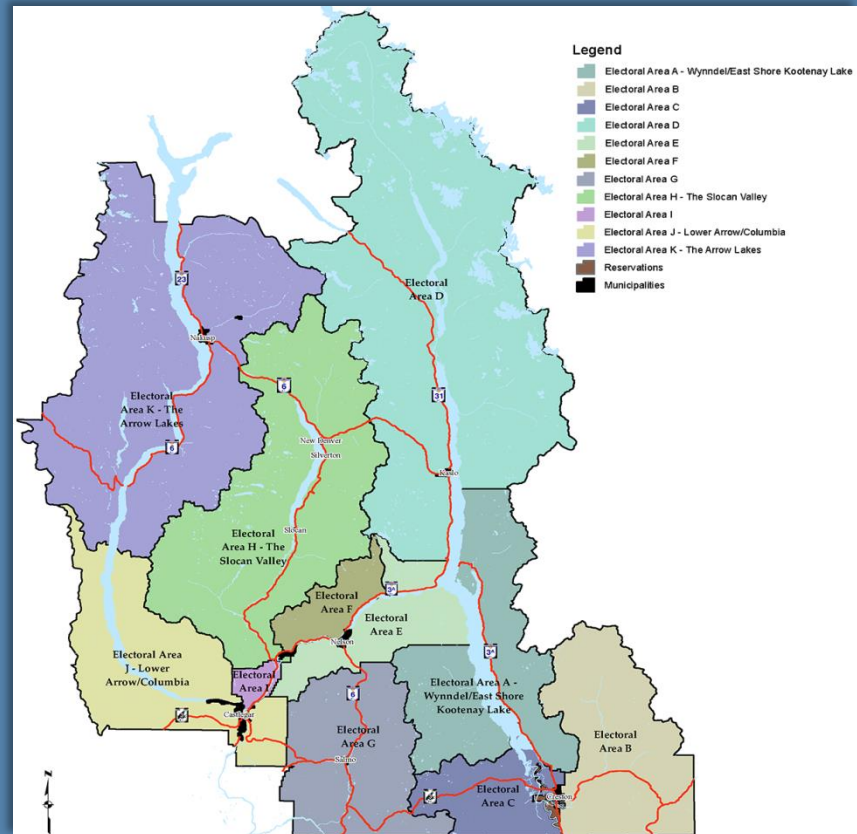




ROLE OF LOCAL GOVERNMENT IN CANNABIS INDUSTRY

To ensure a safe sustainable transition into a new green economy within the Kootenay Region by assisting producers, retailers and the business community in navigating the complexity of federal, provincial and local government regulations as they pertain to the industry





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Legal Framework for Cannabis in Canada

- 1999 Section 56 Exemptions under the *Controlled Drugs and Substances Act*
- 2001 *Marihuana Medical Access Regulations* (MMAR)
- 2013 *Marihuana for Medical Purposes Regulation* (MMPR)
- 2016 *Access to Cannabis for Medical Purposes Regulations* (ACMPR)
- 2018 Pending *Cannabis Act*



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Cannabis Industry in Central Kootenay

- Outdoor cultivation historically widespread in the Kootenay region but has been reduced significantly since 2010 by an estimated 80% due to changing market preferences and a reduced market south of the border following legalization
- Estimated 2,000 production facilities – the majority under ‘Designated Person Production Licenses’ under the now defunct MMAR (up to 20% of BC’s total production)
- One Licensed Producer in West Creston
- Storefront Retailers – Seven in Nelson, one in Creston and two proposed for Salmo and Kaslo



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Role of Local Government under ACMPR (Current)

- Local government notified by *Licensed Producers* and facilities are subject to local government land use regulations
- Enabled on *Agricultural* and *Industrial* zoned properties throughout the RDCK
- Local government is not required to be notified for individuals with a '*registration certificate*' intended for personal and designated cultivation but law enforcement is provided the location and maximum limits of production
- Local government may be involved with *Building Code* requirements to ensure safe building standards are followed



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Role of Local Government under proposed *Cannabis Act* for Cultivation and Processing

- Licensed producers will continue to be required to notify local governments, fire departments and law enforcement similar to current LPs with exceptions for industrial hemp and analytical testing and research
- Indoor and outdoor cultivation will be permitted subject to security requirements
- Licensed activities will not be permitted in residential dwellings
- Further detail on production licensing is expected in April or May of 2018



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Role of Local Government under proposed *Cannabis Act* for Retail for Medical and Recreational Purposes

- Licensed producers will not be enabled to have farm gate sales – distribution will be through LCBO
- Sale for Medical Purposes will continue to be direct to registered clients through secure delivery by mail or courier
- Sale of cannabis products for Recreational Purposes will be through private and public retailers through licensing with LCBO
- Current retailers will not be ‘grandfathered’ and are subject to the same requirements as new applicants
- Retailers will be subject to local land use regulations and business licensing