outreach on private retail model – AMO, City of Toronto, Ottawa Public Health
- Outreach to Ontario Attorney General, Minister of Finance



# Ontario Private Retail Model

- Private cannabis retail stores to be operational on April 1, 2019
- Alcohol and Gaming Commission of Ontario (AGCO) licenses and regulates
- AGCO approves store locations, no cap on numbers in an area
- No municipal role except a 15 calendar day comment period on applications received by the AGCO
- 3 types of licences (retail operator licence, retail store authorization, cannabis retail manager licence)

## **AGCO Regulations:**

- Criminal/financial checks
- 150m separation distance from schools
- Training for cannabis retailers
- 75 licenses per owner
- No minors allowed in store(s)
- No external view of store(s)
- Stand alone stores can operate between 9:00 – 23:00
- Packaging & marketing restrictions, and provision of product information

# Mechanics of Opting-Out of Cannabis Retail

Set out in  
*Cannabis  
Licence  
Act, 2018*

## Opting-out ❌

- Municipalities have a one time opportunity to opt-out
- If a municipality decides to opt-out, it can only reverse this decision once
- To opt-out, the AGCO Registrar must receive written notification by January 22, 2019

## Opting-in ✅

- If Council does not opt-out by January 22, 2019, retail cannabis stores are allowed (*opt-in* by default)
- If a municipality decides to *opt-in*, there is no reversing the decision (cannot opt-out at a later date)
- Access to additional provincial funding



# Results of Public Input Exercise

## EKOS Randomized Telephone Survey

- 803 Ottawa residents surveyed
- Results were slightly in favour of having cannabis retail stores in Ottawa:
  - 48% support
  - 43% oppose
  - 7% undecided
  - 2% prefer not to answer
- 1 in 8 residents expect to purchase cannabis within next year
- 88% of those who will purchase prefer to buy in store

## Online Survey

- More than 23,000 responses received: 15,888 responses were made from within Ottawa
- Results were highly in favour of having cannabis retail stores in Ottawa:
  - 78% support
  - 20% oppose
  - 1% undecided
  - 1% prefer not to answer
- More than 7,900 respondents expect to purchase cannabis within next year
- 87% of those who will purchase prefer to buy in store

# Why Allow Cannabis Stores in Ottawa?

1. Deter black market and crime (OPS)
2. Economic development opportunity (PIED)
3. Public health considerations, such as quality control of product (OPH)
4. Public input results
5. Access to additional provincial funding

## Experience in Ottawa so far...

- **3-1-1:** 11 calls, primarily service requests for information on places of consumption and sales
- **Police:** Generally number of cannabis-related incidents has not increased significantly post legalization; focus on driving offences and youth access continues
- **Paramedics:** No information that would indicate an increase in cannabis-related issues
- **Ottawa.ca cannabis webpages:** 7,156 total visits

# Summary

- Recreational cannabis legal as of October 17, 2018
- Cannabis product and sales highly regulated by Federal and Provincial Governments
- Province controls all sales, retail regime - AGCO to license and regulate private cannabis stores
- No municipal role except to provide local comment on applications received by the AGCO
- Deadline is January 22, 2019 to opt-out
- If opt-out, can only reverse once
- If *opt-in*, cannot opt-out at a later date