



Interim Control By-Law

What is an Interim Control By-law (ICB) ?

- Prohibits the use of land, buildings or structures within the municipality or within the defined area or areas thereof (Section 38 of the *Planning Act*)
- Results in a temporary freeze on some land uses while the municipality is studying or reviewing policies
- The freeze can be imposed for only a year, with a maximum extension of another year
- There is no ability to appeal an interim control by-law when it is first passed, however, an extension to a by-law may be appealed

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Why Are We Recommending an Interim Control By-law?

- With the recent legalization of cannabis, there has been an influx of inquiries with respect to establishing cultivation operations
- Cannabis crops are not differentiated from other agricultural crops by the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA)
 - Currently, greenhouses & any other agricultural buildings included in Cannabis cultivation are subject to the same requirements in Lincoln's Zoning By-law and Official Plan as any other agricultural development
- Evolving regulatory landscape at Provincial & Federal levels
- Regular community input & concern over regulations
- Opportunity to assess & implement options for Lincoln to regulate cannabis cultivation
- Places a hold on this devolvment until the Zoning By-law update study is complete

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How Does an Interim Control By-Law Affect Current Operations?

- The interim control by-law includes wording to prohibit existing non-cannabis producing greenhouse operators from switching crops to cannabis subsequent to its passing
- However, licensed cannabis cultivation operations in existence prior to passing of the interim control by-law will not be affected by it
- Existing cannabis cultivation operations must adhere to Health Canada requirements associated with their license. If the license was issued under legislation that has since been updated, adherence to the most recent legislation that includes more stringent controls on odour and security will be required upon renewal. The timing of renewal requirements has not yet been made clear

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How Will the Zoning By-law Update Affect Current Operations?

- The update to the Zoning By-law cannot be implemented retroactively, meaning that the cannabis cultivation operations in existing prior to the implementation of the Zoning By-law update will not be subject to new requirements
- New Zoning By-law requirements for cannabis cultivation included in the comprehensive update will apply on a go forward basis to all new development as well as existing non-cannabis facilities looking to convert their operations to produce cannabis

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Timelines

Timeline	Activity
January 2019 – January 2020	• Period of Interim Control By-law (if approved by Council)
Early 2019	• Retain a third party consultant to conduct review • Consultant to initiate a comprehensive review and update the Town's Zoning By-law • Extensive public engagement as core element of study
At Council's discretion	• Should information change or the study be completed earlier than anticipated, Council may lift the Interim Control By-law

Cannabis Retail Operations

Overview

Cannabis Retail Operations – Key Aspects of Bill 36

- Provides a framework for licensing of cannabis retail stores and associated management functions
 - including managing staff, purchase of stock, oversight and coordination of sales, & managing compliance issues in relation to sales
- Empowers the Alcohol and Gaming Commission of Ontario to manage & enforce the licensing process while police forces will enforce illegal storefronts
- Challenges:
 - Current legislation does not seem to consider municipal official plans, zoning approvals and licensing by-laws
 - Currently unclear where retail stores will be required to be located
 - Other than the decision to opt-in or out, the role of municipalities in the retail licensing process is unclear and seems minimal, including by-law enforcement's role

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Cannabis Retail – Recent Regulatory Updates

November 2018	• The Province passed regulations to try and protect children and youth • Minimum distance of 150 metres, approx. 500 feet between cannabis retail stores & schools
December 2018	• Subsequent to the preparation of staff report PD-01-19, the Province announced that the provision of licenses will be phased • Only 25 cannabis retail licenses being provided by April 2019, through a lottery, due to product supply shortages (duration of shortage unknown) • No licenses will be issued in municipalities with populations of 50,000 or less • It is currently unknown when the next phases of licenses will be issued

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Opt-in or Opt-out Cannabis Retail Operations – Bill 36

- Municipalities have a one-time opportunity to opt-out of the potential for licenses to be issued for retail operations within their boundaries
- If opt-out, can opt back in at any time. If opt-in, cannot opt-out at a later date
- This decision by Council resolution is required to be made by Jan. 22, 2019.

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Opt-in or Opt-out Cannabis Retail Operations – Bill 36

Funding implications:

- The Province has committed to an overall total of \$40 million in municipal funding to address local implementation costs
 - Two payments, each on a per household basis – January & April
 - January 2019 - Lincoln is \$11,759
 - April 2019 (approx.)
 - Same formula as January payment for municipalities that opted-in.
 - Municipalities that opted-out will receive \$5,000 only
- If Ontario's portion of the federal excise tax on recreational marijuana over the first two years exceeds \$100 million, the Province will give half of the surplus to municipalities that have opted in
- If a municipality decide to opt-out and then decides to opt-in later, it will not be eligible for funding on a per household basis or any additional funding after that, including the federal excise duty surplus.

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Next Steps

- If Interim Control By-law is approved:
 - The Zoning By-law review process is initiated
 - Notification will be provided to stakeholders & members of public to include opportunities to provide input throughout the review process
 - By-law Officers will enforce implementation & receive input pertaining to any potential contravention
 - Development approvals will not be issued pertaining to Cannabis cultivation during By-law period
- If Council approves Opting-out of retail operations:
 - Staff will continue to monitor legislative updates pertaining to Cannabis retail operations and report back to Council, as required
 - Since no retail licenses will be issued in Lincoln for the first phase, staff will seek to get more clarification into timing of future phases that could impact the decision whether or when to opt-in